PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 418 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

THIRD SESSION OF THE FIFTY-THIRD PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
FIFTY-THIRD YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2003–04

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23 February 2004

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE THIRD SESSION OF THE FIFTY-THIRD PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 13 JUNE 2001]

FIFTY-THIRD YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 418**

FOURTH VOLUME OF SESSION 2003–2004

House of Commons

Monday 23 February 2004

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

HOME DEPARTMENT

The Secretary of State was asked—

Victims of Crime

1. **Sue Doughty** (Guildford) (LD): What plans he has to widen access to compensation for victims of crime. [155743]

The Minister for Crime Reduction, Policing and Community Safety (Ms Hazel Blears): On 12 January we issued a consultation paper, "Compensation and Support for Victims of Crime", which invites views on proposals for amending the criminal injuries compensation scheme and for encouraging the wider and more effective use of compensation orders made by the criminal courts in the victims' favour. We will consider how best to proceed when all the responses to the public consultation have been carefully analysed.

Sue Doughty: I thank the Minister for her response. Does she agree, however, that proposals to link punishment and compensation with driving offences are particularly unfair on drivers who may not commit other crimes, and that it would be better to link punishment and compensation with the crimes that take place? It is unfair to fine motorists for the purposes of compensation in respect of other kinds of criminal activity.

Ms Blears: The hon. Lady raises an issue that has been the subject of much speculation. I can reassure her that motorists are not singled out in our proposals. In setting up a victims' fund, we have to ensure that we strike the right balance between the taxpayer and the offender. Speeding is connected to some 1,100 deaths a year in this country, so it is a significant problem. It may well be appropriate to ask motorists, together with other people who commit criminal offences, to make a small payment towards the establishment of a victims' fund that can provide much better services for victims.

Mr. Lindsay Hoyle (Chorley) (Lab): Will my hon. Friend consider ensuring that people who are guilty of committing crimes contribute more, instead of relying on the state to fund those poor victims who have suffered? That would be one way to ensure that we get fairness and justice for the victims of crime.

Ms Blears: My hon. Friend makes an important point. As he will know, restorative justice is an important thrust of Government policy: we want to ensure that those who commit offences have to make reparation to their victims and thereby have a stake in the system. Our criminal injuries compensation scheme is the most generous in the whole of Europe. We pay out more compensation than all the other EU member states added together—last year, we paid out £232 million. As my hon. Friend suggests, we must try to strike the right balance between funding by the taxpayer and what is contributed by offenders.

Mr. Mark Oaten (Winchester) (LD): Can the Minister confirm that under the Government's new

arrangements for compensating victims, police and other public sector workers will still be able to make claims in respect of injury at work? Last year, more than 3,000 such claims were made, many as a result of very grave actions. What would happen to those individuals under the Government's new scheme?

Ms Blears: As the hon. Gentleman will be aware, this is a consultation document and we are consulting employers, the insurance industry and a whole range of people with an interest in the matter. People in employment can obtain compensation in three ways: they can get a compensation order from the court; they can, and always have been able to, sue for civil damages for personal injuries caused as a result of such incidents; or they can get an award through the Criminal Injuries Compensation Authority. Through the consultation process, we are exploring the right balance between contributions from employers and from offenders, as well as the right to pursue civil damages through the court system. It is a complex area. Of course we want to ensure that people who are injured in the course of their duties have the maximum amount of protection, but it may well be appropriate for employers to play a bigger role in future.

Asylum Applications

2. **John Robertson** (Glasgow, Anniesland) (Lab): If he will make a statement on the backlog in processing applications for asylum. [155744]

The Minister for Citizenship and Immigration (Beverley Hughes): We continue to make good progress. At the end of September 2003, the latest date for which published data are available, the number of asylum applications awaiting an initial decision had fallen to 29,100—the lowest for a decade—and I anticipate that the asylum statistics that are to be published tomorrow will demonstrate further progress. We are determined to reduce the number of outstanding applications to normal work-in-progress levels and, at current intake and output levels, we expect to do so during the course of this year.

John Robertson: My right hon. Friend will be aware of the three asylum seekers in Glasgow who stitched up their mouths and went on hunger strike. Their applications for asylum were rejected, yet they have still not been sent back to Iran. These are not the first cases of that type, so what does my right hon. Friend intend to do about such people?

Beverley Hughes: I am aware of the case that my hon. Friend raises. Of course, like him, I very much regret the action that the men have taken. He will understand, however, that if a person's claim has been refused and, as in this case, subsequently refused at independent appeal, they are not eligible to remain in the UK and must return home. Clearly, there are difficulties in returning people forcibly to some countries, Iran being one of them, although that does not mean that they cannot go home voluntarily. We are working hard to open up returns agreements with several countries, including Iran—indeed, we are the only country so far to have returns agreements with India, Afghanistan and Sri Lanka—and we are making very good progress.

David Davis (Haltemprice and Howden) (Con): While we welcome the Minister's announcement of the reduction in the asylum backlog, does it not result partly from a Government policy of deliberately ignoring illegal immigrants who would otherwise claim asylum? Is she aware of reports in the national press last year that stated that an immigration service directive was in operation, calling on officials to soft-pedal on investigations into illegal immigrants?

An immigration officer told one newspaper:

"The message from senior bosses was that we should not 'look for illegals'. When we asked why, we were told that once they were detained, they would simply ask for asylum and we would be making their job easier."

Can the Minister state categorically that she is confident that such a memo does not exist?

Mr. Speaker: Before the Minister replies, I should stress that although I am reluctant to say this to Front-Bench Members, I have often told Ministers to be brief in their responses. I also expect brief questions.

Beverley Hughes: I am glad that the right hon. Member for Haltemprice and Howden (David Davis) acknowledges that the figure of 29,000—I am sure that it will be lower by tomorrow—is much lower than 54,500, which represented the Conservative party's backlog in 1997. I categorically reject the assertion that we have asked staff to soft-pedal on illegal immigration to protect the asylum target. If the right hon. Gentleman had done his homework more thoroughly, he would realise that the evidence does not support that claim.

Non-asylum removals have increased from 3,500 in 1997 to more than 8,000 in 2002—the latest date for published figures. Operation Reflex is co-ordinating operations against organised criminal activity and immigration and has disrupted 60 criminal groups. The number of staff in immigration enforcement and removal has increased from 1,670 to 2,500 and the budget has increased by £40 million. The question that the right hon. Gentleman has to answer is whether he can commit the necessary resources—

Mr. Speaker: Order. I call David Davis.

David Davis: Thank you, Mr. Speaker. You will have noticed that I did not get an answer—long or short—to my question. In view of that, let me ask the Minister another. After the Morecambe tragedy, the hon. Member for Morecambe and Lunesdale (Geraldine Smith) called for an inquiry into inaccurate and misleading information that the Home Office had given her. Will the right hon. Lady authorise that inquiry? Furthermore, will she empower it to determine whether the memos that I cited earlier exist? She did not answer my question about them. Are there any other policies of soft-pedalling action on illegal immigration?

Beverley Hughes: There is already an investigation, which I have authorised, into allegations about the information. I am grateful to my hon. Friend the

Member for Morecambe and Lunesdale (Geraldine Smith) for accepting that I faithfully reported to her the information that I was given. However, we will check for any disparity.

Again, I reject the allegation that there has been any ministerial instruction to soft-pedal on illegal immigration. Such an instruction would be completely counterproductive. Clearly, the way in which operational managers choose to deploy resources and make operational decisions about where need is greatest is for them. However, the overall picture shows that resources, operations and removals of illegal immigrants have increased. That is more than the right hon. Gentleman can say for the Conservative Government's record.

Kate Hoey (Vauxhall) (Lab): My right hon. Friend will know that many Zimbabweans are seeking asylum in this country. Is she aware of the concern that some of them, who have travelled here on South African passports, are being fast-tracked back to South Africa, where they are clearly not safe because of the Zimbabwean intelligence at work there? Will she assure us that no Zimbabwean will be sent back to either Zimbabwe or South Africa?

Beverley Hughes: No, I cannot give my hon. Friend that assurance. Clearly, if someone claims asylum here as a Zimbabwean but does so falsely on a false passport and is really South African, that person should be returned to South Africa. *[Interruption.]* I am afraid that that is happening in some cases. Conservative Members like to talk tough to the media about asylum and what they would do, but at every opportunity during the passage of legislation on undocumented and inadequately documented passengers that we want to introduce, they fail to support such measures. Indeed, all they have done is try to dilute them.

Norman Baker (Lewes) (LD): May I suggest that the processes for dealing with people who arrive unexpectedly in our country leave something to be desired? Is the Minister aware of the front page of the Brighton evening edition of *The Argus*, which— *[Laughter.]* Well, she ought to be, because it reported on two stowaways who arrived at Newhaven port in my constituency and were apprehended by the police and handed to immigration. The immigration service, apparently because it did not have enough staff, took the stowaways to Newhaven Harbour station and invited them to get on the train to Gatwick, changing at Lewes. Surprise, surprise—they are now anywhere but at Gatwick. Will the Minister look into that incident and find out why levels of immigration staff are so low at Newhaven, and why two people who were apprehended by the police were urged to escape into the country?

Beverley Hughes: On the face of what the hon. Gentleman has said, that incident appears unacceptable. However, I shall qualify that. Despite the substantial additional resources that we have put in, which I have just outlined and which mean that the immigration service can take on a large number of additional operations and is now removing more people than ever before, the service must also make decisions on the effective distribution of those resources between competing priorities. I do not know whether, at the time of that particular case, another operation was going on that was likely to yield many more illegal immigrants than those two. The immigration service has to make such operational decisions. However, I shall investigate the case that the hon. Gentleman raises and write to him on it.

Shopwatch (Warrington)

3. **Helen Jones** (Warrington, North) (Lab): If he will make a statement on the role of shopwatch schemes in Warrington in combating retail crime. [155745]

The Parliamentary Under-Secretary of State for the Home Department (Caroline Flint): The Home Office has provided more than £29,000 to assist retailers in the Warrington area, half of it to provide walkie-talkie radios for the Fearnhead and Poulton shopwatch project. There has been a 41 per cent. reduction in thefts from shops involved in that partnership. I congratulate my hon. Friend and those involved in the scheme.

Helen Jones: I am grateful to my hon. Friend for that answer. I am sure that she will agree with me that one of the scheme's main benefits is the protection and security that it provides for those who work in shops, and I therefore invite her to respond positively to the "Freedom from Fear" campaign run by the Union of Shop, Distributive and Allied Workers—USDAW—by looking at how such schemes can be extended and how further funding can be provided. Given that she has said that she would like to visit my local scheme, may I ask for her good offices in securing an early date for that visit so that she can see how well it is working, and discuss with the local police how it could be extended?

Caroline Flint: My hon. Friend is absolutely right. Violence against shop workers is very worrying, and USDAW has played an enormously important part in bringing that issue to public attention. My right hon. Friend the Home Secretary attended a conference organised by USDAW last year, and my hon. Friend the Member for Warrington, North (Helen Jones) is involved in the issue. My hon. Friend the Minister for Crime Reduction, Policing and Community Safety has met representatives of USDAW, and Baroness Scotland is due to meet the general secretary of USDAW very shortly. We are working with retailers and employees' representatives to try to deal with the situation, which is totally unacceptable. That is why we are putting £900,000 into creating a national association to develop more partnerships on the ground, as extensions of those that we have already funded.

Antisocial Behaviour

4. **Huw Irranca-Davies** (Ogmore) (Lab): What guidance he has issued on the use of antisocial behaviour orders and related powers to tackle nuisance behaviour. [155746]

The Secretary of State for the Home Department (Mr. David Blunkett): In January, we issued new guidance on the Anti-social Behaviour Act 2003. We have also set up the "together" action line, and we are establishing the

"together" academy to provide face-to-face training. We will ensure that in every part of the country—in every region, including in Wales—training and support will be available.

Huw Irranca-Davies: I thank my right hon. Friend for that answer. In the two years during which I have been a Member, the greatest bane of my life has been constantly trying to persuade local agencies, authorities and divisional commanders to use ASBOs and related powers. Will my right hon. Friend undertake to write to those people in my area to ensure that there is at least some use of those powers? In the past two years, there has been none whatever.

Mr. Blunkett: I can do even better than that. On Thursday, I am sending Baroness Scotland to engage in the big conversation in my hon. Friend's constituency: how to activate and use the new legislation against antisocial behaviour.

Miss Anne McIntosh (Vale of York) (Con): Does the Home Secretary share my concern that ASBOs, and the new contracts that are used prior to them, do not cover noise pollution and antisocial behaviour in public car parks? The provisions on noise pollution would cover such an incident on a private drive but not in a public car park. Will the Home Secretary use his good offices to review that, and make such incidents subject to ASBOs?

Mr. Blunkett: I am happy to investigate how environmental health powers could be used in such cases, and how more general noise nuisance provisions could be applied to sources of nuisance in car parks—for example where a local pub or club was not properly controlling or supervising what was taking place. I am happy to write to the hon. Lady on that.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): I thank my right hon. Friend for his replies. My own local authority, Sandwell, has pioneered ASBOs, having issued 16 to date with another nine in the pipeline. Its assessment is that they make a very positive contribution to tackling antisocial behaviour in the area. Has my right hon. Friend made an assessment of the percentage of ASBOs that are adhered to, and the percentage of those that are breached and result in custodial action, which is itself beneficial to the local community?

Mr. Blunkett: I am happy to do that. We have now reached agreement with the Magistrates Association on a code of guidance relating to breaches of antisocial behaviour orders. This will be very important because, as I have said before, if people get the message that they can get away with it, they will get will get away with it, but if the message is that breaches will be treated very severely, with up to a five-year custodial sentence, people will stop breaching those orders.

Gloucestershire Police Authority

5. **Mr. Laurence Robertson** (Tewkesbury) (Con): What discussions he has had with the Gloucestershire police authority about its budget for the forthcoming year. [155748]

The Minister for Crime Reduction, Policing and Community Safety (Ms Hazel Blears): I have not had any formal discussions with Gloucestershire police authority about its final budget for next year. I understand that it has now set a final budget of £92 million for 2004–05, an increase of 6 per cent. over this year.

Mr. Robertson: I am grateful to the Minister for that reply, but my office spoke to the chief constable this morning and he told us that the increase in the precept of four times the rate of inflation that the authority is having to introduce will not prevent him from having to transfer serving police officers into civilian work, in order to cover tasks relating to the new police complaints procedure, the Freedom of Information Act 2000 and so forth. The Government might increase the grant to the Gloucestershire constabulary, but the amount of extra work that they are asking it to do means that the chief constable has to take serving police officers off the streets and keep them in offices.

Ms Blears: The hon. Gentleman will know that there has been a significant increase in support for the police over the past three years—in fact, a 30 per cent. increase for policing in this country, and a 17 per cent. increase in real terms. If the formula had been applied this year in regard to the hon. Gentleman's own authority, it would have received only £56.9 million, but because there is a flat-rate allocation, it has actually received £58.9 million, which is an extra £2 million. It has also been allocated a range of specific grants, and has done particularly well out of the Airwave grant that has been made available. I am also pleased to be able to tell him that I have written today to his colleague, the hon. Member for Cotswold (Mr. Clifton-Brown), to outline a further payment of special grant in relation to the policing of RAF Fairford, which I am sure will be gratefully received.

Mr. James Paice (South-East Cambridgeshire) (Con): Now that Gloucestershire has set its budget, which comes on top of an increase in precept of more than 90 per cent. in the past three years, when will the Government sort themselves out and stop giving conflicting messages over the capping criteria? Should Gloucestershire and the other 42 police authorities listen to the Minister for Local Government, Regional Governance and Fire, who has threatened to cap rises of more than 5 per cent., or to the Home Secretary, who has apparently said that he will be concerned only about rises of more than 15 per cent? Now that we are in the last week of February and police authorities up and down the country are setting their budgets for next year, is it not time that they knew what the capping criteria were? Is it not time that we had joined-up government?

Ms Blears: That is exactly what we have. The hon. Gentleman will know that we have been working extremely closely with the Office of the Deputy Prime Minister, and that we have been speaking with one voice in saying to local government and police authorities that we expect them to make reasonable, justified and prudent decisions in consultation with their local communities. In the case of Gloucestershire, we are looking at an increase of 27p a week on a band D

property in relation to policing in that area. The hon. Gentleman will also know that we are trying to ensure that local police authorities take into account the views of their local community, and that we have asked them to set proper prudent budgets that they can justify to the community.

Internet Pornography

6. **Mr Andrew Mackay** (Bracknell) (Con): What plans he has to review the operation of the Obscene Publications Acts of 1959 and 1964 in the light of internet pornography. [155749]

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): Operators of internet sites who knowingly host illegal material in the UK can already be prosecuted under the Obscene Publications Acts. While the Government support effective action in relation to sites hosted in other countries, we believe that this can be achieved only through international co-operation. In addition to seeking such co-operation at European and global levels, we will continue to keep all the relevant domestic law under review.

Mr. Mackay: I thank the Minister for that response. We dare not be complacent, however, as we have seen in relation to the recent Graham Coutts murder conviction and the increase in international paedophile websites. Can I press him further, and say that there must be much more international co-operation to ensure that action is taken? Otherwise, there will be a terrific amount of child abuse as well as other problems. Can we have further guarantees that there will not be complacency?

Paul Goggins: I concur entirely with the remarks of the right hon. Gentleman in relation to the horrific murder of Jane Longhurst. I assure him and the whole House that there will be no complacency in respect of this issue. On his specific question about international co-operation, I assure him that we will continue to pursue this matter. I can confirm that my right hon. Friend the Home Secretary will raise this issue when he meets John Ashcroft in the United States in the near future.

Mr. Stephen Pound (Ealing, North) (Lab): Among the expressions that I never thought I would utter in this Chamber is, "Can I advise my hon. Friend the Minister to have a word with *The Mail on Sunday*?" That newspaper appears to have closed down two of the most foul, sadistic brutal sites by impacting on people's ability to subscribe to them. I am loth to do so, but, in view of the greater good, I ask him respectfully to examine this option, which appears to have worked in the case of that newspaper.

Paul Goggins: I join my hon. Friend in thanking *The Mail on Sunday* for the campaign that it initiated. Any organisation, service provider or newspaper that can help in fighting this battle is to be applauded. What we need, however, is concerted international action, from Governments in particular, to make sure that we have a consistent approach right across the globe.

Prisoners (Education)

8. **Mr. Kelvin Hopkins** (Luton, North) (Lab): What action he is taking to improve educational opportunities for prisoners. [155751]

The Parliamentary Under-Secretary of State for the Home Department (Fiona Mactaggart): We have increased substantially our investment in learning opportunities and funding will continue to rise—from £97 million this year to £137 million in two years' time. Prisoners have gained more than 100,000 qualifications in literacy and numeracy since April 2001 and are set to exceed targets again this year.

Mr. Hopkins: I thank my hon. Friend for her answer to my question. I recently had the interesting experience of visiting a prison for the first time—*[Interruption.]* I was a guest, not an inmate. I was impressed by the quality and commitment of the staff, and was most interested by conversations with inmates. They said that while they appreciated the opportunities for education, what they really wanted was skills training, particularly in construction trades, which would give them real alternatives to crime as and when they were released from prison.

Fiona Mactaggart: I am pleased to be able to reassure my hon. Friend that not only have we exceeded our targets in terms of achieving basic skills qualifications, but we have succeeded in increasing resources and achievements in vocational skills for prisoners. On work-related learning targets, in the first nine months of 2003–04 prisoners achieved more than 80,000 work-related qualifications against a target of 60,800.

Angela Watkinson (Upminster) (Con): Does the Minister agree that successful rehabilitation of offenders through education and training while they are in custody depends on their having employment opportunities when they have finished their sentences? What discussions has she had with trade, industry and commerce on providing those employment opportunities to prevent reoffending?

Fiona Mactaggart: The hon. Lady will be aware that under this Government there are more employment opportunities for everybody as a result of our effective economic policies. Part of that process, through jobcentres and so on, is to provide appropriate support for ex-offenders to get into jobs.

Mr. Huw Edwards (Monmouth) (Lab): I invite my hon. Friend to come and see the success of the education and training programme at Usk prison in my constituency, and at the Prescoed centre nearby. When I last visited the prison, I was particularly impressed to hear prison officers admit that they first came into the job as hard-nosed screws but are now involved in literacy programmes, as they recognise that if prisoners are not to offend again they need the skills to be able to apply for jobs, keep jobs and have the sense not to reoffend.

Fiona Mactaggart: My hon. Friend is right to recognise the sense of personal reward that many prison officers gain from contributing to the learning of

offenders—because, I believe, they realise that by improving offenders' qualifications they can ensure that they do not see them again. That, in the Prison Service, is a mark of success.

Prisoners (Police Cells)

9. **Gregory Barker** (Bexhill and Battle) (Con): How many prisoners are being held in police cells. [155752]

The Parliamentary Under-Secretary of State for the Home Department (Caroline Flint): As at 22 February 2004, there are no prisoners held in police cells under Operation Safeguard and no prisoners held overnight as lock-outs.

Gregory Barker: Can the Minister ensure that when prisoners are held in police cells, as they have been in the past, they are in the care of police officers who have been properly trained in looking after prisoners, especially the vulnerable and those on suicide watch? We cannot rule out the possibility of prisoners being held in police cells again.

Caroline Flint: Operation Safeguard is an arrangement between the Prison Service and the police. Senior police officers and senior Prison Service representatives must ensure that, as far as possible, provision is adequate, and that includes training. Fortunately, Operation Safeguard has not been used since 20 December 2002.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): The Minister is being disingenuous. Because of the rapid rise in the jail population, the Prison Service is in crisis, and—according to the service—there are only 600 places left. The Minister says that Operation Safeguard was last used in 2002, but it cost the taxpayer more than £10 million. Each place cost £363 a night, which is more than three times the cost of a high-security prison place or a de luxe room at Claridge's. Will the Minister confirm that several police forces are now on standby to reintroduce Operation Safeguard to save the Home Office's bacon? Who will pay for this crisis? Will it be paid for by the Home Office or by hard-pressed police budgets?

Caroline Flint: We are dealing with the issue of capacity in the Prison Service by providing 3,000 more places and building two more prisons that will provide 1,290 places. We constantly review the management of prison places, but we must also think of the future. The national offender management system will offer a scheme providing more places for serious, violent and dangerous offenders, as well as using other forms of sentence, such as community sentences, to deal with short-term prisoners.

The hon. Lady talks about more resources. The shadow Chancellor's standstill Budget would mean a loss of £669 million to the Home Office. Just how would the Opposition pay for the Prison Service—

Mr. Speaker: Order. I call Mr. Dismore.

Nationality, Immigration and Asylum Act

10. **Mr. Andrew Dismore** (Hendon) (Lab): How many individuals have had (a) nationality and (b) indefinite leave to remain removed under the Nationality Immigration and Asylum Act 2002; and if he will make a statement. [155753]

The Minister for Citizenship and Immigration (Beverley Hughes): The Home Secretary has exercised his right under the Nationality, Immigration and Asylum Act 2002 to remove citizenship from one individual. That individual has appealed, and the case is currently awaiting a hearing by the Special Immigration Appeals Commission.

We are not currently aware that the provisions to revoke indefinite leave to remain under section 76 of the Act have been used. Both measures were passed by Parliament to be used by Ministers sparingly and, in relation to section 76, in the special circumstances in which we could not deport someone. However, where removal is possible, indefinite leave to remain is invalidated automatically as part of the removals process.

Mr. Dismore: Is there not a serious loophole? A year on, Abu Hamza's appeal still has not been heard and his lawyers are threatening a seven-year legal battle. Every terrorist suspect so far, from the shoe bomber to the ricin plotters, has left a trail of slime leading back to Hamza. The British people, including most Muslims, cannot understand and do not accept the fact that Hamza is allowed to block the road every Friday to spout his anti-semitism, holocaust denial and hatred of our country and our society, from Her Majesty the Queen downwards. Why has he not been put behind bars, thrown out or extradited to the Yemen to stand trial for his terrorist offences there? When will we deal with this evil influence in our society and get rid of him once and for all?

Beverley Hughes: I share my hon. Friend's frustration, but the timing of the appeal is in the hands of the Special Immigration Appeals Commission, which is the court, and not in the hands of the Home Office. SIAC is keen to make early progress. The funding was in the hands of the Legal Services Commission. We are not at liberty to interfere in either the funding or the court process. However, I assure him that any opportunity to prosecute this individual will be taken and that the local police are monitoring him very closely, including outside the mosques on Friday, and are currently investigating allegations in a newspaper about one recent sermon.

Mr. David Cameron (Witney) (Con): Is the Minister personally content with the current powers that she and the Home Secretary have to expel people they believe may pose a risk to this country? Yes or no?

Beverley Hughes: We have taken the powers that are available to us, but in the implementation and exercising of those powers we have to give people rights of appeal, which exposes them to court processes, over which—rightly, many would argue—we have no jurisdiction.

That is the position in this case: it is in the appeals process, and we must allow SIAC to determine the outcome. I hope that it will do so as soon as possible.

Mr. Humfrey Malins (Woking) (Con): Will the Asylum and Immigration (Treatment of Claimants, etc.) Bill enable a person wrongly deprived of citizenship or indefinite leave to remain to appeal to the courts against that deprivation on a point of law?

Beverley Hughes: The Bill has very little bearing on that question, as it deals with arrangements to translate into a single tier appeals processes arising from asylum and other applications. The SIAC process is separate from that, and is confined to this kind of case. As the hon. Gentleman knows, there is the opportunity outside SIAC, with permission, for people to go to higher courts.

Terrorism

11. **Vera Baird** (Redcar) (Lab): What plans he has for changing the standards of (a) proof and (b) evidence in criminal cases believed to involve terrorism. [155754]

The Secretary of State for the Home Department (Mr. David Blunkett): On Wednesday, at 9 o'clock in the morning, so that right hon. and hon. Members will have the opportunity to read it before the debate, I intend to publish a discussion document on the challenges laid down by the Newton Committee, and the challenges that were posed to us when we, as a Parliament, originally passed the Anti-terrorism, Crime and Security Act 2001.

Vera Baird: I acknowledge the difficult task that my right hon. Friend has in protecting the public from British people whom he believes to be a terrorist threat, when, almost by definition, the intelligence that informs him of that is not admissible in court, but I ask him to bear it in mind that there is a whole range of powers currently in statute that have not yet been brought into force, which could help, including in particular, in the Criminal Justice Act 2003, the admissibility of hearsay, which can be second-hand, third-hand or written evidence from abroad. Using that provision could transform the picture. If what is said in the press this weekend is right, I encourage him enormously to pursue the course that he appears to have embarked on, and allow the admission of phone-tap material in court as quickly as possible.

Mr. Blunkett: My hon. and learned Friend is right, in that we want a sensible, balanced approach that protects the rights of the innocent and retains the long-standing presumption of innocence, acknowledging that all of us in the House are committed to maintaining those historic rights, while allowing us to admit evidence in a way that is acceptable. The current review of intercept is an important part of that debate. I appeal to everyone—and I will do so on Wednesday—to address these very difficult issues in a spirit that presumes that even the Home Secretary is innocent until proven guilty.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): What the Home Secretary said about the presumption of innocence is most welcome, but I urge him also not to interfere with the standard of proof, which would, unfortunately, undermine respect for the rule of law.

Mr. Blunkett: In the lecture that I gave to human rights lawyers and members of the supreme court in New Delhi, I did not suggest that we were intending to alter the standard of proof wholesale. I said, and my hon. and learned Friend has just said, that there are other ways forward. When I publish the paper, hon. Members will see that we are trying genuinely to find the right ways, with a lengthy consultation that will avoid anybody being bounced into any solution. All I want is that people come up with solutions, not with objections, because in the end the primary duty of Government is to protect our citizens from the undermining of their freedoms and democracy by those who know no bounds and have no understanding of the issues of punishment or prosecution when they take the lives of others through suicide bombing.

David Winnick (Walsall, North) (Lab): Is my right hon. Friend aware that the interpretation of his remarks was bound to cause concern that there could be a weakening of the rule of law? At the same time, will he accept that those who have concerns and reservations about what he said—or what he is alleged to have said—recognise that 9/11 was not meant to be a one-off in respect of attacks on western democracies and that this country is no less under attack than it was immediately after 9/11?

Mr. Blunkett: It is precisely for that reason that I am initiating this discussion, but I do not accept the first premise of my hon. Friend's question. I did not expect a noble Baroness or, for that matter, a solicitor whom I remember well from joining in battle with her when she was defending the Militant Tendency, to be the ones whose pronouncements were reflected on, rather than the speech I actually gave in New Delhi.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): May I remind the Home Secretary that one of the other purposes of the Home Secretary's office is to ensure that justice is done, and that many of us who are involved in the criminal courts are concerned with the proposition that, as regards the standard or burden of proof or the admissibility of evidence, those who are alleged to be guilty of terrorist offences should be treated differently from those alleged to be guilty of other serious offences?

Mr. Blunkett: When we established the Special Immigration Appeals Commission as a superior court of record chaired by a High Court judge, we did so first because of the immigration rules under which we were unable to remove people from our country whom we intended to remove; and, secondly, in recognition of the difficulty of dealing with such cases through the normal criminal justice system. It must be clearly said, however, that we have dealt with very many cases through that system since 11 September 2001. The presumption, as during the debate at that time, is that we should continue to do so. I only ask right hon. and hon. Members to come up with their way of squaring the circle and making it possible to deal with people—on the evidence base and in the light of the difficulties that we face—through the normal courts.

Community Policing

12. **Gareth Thomas** (Clwyd, West) (Lab): If he will make a statement on the effect of community policing on the reduction of crime. [155755]

The Minister for Crime Reduction, Policing and Community Safety (Ms Hazel Blears): There is a growing body of evidence that community policing can have a positive effect on crime levels. Community policing, however, is not just about crime reduction, but is fundamental to the future direction of the police service.

Gareth Thomas: I thank my hon. Friend for her reply. Does she agree that CCTV has a role in improving the effectiveness of community policing? Will she agree to meet me and representatives of North Wales police and Denbighshire county council to assess proposals for a CCTV scheme for rural communities within the Vale of Clwyd?

Ms Blears: I am more than happy to accede to my hon. Friend's request and I am delighted to be able to highlight the excellent work of North Wales police on community policing. They have recently introduced a system of community beat managers under which police officers give a three-year commitment to being the local police officers in their community. They get to know the local people and report back to them, which is having significant results. I would be delighted to meet my hon. Friend to see how we can do even better in north Wales.

Mr. Peter Pike (Burnley) (Lab): Does my hon. Friend agree that community policing and working with neighbourhood wardens is reassuring many people that a minority will not be allowed to destroy the lives of the majority? Will she give an assurance that we will continue to see further development of both community policing and neighbourhood warden schemes?

Ms Blears: My hon. Friend makes an extremely important point and he knows that we now have record numbers of police officers—more than ever before in this country—out on our streets. There are also about 3,000 community support officers now patrolling, and increasing numbers of neighbourhood wardens, some of them funded not only by local authorities but by housing associations, so we are beginning to see a real partnership of people who can reassure communities and tackle the problems of antisocial behaviour. They are on the side of the decent law-abiding majority in this country, helping to ensure that antisocial behaviour is properly tackled wherever it arises.

Criminal Records Bureau

13. **Mrs. Louise Ellman** (Liverpool, Riverside) (Lab): What progress is being made in implementing the action plan for the Criminal Records Bureau in Liverpool. [155756]

The Minister for Crime Reduction, Policing and Community Safety (Ms Hazel Blears): The Criminal Records Bureau is now reliably delivering more than twice the number of checks undertaken by the police under the old arrangements. Furthermore, since June 2003, 92 per cent. of applications for standard and enhanced disclosures have been processed within two and four weeks respectively. That substantial improvement in performance has recently been acknowledged by the National Audit Office. Significant progress has also been made in implementing the recommendations of the independent review team.

Mrs. Ellman: Those employed at the Criminal Records Bureau in Liverpool are dedicated and work hard, but we were told that Capita would be a good private sector partner. How much has Capita been penalised for failing to deliver, and how much extra finance has been awarded to it, in addition to the amount agreed when it won the tender contract?

Ms Blears: My hon. Friend will know that the contract was initially evaluated properly by an independent team, that there was little to determine the difference between the Capita bid and the other bids, and that it was deemed at the time that the contract was very good value for money. She will also know that a settlement has been reached in relation to Capita's previous performance—in the sum, I believe, of about £3.5 million; I can provide my hon. Friend with further details of the payments that have been made. We now have a contract that will in future start to deliver significantly more and better value for money, and more productivity, in the important process of carrying out criminal records checks.

Asylum Applications

14. **Jim Dobbin** (Heywood and Middleton) (Lab): What progress has been made in meeting the target to reduce asylum applications by half. [155757]

The Minister for Citizenship and Immigration (Beverley Hughes): My hon. Friend will know that the benchmark that we took was the monthly figure for October 2002—the period immediately before the introduction of the Nationality, Immigration and Asylum Act 2002. In September 2003—the latest month for which data are available—there were 4,225 applications for asylum. That figure is 52 per cent. lower than the number in October 2002. We have therefore met the Prime Minister's 50 per cent. pledge, which is very encouraging. However, we are not complacent and we continue to look into ways of reducing the number of asylum claims further.

Jim Dobbin: In those figures I am sure that there will be a number of families with children. Can my right hon. Friend assure me that their rights regarding housing, health and education will be protected during the whole asylum process?

Beverley Hughes: Yes. While an asylum claim is ongoing, until it is finally completed, individuals and families, including children, have access to health and education as well as asylum support and housing through the National Asylum Support Service process. Of course, if and when a claim is refused and the appeal rights are exhausted, we expect failed applicants, including families with children, to return home. My

hon. Friend will know that there are measures in the Asylum and Immigration (Treatment of Claimants, etc.) Bill, which is currently before the House, to ensure that they do so, and that we do not carry on supporting people once their claim has been refused.

Dr. Vincent Cable (Twickenham) (LD): Is the Minister aware that because of the emphasis on the asylum backlog, routine visa applications such as those connected with marriage are inordinately delayed, often for years? Why does the Home Office not adopt the simple policy of copying travel documents once they have been verified, and releasing them so that people can get on with their lives while they are waiting?

Beverley Hughes: I agree with the spirit of what the hon. Gentleman proposes; that is exactly what we are trying to do. In some cases, for various important reasons, it is not possible, but I agree that in general, documents can be copied and sent back, and we have asked the immigration and nationality directorate to implement that process in future.

Mr. John Denham (Southampton, Itchen) (Lab): I welcome the considerable success that the Government have had in reducing the number of asylum applications, but does my right hon. Friend accept that there is a danger that some people who might have applied for asylum will be drawn into illegal working in this country? Will she take this opportunity to say that she would welcome the use of the Proceeds of the Crime Act 2002 against employers who knowingly employ illegal labour?

Beverley Hughes: That is a suggestion that my right hon. Friend made a little while ago in the context of the Home Affairs Committee inquiry and, as I shall indicate in my response to the most recent inquiry, we are looking at it in great detail. I shall be happy to provide him with further information once we have undertaken that investigation.

Gun Crime

15. **Mrs. Ann Cryer** (Keighley) (Lab): What measures he is taking to support communities in the fight against gun crime. [155758]

The Parliamentary Under-Secretary of State for the Home Department (Caroline Flint): We need effective legislation and enforcement, but we also need to harness the support of local communities in tackling gun crime. That is why we have provided support for the Disarm Trust to work directly with affected communities and community groups, and have allocated £1.2 million of recovered assets money to support community action in the most affected areas. In January this year, we held a very good conference in Birmingham, involving more than 200 community organisations, individuals and young people, to identify better ways to work together in the future and to stimulate more ideas for action.

Mrs. Cryer: I thank my hon. Friend for that helpful reply. Does she appreciate that in my constituency, during a period of about a year, two young Keighley men were killed and a violent street battle took place in an otherwise peaceful and law-abiding area? The common thread in all three incidents was that they related to turf wars between drug dealers, firearms were used and the police had great difficulty in bringing prosecutions owing to the intimidation of potential witnesses. How can we move forward?

Caroline Flint: I am aware of the incident to which my hon. Friend refers. She is right to draw attention to the links between gun crime and other organised criminal activities, especially drugs. The serious organised crime agency will look into such issues and that will be helpful for the future, but we also have to ensure that there are operations on the ground to deal with them effectively. The Bradford district is taking a proactive approach to gun crime and over the next six weeks it will launch a media campaign to make local people aware of what it is doing and to encourage them to come forward with information. We are seriously looking into how we can further improve witness protection nationally. We need to attend to that very serious issue.

Immigration and Nationality Directorate

16. **Keith Vaz** (Leicester, East) (Lab): What plans he has to tackle the backlog of cases at the immigration and nationality directorate. [155759]

The Minister for Citizenship and Immigration (Beverley Hughes): We are committed to reducing the numbers of outstanding cases in all areas of the immigration and nationality directorate to a steady state of frictional levels of work in progress and we have allocated dedicated resources to achieving that. As I have already mentioned today, the number of outstanding asylum cases awaiting an initial decision had fallen to 29,100 in September 2003—the lowest level for a decade. The number of outstanding asylum appeals is being reduced by 1,500 cases a month. We expect to clear outstanding leave to remain work by spring 2004 and nationality work by autumn 2004.

Keith Vaz: I welcome the Minister's commitment and the news that she has announced today; however, the fact remains that there is still a substantial backlog. A constituent who came to my surgery last Friday has been waiting for two and a half years for a letter from the IND. Will my right hon. Friend look in particular into the fact that Home Office presentation officers do not attend immigration tribunal cases? A third of all such officers simply do not attend and that must have an impact on the backlog. Will she make a commitment to ensure that there is better attendance by those officers at the hearings?

Beverley Hughes: I acknowledge that the availability of presentation officers has been a problem, especially in London where there has been a shortage. However, I am happy to tell my hon. Friend that we have already taken action and that 65 additional officers are being appointed. The process is far advanced and I expect them to be in post by March this year. I am sure that, as my hon. Friend says, that will have a discernible impact on the problem that he outlined.

Mr. James Clappison (Hertsmere) (Con): The Minister has told us that the backlog stands at 29,000. Can she tell us how many asylum seekers have benefited from the relaxed criteria introduced by the Government in their backlog clearance exercises? How many?

Beverley Hughes: If the hon. Gentleman is talking about the indefinite leave to remain exercise announced at the end of last year, the process of identifying people who meet the criteria is still going on—as I made clear when we made the announcement. People have to be checked, both as to whether they meet the criteria and, for example, whether they have committed any criminal offences in the meantime. We expect to conclude the whole exercise by April or May this year.

Neighbourhood Watch Schemes

17. **Derek Wyatt** (Sittingbourne & Sheppey): If he will fund neighbourhood watch schemes; and if he will make a statement. [155760]

The Parliamentary Under-Secretary of State for the Home Department (Fiona Mactaggart): The Home Office provided a grant to the National Neighbourhood Watch Association of £150,000 in 2002–03 and of £200,000 in 2003–04. The National Neighbourhood Watch Association provides guidance and training to local neighbourhood watch associations. Local neighbourhood watch schemes are independent and largely self-financing. They are supported by police forces with which they work closely.

Mr. Wyatt: I commend to the Minister a scheme in San Jose, California by which each neighbourhood watch is funded. When graffiti appears, telephones and microwave systems are used, and graffiti can be removed within 24 hours. Those neighbourhood watches make neighbourhoods safer, and they are funded at a very low level. There are more than 700 neighbourhood watch schemes in my patch, and I would love to enable them further because they are so successful.

Fiona Mactaggart: We recognise that neighbourhood watch schemes are vital partners for the police in preventing and reporting crime and in supporting witnesses. The US scheme that my hon. Friend describes is interesting. Neighbourhood watch schemes and other community groups can work with the police to try to tackle such issues. In America, however, local community associations and local government are less vital than in the UK. Perhaps Americans depend on neighbourhood watch schemes where we have other resources, but I will examine the scheme that he describes.

Bob Russell (Colchester) (LD): Will the Minister concentrate on neighbourhood watch schemes in this country? Does she agree that, alongside Crimestoppers, community policing and neighbourhood wardens, the neighbourhood watch is an important part of the jigsaw that provides safety in our communities? Although national funding for neighbourhood watch schemes should be recognised and appreciated, does she agree that much more could be done locally if there were core funding for back-up administration?

Fiona Mactaggart: We recognise the vital role of neighbourhood watch schemes, which was laid out for the first time in statute in the Crime and Disorder Act 1998, demonstrating the value that we place on them. The hon. Gentleman rightly says that neighbourhood watch schemes play a practical local role, which is why we work to ensure that they are closely involved in crime and disorder reduction partnerships and that they can work closely with the police. We have not ruled out considering providing them with resources, which is often best done locally. We see them as partners in part of our police reform programme, in part of our crime and disorder reduction programme and in tackling antisocial behaviour and crime in neighbourhoods up and down the country.

Criminal Procedure and Investigations Act 1996

19. **Mr. Tam Dalyell** (Linlithgow) (Lab): What representations he has received from the National Union of Journalists on the requirement on journalists to reveal their sources under the Criminal Procedure and Investigations Act 1996. [155762]

The Secretary of State for the Home Department (Mr. David Blunkett): To the best of my knowledge, none—I thought about approaching the NUJ to see whether I could access any of its sources of information from my Department, which would enormously reduce my blood pressure on a Sunday morning.

Mr. Dalyell: I want to declare a personal interest, of which I have informed a senior official at the Home Office: I am under pressure from defence lawyers and West Mercia police in relation to the revelation of sources on the brutal and callous murder of the Shrewsbury rose-grower, Hilda Murrell. What is the Home Secretary's general attitude to the use of the 1996 Act to put pressure on people to reveal sources?

Mr. Blunkett: My attitude is clear: it is not the job of the Government or the police to bring pressure to bear on MPs or other citizens to reveal their sources, but it is their duty to investigate and find out the facts. Investigation involves interrogating people, and it is open to the individual to reveal what they believe would be helpful in finding the truth—I hope that we are moving to find the truth in that historic case.

Leicestershire Police Authority

22. **Mr. Andrew Robathan** (Blaby) (Con): If he will make a statement on funding to the Leicestershire police authority. [155766]

The Minister for Crime Reduction, Policing and Community Safety (Ms Hazel Blears): Leicestershire police authority will receive general grant funding of £102 million in 2004–05, an increase of £3.2 million or 3.25 per cent. over this year. In addition to that, it will receive more than £10 million for targeted programmes and capital provision. I understand that Leicestershire police authority has set a final budget of £138.1 million for next year—an increase of 6.1 per cent.

Mr. Robathan: The Minister will know that the authority has had to increase its budget because it received some £4 million to £5 million less than it expected from the Government. The result has been an increase in council tax. Perhaps the Minister could explain to her colleagues in the Office of the Deputy Prime Minister why council tax will have to go up in Leicestershire as a result of the mean-minded funding for the police by this Government.

Ms Blears: The hon. Gentleman would have known, had he been in his place earlier, that the police have received generous funding settlements in the past three years of some 30 per cent. Leicestershire will receive an increase of 3.25 per cent. this year, as well as a whole range of specific grants. The hon. Gentleman will know that his local force now has a record number of police officers out on the streets, with 45 more than in March last year and 210 more than in March 1997. It also has record numbers of police staff. I am sure that he welcomes those increases in policing and in reassurance for his local community.

EU Enlargement (Free Movement of Workers)

3.31 pm

The Secretary of State for the Home Department (Mr. David Blunkett): I wish to make a statement on the Government's approach to the accession of 10 countries to the European Union from 1 May. EU enlargement is extremely welcome to, and important for, our country. It is something to be celebrated. All parties in this House are in favour of enlargement. John Major played an important role in launching the process. My right hon. Friend the Prime Minister was instrumental in calling for early accession of the 10 countries.

After 1 May, citizens of accession states will be free to travel across all EU borders. Our position has always been clear—that the UK would benefit from all new EU citizens working legally, paying taxes and national insurance. That is an alternative to illegal working, which would fuel the sub-economy and undermine existing conditions of work. But we will take every step to ensure that our benefit system is not open to abuse. We have already tackled benefit tourism by tightening the habitual residence test. Today, we are building on that by announcing measures that will ensure that those who come here from the accession countries but do not work will not be able to claim benefits.

It is important to remember the positive aspects of migration. The UK is already benefiting from more than 20,000 accession nationals who have been granted work permits in the last two years. From 1 May, that requirement will be replaced by a workers registration scheme.

The United Kingdom has one of the most dynamic and successful economies in the world. Since 1997, our economy has experienced growth and prosperity greater than any other large state. Growth has been higher, we have created more sustainable jobs and we have lower levels of unemployment—almost half the levels of France and Germany—which is a tribute to my right hon. Friend the Chancellor, and to the creativity and flexibility of the British labour market. We currently have more than 500,000 vacancies and will benefit from the skills, flexibility and willingness to work of those new migrant workers, as we have in the past.

To say that we will welcome legal migrants is not new. We set out our policy in our White Paper "Secure Borders, Safe Havens" two years ago. We have consistently developed legitimate and legal routes for managed migration, including issuing 175,000 work permits this year, compared with 40,000 in 1997. At the same time, we have balanced that by taking tough measures to clamp down on illegal working, abuse of the asylum system and clandestine entry into our economy.

We have radically overhauled the asylum system. Over 80 per cent. of asylum claims are now processed in under eight weeks. We now have the lowest asylum backlog for a decade—half the level that we inherited in 1997. We have halved the number of asylum claims from its peak in October 2002. We are removing record numbers of failed asylum seekers and illegal migrants. That balanced approach enables us to make the positive case for legal, managed migration.

The accession of new countries into the European Union opens up new opportunities for trade and labour market flexibility. That is why all EU countries and all political parties in the House welcomed expansion. That is why I am confirming today our decision to allow workers from the accession states access to our labour market, subject to certain sensible conditions.

When we first set out our position, only those countries with high levels of unemployment were planning to introduce restrictions on work for accession nationals. Since then, other countries have changed their stance. It clearly makes sense for us to ensure that our approach does not leave us exposed.

We will therefore introduce a new workers registration scheme to replace work permits for accession nationals. That will place an obligation on all accession nationals to register where they are working and for whom. Their right to work in the UK will depend on their being issued with a registration certificate. It will be incumbent on the employer to check that the employee has registered. That will provide a platform for the national identity card scheme under which, in time, all non-UK nationals will be required to register. That will help us to determine accurately how many new workers are in Britain, and in which sectors and types of employment. It will also assist with enforcement and inspection and enable us to react immediately if, against all the odds, there are destabilising effects on the labour market.

It is important to emphasise that the Government retain full discretion to remove all or part of the concessions at any time. We will not hesitate to do so if necessary. We will in any case tighten controls and deal with those who evade their responsibility by the employment of clandestine workers. I know that all decent employers will want to join with us in co-operating and rooting out those who exploit.

We will put before Parliament a set of affirmative regulations that will allow access to the labour market, while ensuring that our benefits system is not open to abuse.

This is a coherent and sensible package of measures that builds on the principles and policies laid out by the Government over the past three years. We believe that proper, legal, managed migration is good for Britain and fair to genuine workers from the accession countries. Whether they are plumbers or paediatricians, they are welcome if they come here openly to work and contribute. At the same time, it is clearly not right that people should be able to come here, fail to get a job and then enjoy access to the full range of public services and social security benefits.

Therefore, the second element of the package that we are announcing today is that those who wrongly believe that they can move here to claim benefits without working should be in no doubt that they cannot do so. They cannot draw benefits without themselves contributing to the rights and entitlements that should go hand in hand with the responsibilities and duties. For two years, possibly longer, we will require accession nationals to be able to support themselves. If they are unable to do so, they will lose any right of residence and will have to return to their own country.

My right hon. Friend the Secretary of State for Work and Pensions will bring forward regulations to prevent access to benefits for those not working, and my right hon. Friend the Paymaster General will bring forward

regulations to prevent them from claiming child benefit. We will also restrict access to other benefits such as social housing.

This package reinforces the balanced approach to immigration that I have spoken about within a clear set of rules. I reiterate that we welcome people, as we have throughout the centuries, to come to our country to work, to contribute and to be part of our society. We reject those from wherever they come who exploit our hospitality. This approach takes account of the simple reality that, under the treaty of accession, no EU member state has the right to interfere with freedom of movement. The issue, therefore, is on what basis people come to our country.

By taking these measures, we will ensure that those arriving in Britain can work for their living openly and honestly and are not drawn into the sub-economy. Those who wish to find a job will be free to do so; those who come for short periods will have the means to do so. In this way, we avoid any expensive bureaucracy and, at the same time, protect ourselves against clandestine work and the exploitation of the sub-economy. This is the right approach for Britain in the 21st century—fair on ourselves, fair on our new partners and tough on those who would abuse the system. I commend the new approach to the House.

David Davis (Haltemprice and Howden) (Con): I thank the Home Secretary for early sight of his statement although, frankly, I wish I had seen it even earlier—six months earlier to be precise. The enlargement of the European Union is not a concept that has suddenly emerged in the past six weeks. It has been on the agenda for years.

Britain's strategy for the free movement of labour, which impacts on British jobs and our public services, should have been clear, consistent and planned well in advance. Yet in the past few weeks, we have witnessed the astonishing spectacle of the Prime Minister inventing policy at the Dispatch Box, being contradicted by his official spokesman within hours, being put in his place by the Home Secretary and being blatantly ignored by the Minister for Europe. We have seen Ministers rushing to crisis meetings in Downing street to hammer out plans just weeks before enlargement takes place.

Nevertheless, the Government have, at last, recognised that there is a problem—albeit that they have misdiagnosed it and come up with a bureaucratic solution that carries unnecessary risks. The problems created by enlargement result from the massive differences in wages between the accession states and the United Kingdom. That is why the Home Office's predictions on new immigrants are wrong and have been challenged, not least by the Home Secretary's own advisers. A large number of people will come to Britain—some as benefit tourists, but most seeking work. That will put huge pressure on housing and our public services. The most straightforward and fair method of dealing with this is to use the work permit system, which allows us to control month by month how many people come in and the skills they bring.

Today, the Home Secretary has announced that, instead, he is toughening benefit rules by tightening the habitual residence test and access to benefits. We agree that benefit tourism needs to be stopped. Indeed, a Conservative Government introduced the habitual residence test under much criticism from the Labour party at the time. However, is he entirely satisfied that the provisions are compatible with our obligations under EC law? Is he confident that they will be sustainable in the British courts? What will the Government do if people from accession countries come to the UK—as they are perfectly entitled to do— but have no employment? Will they deport them? Their record on deportation has not been very successful so far. What will happen if people are left destitute? What if they have children? Will they be left to sleep on the streets? The legal position is unclear and the problem is compounded by the fact that we have only a few weeks before it can be tested.

Have the Government considered what impact large numbers of workers may have on our already overstretched public services? According to the Government's estimates, the UK already needs to build 39,000 more houses every year. Does the Home Secretary not therefore agree that mass migration may exacerbate the housing problem? Considering that London and the south-east is the preferred destination for two thirds of immigrants, has he assessed the impact on housing, health and education services?

Will the Home Secretary explain why he has decided not to use work permits? What are the advantages of reinventing the wheel through this clumsy and bureaucratic new registration scheme? How is it better than the proven, existing work permit scheme? Without any methods of enforcement, this is little more than another headline-grabbing initiative.

The Home Secretary said that it will be incumbent on the employer to check that the employee has registered with the scheme, but only eight people have ever been found guilty of employing an illegal immigrant. Who is going to enforce this system? He doubtless hopes that identity cards for immigrants will give him a tough-sounding headline, but the crux of the problem will arise in the next two years, and it will start in two months. When will his ID card system bite? Not, I warrant, in two months, or even in two years.

If the Government are right in saying that only 13,000 people from accession countries will come to work in Britain, the work permit system would cope perfectly well. After all, in 2002 Britain granted more than 120,000 work permits—as the Home Secretary said, the figure for this year is 175,000 – including almost 14,000 to people from countries in eastern Europe. In other words, we already process 1,000 more eastern Europeans than the Government are forecasting will come here.

A policy of work permits would not mean slamming the door on migration but would allow us to control exactly how many people come to the UK, and what skills they bring, on a month-by-month basis. Why are work permits good enough for Sweden and the rest of Europe, but not for us? Have we not simply adopted the lesser of two options not on the ground of what is best for Britain, but to avoid the accusation of a U-turn or climbdown? Is that not what happens when crucial decisions are taken in crisis meetings at the last minute?

[David Davis]

This is not so much a policy of closing the stable door after the horse has bolted, as opening it to see whether the horse wants to run. Yet again, the British people have been badly served by this Government. The shambles that we have witnessed surrounding this policy sums up why Britain deserves better.

Mr. Blunkett: I am genuinely bewildered as to whether the hon. Gentleman—[HON. MEMBERS: "The right hon. Gentleman."] I must get it right. I am genuinely bewildered as to whether the right hon. Gentleman is in favour of allowing people to come here to work, or not. Listening to him, there seems to be one difference between us: whether there should be a pre-entry system of work permits, or a post-entry registration scheme. The CBI, the TUC and the British Chambers of Commerce favour the post-entry registration scheme that we propose. The director general of the BCC is on record as saying:

"We will not support a work permit scheme if it means greater administrative and regulatory burdens".

That is clearly what it would mean, and for the reasons that I am about to spell out.

The existing work permit scheme is for those who do not have automatic right of entry to the United Kingdom. They have to apply and to have a pre-ordained job before they come here, and the employer has to apply to the work permit system—it is based in my own city—to obtain a permit to get the person in. That costs the individual a great deal of money, and the employer a great deal of time. Doing that for those who have right of entry—those who can come into the economy and work legally—would simply push them into the sub-economy, where they would be exploited by the worst employers. The minimum wage and working conditions for existing employees would be undercut, and national insurance and tax would not be paid. What sort of economy is that? What sort of politics is that?

It is the politics of despair and immorality because it pushes employers and individuals into an immoral situation in which, in order to compete, they start to undercut the rate by employing clandestine workers. Our policy is to clamp down on clandestine working and allow those who have access to come freely into our country to work freely, but they should do so openly, pay their dues and be entitled to their residency.

Under the residency rules, we should be able to apply stringent tests to avoid people claiming benefits because there can be only two reasons why people wish to come here: to work to earn their living, or to draw down on services. If we are stopping people drawing down on services and benefits yet allowing them to work legally, what on earth are the Opposition talking about? What could be the risk? I have never said that there would be only 13,000 people.

David Davis: Yes, you did.

Mr. Blunkett: No, I have not. We published independent research on the website last summer, with its methodology. The figure of 13,000 has never crossed my lips. We will not know the situation until people apply for the vacancies that exist in our economy, including, it must be said, in construction. Building houses requires construction workers, and if we get construction workers to fill vacancies, we will actually be able to build houses—that is also a simple economic reality.

Conservative Members preach flexibility, free movement of capital and labour and an economy of balance in which labour market forces balance out those who want jobs with the jobs available. They say that that is good for Britain, but the minute we do it, they are against it on purely opportunistic grounds. Well, not all of them, because the hon. Member for Woking (Mr. Malins), who is sitting on the Opposition Front Bench—

The Parliamentary Under-Secretary of State for the Home Department (Caroline Flint): He has gone.

Mr. Blunkett: No wonder, because the hon. Gentleman must have known that I would quote what he said on this morning's "Today" programme. He said:

"if you and I wanted to go to Slovakia or Slovenia to work, that's fine, but if we were to go there and simply claim benefits, most normal, sensible people would say 'that's wrong'."

I agree entirely with him. If people want to come and work in Britain openly and legally, that is right. If they want to come and claim our benefits, that is wrong. I commend to the House what we have done.

Mr. Mark Oaten (Winchester) (LD): I thank the Home Secretary for advance notice of his statement, but I hope that he will at least acknowledge that the Government have left it very late in the day to resolve these critical issues. With just weeks before the accession countries join, today's announcement is either the result of bad planning, a panic response to tabloid pressure or the sign of a disagreement in the Cabinet. While I welcome the positive language that he used on migration, why has he decided to introduce the measures from 1 May? He acknowledged that he was not sure of the figures involved, so would it not have made more sense to wait and base the policy on fact rather than prediction, and to review the situation in six months to determine whether there really is a difficulty with migration and benefit abuse?

With that in mind, will the Home Secretary take it upon himself to produce a quarterly report on migration figures from the new countries so that we can see the facts? When deciding on work registration certificates, will he clarify whether restrictions will be imposed on issuing certificates in areas with job shortages? What right of appeal will individuals claiming those certificates or benefits have if they are refused?

Finally, does not the whole episode show two things? On Europe, the Government must decide if they really want a full Europe or a two-tier Europe, and, on immigration, they must decide whether they want a policy based on facts or on tabloid fiction.

Mr. Blunkett: I did not think that I had announced anything this afternoon that was tabloid fiction. I thought that I had enunciated a policy that we set out two years ago in the White Paper to which I referred and that I have been following ever since. There has been no disagreement between the Prime Minister and me on the

matter—none. We are agreed that we want people to come here to work, and we are agreed that we do not want people to exploit our benefits and social services. That is simple, straightforward and everyone can understand it.

We will not need an appeals system under the rules. If people have a job and are registered, they will be entitled to benefits. If they do not have a job and are not registered, we will be able to disqualify them from benefits under the European accession rules. Those are the rules that we are laying down. My right hon. Friends the Secretary of State for Work and Pensions and the Paymaster General will together lay the necessary orders to enforce that.

I am happy to publish the number of those who register, as we do the number of those who are granted work permits, so that people can see how many people have come to our country and are working. There will be no need for a bureaucratic system forbidding registration in particular parts of the country. A labour market is a labour market: if people can get a job, they get a job, and employers have the opportunity to take them on. My only appeal is that people who do not have a job at the moment in this country are willing to be as flexible and as prepared to move and to work as those who come from other parts of the European Union. In that way, we would ensure that people who can work and who have no disability that precludes them from working get a job instead of being dependent on benefit. To be honest, that has been our policy all the time: welfare to work, make work pay, ensure that people are welcome to work and have an honest, open debate about it.

Mr. Kevin McNamara (Hull, North) (Lab): Is my right hon. Friend aware that many editors of tabloid newspapers will very much regret what he said in his statement? He has refused to rise to the bait of the scare stories and race hatred stories that they have published over the past few weeks and produced a reasonably balanced statement. However, what will the position be for immigrant workers who have a work permit and are registered and in employment? Surely they and their families will be entitled to the day-to-day benefits of the national health service, education for their children and so on once they begin to pay taxation and national insurance. Will he confirm that they will not be excluded from that?

Mr. Blunkett: I am not going to speculate on what the morning papers will say, except to say that a number of tabloids that do not take our political point of view are strongly in favour of honest work and of people declaring that they are working and paying their taxes and national insurance. I look forward to them backing what we are doing wholeheartedly and being totally against clandestine exploitation.

On my hon. Friend's second point, I can confirm that that is the case. When someone has worked consistently for 12 months and paid national insurance and taxes, they will be entitled to those benefits.

Sir Teddy Taylor (Rochford and Southend, East) (Con): Will the Home Secretary say for how long the European Union will allow him to apply the restrictions on benefit entitlement? Is he wholly satisfied that they are legally sound?

People who come here and secure a job will be entitled to housing benefit and, of course, to use the health service. Will that not create major problems in areas such as seaside towns, which already have a major problem? Will the right hon. Gentleman look into that? Finally, as the average income in eastern Europe is one third of what it is in the European Union, does he not genuinely think that the problem could be much greater than he anticipates?

Mr. Blunkett: On the first question, the answer is initially for two years, which is renewable. On people drawing down housing benefit, I have made it clear that social housing will not be available to anyone who is not working. It will not automatically be available to those who are working because they have to take their turn in the queue. However, I expect people who are earning their living to want to live here sensibly and respectably, and to be able to rent accordingly in the private sector. We would want them to do that.

On the hon. Gentleman's third question, I remember people saying exactly the same thing when Portugal, Spain and Greece acceded to the EU. The disparity in comparative wage levels when Portugal and Greece, in particular, entered the European Union was very similar to that which exists now between employment and wage levels here and in the accession countries. That is why we are confident that what we are doing is sensible for both the British economy and our society.

Andrew Mackinlay (Thurrock) (Lab): The press and politicians are preoccupied with the lower-wage end of the market, but on the other side of the coin, will the Home Secretary and the Secretary of State for Work and Pensions deal with some of the professional bodies and royal colleges which are putting obstructions in the way of people with a profession coming here who can meet an unmet need? For instance, there is a surfeit of dentists in Poland, and I want them to be able to come here.

What discussions has my right hon. Friend had with his opposite number in the Irish Republic, bearing in mind our common travel area? Their problems are ours, and vice versa, and if we do not deal with the British Isles, rather than the United Kingdom, these and other measures relating to the control of immigration will not work.

Mr. Blunkett: I said "plumbers or paediatricians"; I should have said "dustmen or dentists", but we are not allowed to say "dustmen" any more. Where there is a market or a shortage, and people have the relevant skills, I am in favour of them coming here, earning their living openly and being able to contribute. I agree entirely with my hon. Friend that that is sensible.

Andrew Mackinlay: The Irish Republic?

Mr. Blunkett: We have of course been in touch with our opposite numbers in Ireland, and they are considering today whether they want to replicate the measures that we are taking.

Mr. Peter Lilley (Hitchin and Harpenden) (Con): I welcome the Home Secretary's belated conversion to the habitual residence test, which he and his party so

[Mr. Peter Lilley]

vehemently opposed when I introduced it. However, is he aware that, according to the House of Commons Library brief, the accession treaty contains a standstill clause that ensures that rights to access to the labour market prevailing at the time of accession may not be subsequently further restricted? He says that the Government retain full discretion to remove all or part of the concessions at any time, which clearly is untrue beyond 2007. Is there any truth in his statement or in the Library's statement? If the Library is incorrect, what restrictions would he propose subsequently to introduce if the numbers proved excessive?

Mr. Blunkett: There is a right to withdraw the concession within the time scale to which the right hon. Gentleman refers, because it is a concession.

Mr. Lilley: What about the standstill clause?

Mr. Blunkett: Well, our legal advice is very clear, and we believe that we are not bound from 1 May. We do not believe that there will be a difficulty, but if there were, we could return to the issue and consider it anew. What might be open to us is to do as the Germans propose—I am totally opposed to this—and allow people free entry, which they have to do, not allow them to work, but be prepared to countenance their working in the sub-economy. That is both dishonest and dangerous.

Kate Hoey (Vauxhall) (Lab): Will the Home Secretary clarify again the position on social housing? If a properly registered worker enters the country with his family and comes to stay in the borough of Lambeth, where there are thousands of people on the waiting list and people have been told that they must wait seven years for any chance of moving from a two-bedroom to a three-bedroom property, what exactly will be their position?

Mr. Blunkett: The position is as my hon. Friend has just spelled it out: people are likely to wait in excess of seven years to get anywhere near a property, by which time they will have paid plenty of taxes and national insurance and they will be long-standing and valued members of her community.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): Does the Home Secretary agree that the whole argument may be a little overblown? His own figures show that last year 78,000 people from the EU managed to claim habitual residence status in this country, which has a working population of 29 million. Does he also agree that any perceived influx would in any event be shortlived, as the eastern European economies picked up?

Mr. Blunkett: That is exactly the point of all parties and all politicians in the House having welcomed accession. The whole intention was to provide a trade area, lifting the standard of living and increasing the interchange of trade of people between countries that are, mainly, former communist states, and that is what we are doing. The EU has accepted that Malta and Cyprus, with which we have tremendous historical connections, have freedom across the board in every country for both work and benefits and support, as we do.

I take the hon. Gentleman's point entirely.

On the habitual residence test, it is worth reflecting on the fact that that was tightened by this Government in the Nationality, Immigration and Asylum Act 2002 and in regulations precisely to prevent non-EU nationals resident in the EU from coming here to exploit our system.

Mr. Neil Gerrard (Walthamstow) (Lab): I welcome my right hon. Friend's refusal to bow to the hysteria about large numbers of people coming here and adoption of a sensible system of allowing people to work here legally. I am sure that he agrees, however, that if it is to work he will have to crack down on employers who are prepared to employ people illegally. Employers who do not bother to check up on people under the current system will not bother to check whether they are registered under the new scheme, but will continue to employ people illegally, to pay less than the minimum wage, to fail to pay national insurance and so on. We have not had a good record in dealing with those employers, so I urge that he take that extremely seriously. We should target people who employ illegal workers to ensure that significantly more are prosecuted.

Mr. Blunkett: I agree that we should step up our inspection and enforcement system. Good employers, including those represented through the TUC, British Chambers of Commerce and the Federation of Small Businesses, are in favour of that. My right hon. Friend the Minister for Citizenship and Immigration chairs an intergovernmental working group to consider how we can improve on section 8 of the Asylum and Immigration Act 1996. That regulatory framework, which was introduced by a former Home Secretary who is now Leader of the Opposition, has signally failed—it never worked and will need radical updating.

Mrs. Gillian Shephard (South-West Norfolk) (Con): Officers of Breckland district council, part of whose area I represent, calculate that some 15,000 migrant workers have arrived in the past two to three years. Some are here legally, but some are here illegally, with, in some cases, the obvious consequences of appalling exploitation and pressures on health and other public services. Does the Home Secretary accept that he has left somewhat late his response to what will happen as a result of the European directive? Can he give the House any idea of the numbers he expects to arrive; and can he reassure the House that the pressures on local services, about which I have warned him, his Department and other Departments for at least two years, will be avoided when we have large numbers of additional people in these islands?

Mr. Blunkett: I know the right hon. Lady well, and I know that she will welcome those people coming to Norfolk legally, rather than illegally; their being registered, rather than unregistered; and their being monitored, rather than left to sink in the sub-economy. Through that regulation and monitoring, we will be able to plan for the requirements that she spells out, avoid

the unwarranted pressures to which she rightly draws attention, and ensure that we have a degree of sensible planning within this flexible market system.

On numbers, I cannot give the right hon. Lady a definitive figure. Last June, we published the figures that have been mentioned. We do not intend to be held to those figures. Neither my right hon. Friend the Minister for Citizenship and Immigration nor I have ever used them—although the Department clearly has, because it funded the research. I have no intention of being held to the 13,000 figure: if I had, I would be a very foolish politician, because in future the only issue raised in this House would not be whether those people were good for our country or had paid their tax or national insurance, but whether I had got the figure wrong.

Mr. Gwyn Prosser (Dover) (Lab): I welcome my right hon. Friend's statement and support his balanced approach. That will also be welcomed in areas and constituencies that have experienced large flows of people from eastern Europe—most seeking asylum and most with unfounded claims. However, does he agree that it is important to raise the issue in those eastern European countries and send a signal that people will be welcome to come to seek work but that there will be difficulties for and restrictions on those who want to abuse the system? What measures will he take to get that message across?

Mr. Blunkett: We spelled out our intention some time ago, but I reiterate it this afternoon: we will spend resources on ensuring that the message is clear, especially in those countries where there is misinformation about people's likely entitlements if they reach our shores. That is fair to them, so that they do not trail themselves and often their children across Europe only to find that they are not entitled to benefit, and fair to us to ensure that those people do not make the attempt to exploit a system that we are now closing down.

Miss Ann Widdecombe (Maidstone and The Weald) (Con): Does the Home Secretary accept that the best word that can be applied to the measure is "dilatory"? Does he recall that his predecessor announced that the Government would not implement the measures that we had introduced against illegal working in 1996 and then two years later had to admit they were wrong? Now, some two years after that, they have managed to prosecute no more than one person—in 2001—for employing people illegally. They have known for a long time that this particular problem was about to arise, and that it is bound to increase the amount of illegal working, because people will have—

Mr. Malcolm Savidge (Aberdeen, North) (Lab): What is the question?

Miss Widdecombe: The question was, does the Home Secretary accept that the applicable word is "dilatory"? Does the right hon. Gentleman accept—

Mr. Speaker: Order. That should be enough.

Mr. Blunkett: I am tempted to say simply that the answer is no. The applicable term is "common sense". Many countries in Europe have not laid regulations or spelled them out in detail. The Germans have done that, but many countries have not set out precisely what they will do. Since I have spelled out precisely the policy that I have enunciated for two years, I can hardly be described as dilatory or contradictory.

Mrs. Ann Cryer (Keighley) (Lab): I appreciate everything that my right hon. Friend said in the statement. I want to ask him about the comment that the proposals would provide a platform for a national ID card scheme, under which, in time, all non-UK nationals would be required to register. How will we know who are non-UK nationals if we depend on employers, such as the gangmaster who allowed the men to die in Morecambe bay, to be in charge of registering? Are we reaching the point where we may have to move towards a national ID scheme for us all?

Mr. Blunkett: We are moving towards an ID scheme for us all, as I said at the end of last year. We will introduce a draft Bill in the spring for prior consideration and scrutiny and present it for the House to decide whether it wants to go ahead with the scheme that is being recommended and is now agreed by the Cabinet. Yes, we need to toughen up on gangmasters and ensure that any ID card scheme that commences with overseas nationals takes account of the terrible exploitation of clandestines that I am trying to avoid, through the measures announced this afternoon.

Mr. Andrew Mackay (Bracknell) (Con): Is the Home Secretary comfortable about being so out of step with our European Union partners? Is it possible that Sweden, Denmark, Germany, Belgium, Holland, France, Austria, Spain, Portugal, Italy and Greece are all wrong?

Mr. Blunkett: Not all of them are wrong. However, some have decided to adopt bureaucratic methods of achieving the same goal. The British Chambers of Commerce has condemned those methods and the Confederation of British Industry has not welcomed them. I have avoided the massive bureaucracy involved in trying to stop people getting in in the first place by providing for them to register when they arrive and have a job to do. That is a commonsense approach, which I hoped hon. Members of all parties would welcome.

Keith Vaz (Leicester, East) (Lab): What has happened in the past few weeks to make the Home Secretary renege on a commitment to which the Government proudly held in the past seven years as the champion of enlargement? He has presented no evidence to suggest either that benefit tourists will come here for those purposes or that the Home Office will be able to cope with the new registration scheme. We have already heard about the backlog. On 1 May, surely we should warmly welcome the new members of the EU rather than rip away the welcome mat from under them.

Mr. Blunkett: You see, Mr. Speaker, the dilemmas amid which we walk. I shall just ask my hon. Friend to consider the way in which we maintain community and race relations in this country, the way in which we have

[Mr. Blunkett]

been able to open up a new work permit system and legal, managed migration, and the way in which we shall become able, during the next few weeks, to welcome people openly as asylum seekers to this country, via the United Nations route, rather than in the back of lorries. Those methods are precisely to ensure that people in this country do not believe that their taxes and national insurance contributions are exploited by those who have no entitlement, have not contributed and would come to this country to draw on one of the most generous welfare state systems in the world. That is the balance that I have achieved right across the board in asylum and immigration, and that is what I am seeking to achieve this afternoon. It is not only common sense; it is absolutely critical to the maintenance of decent race relations in Britain.

Mr. David Cameron (Witney) (Con): Further to the question asked by my right hon. Friend the Member for Hitchin and Harpenden (Mr. Lilley), if the standstill clause in the accession treaties does not mean that restrictions cannot be introduced after accession, will the Home Secretary explain what he thinks it does mean? Will he make it absolutely clear that he had specific legal advice on the part of his statement that said that

"the Government retain full discretion to remove all or part of the concessions at any time"?

Did he have legal advice on that point?

Mr. Blunkett: That is what I said, and that is what I meant.

Mike Gapes (Ilford, South) (Lab/Co-op): The Home Secretary said that accession country nationals will have to be able to support themselves for two years. Does that mean a change to the habitual residence test for British-born citizens who have chosen to move to an EU country or to the United States, which would make it more difficult for people to return to this country from working abroad? I should be grateful if he clarified that.

Mr. Blunkett: The statement applies to accession country nationals, not to British nationals returning from overseas. Their entitlement remains the same.

Andrew Selous (South-West Bedfordshire) (Con): On access to social housing, can the Home Secretary confirm whether the restrictions that he spoke of earlier will apply purely to members of the accession countries, or whether they will apply to members of existing EU countries as well?

Mr. Blunkett: The changes that we are bringing about in benefits and housing apply to accession countries, but the restrictions that I have already described relate to those who are not working, rather than to those who are working. On that basis, what we are doing in relation to EU nationals as a whole is consistent.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): The Home Secretary is to be congratulated on his clear defence of legal, managed migration in the face of much media hysteria; but on the question of clandestine, illegal, exploited labour, the consequences of which we saw in the Morecombe bay deaths, may I again stress the importance of bringing pressure to bear on employers? If my right hon. Friend is looking again at the 1996 Act, will he look at how the law bears down not just on employers, but on those who employ the subcontractors and gangmasters who employ illegal labour? Those subcontractors could not tender successfully without their reliance on cheap, unregistered labour.

Mr. Blunkett: Yes, we will certainly do that, which is why we are backing the Gangmaster (Licensing) Bill of my hon. Friend the Member for West Renfrewshire (Jim Sheridan), which will be debated in the House on Friday. We shall give that Bill every support, and good passage.

Mr. Henry Bellingham (North-West Norfolk) (Con): Further to the question asked by my right hon. Friend the Member for South-West Norfolk (Mrs. Shephard), is the Home Secretary aware that officers of Kings Lynn and West Norfolk borough council, which covers all of my constituency and part of that of my right hon. Friend, have estimated that last summer there were roughly 2,500 illegal immigrants in Norfolk, many of them in the west of the county? Does the Home Secretary agree that, as many of those were probably working in a clandestine manner and being exploited in a sub-economy, it is crucial that he stick to his word and back tighter measures against the ruthless gangmasters who are exploiting those people?

Mr. Blunkett: Yes, and if any of those 2,500 people are from the eight accession countries affected by my statement, we will ask them to come forward to declare themselves and be registered openly and properly, so that they will be entitled to the rights that go with that.

Paul Flynn (Newport, West) (Lab): My right hon. Friend is right not to overreact to the tabloid hyperbole on this subject. Does he agree that there has been abuse? From the Czech Republic, over a five-year period, there were 6,000 so-called asylum seekers, less than 20 of whom were judged to have well founded cases. One of those came to my constituency after a long career in crime in Czechoslovakia. He came with a warrant out for his arrest, and he committed a dreadful crime in my constituency for which he is serving a long sentence now. Can we say that under this new balanced policy people with those intentions will not be allowed to abuse the system in future?

Mr. Blunkett: Certainly, committing crime will not be eligible for registration under the scheme, if I may lighten the tone for a moment. In response to my hon. Friend's question, yes, the scheme will enable us to do so, and we will be able to cross-reference in relation to registration, which will be helpful in that regard.

Expert Witnesses (Family Court Cases)

4.20 pm

The Minister for Children (Margaret Hodge): I share the deep concern that has been expressed both in this House and by the wider public following the Court of Appeal's judgment in the appeal against the conviction of Angela Cannings.

This has been a tragic case and we recognise that there may well be other cases in which parents and children have been wrongly separated. With the passage of time, it is extremely hard to put right past wrongs. When such wrongs are identified, however, we must do what we can. At the same time, it is important to acknowledge that there are cases in which children have properly been separated from parents who have harmed them or their brothers and sisters—cases in which intervention has served to safeguard the children.

Child abuse is a real issue, which can lead to injury and death. It is essential that we maintain our vigilance as a society in responding to this wrong. We must acknowledge the important contributions of all those professionals—paediatricians, social workers, police officers and others—who work to safeguard vulnerable children. I pay tribute to the vital work that those professionals undertake on our behalf.

The judgment of the Court of Appeal, however, made it clear that in relation to sudden unexplained infant deaths in which the outcome of a criminal trial depends exclusively, or almost exclusively, on a serious disagreement between distinguished and reputable experts, it will often be unsafe to proceed. I therefore welcomed the announcement by the Attorney-General on 19 January of his intention to consider 258 past convictions for the murder, manslaughter or infanticide of children under two, in order to ascertain whether the court decision may have been unsafe. The intention is that such cases might then be looked at further by the Criminal Cases Review Commission or be the subject of an appeal.

Since the Court of Appeal judgment, I have given careful consideration to its consequences for cases dealt with by the family courts. The implications are not straightforward. In a criminal case, the court is concerned only with the guilt or innocence of the accused. If there is any reasonable doubt about the guilt of the accused, he or she should go free. By contrast, in care and adoption cases, the best interests of the child are made paramount.

Although it is ultimately a matter for the courts to determine individual cases that come before them, it is right for me to give proper guidance to local authorities as to how they should proceed. I will therefore write shortly to councils with social services responsibilities to ask them to take the following action. First, I will ask them to consider those cases that are affected by the Attorney-General's review. In those cases, councils should stand ready to act in the light of the outcome of that review.

Secondly, within the next four weeks, councils with social services responsibilities should identify and review current cases. Those are cases in which they have commenced proceedings in relation to a child and in which the court has not yet made a final order. In those cases, councils should consider with their lawyers the implications for those proceedings of the Court of Appeal's judgment in the Cannings case.

Thirdly, within the next 12 weeks, social services departments should, together with their lawyers, identify cases in which a final care order was made in the past which involved harm to the child or a sibling, and in which the grounds for the making of an order depended exclusively, or almost exclusively, on a serious disagreement between medical experts about the cause of the harm. In such cases councils should again consider, with their lawyers, whether there are now doubts about the reliability of the expert medical evidence. If that is so, they should—bearing in mind the child's current circumstances and current best interests—consider whether to apply to the court for the care order to be discharged, or whether to support any application that may be made by the parents or the child. When reviewing cases, councils will also need to take into account any fresh case law judgments from the Appeal Court that may be relevant.

The number of cases falling in the category that I am asking councils to review is likely to be manageable, although I do not intend to speculate about the precise number. Our best estimate is that it may number no more than the low hundreds, rather than thousands. I am not suggesting that it will be appropriate in every case, following a review, to apply for the discharge of the original care order. The decision must depend entirely on the circumstances of each case.

Councils already have a duty to review the cases of children who are the subjects of care orders at least every six months. Given the range of public concerns that have been raised, it would not be right to impose an arbitrary limit on the types of case that should be reviewed. The key determining factor is that the making of the care order depended exclusively, or almost exclusively, on a dispute between medical experts.

When applications are made to the court, whether by the local authority, the parents or the child, it will be for the court to decide in all cases whether the care order should be discharged. The president of the family division has set out the arrangements to be followed by family court judges in the light of the judgment in the Cannings case. When applications are made, cases are to be listed as soon as possible for directions before a High Court judge in the family division.

Let me now consider cases in which a child has been adopted. There will be cases in which children taken into care in those circumstances have since been adopted. We all accept that adoption is the best option for many looked-after children who cannot live with their birth families. In the overwhelming majority of cases, adoption gives a child the chance to be part of a loving family for life. I recognise that following the Appeal Court's judgment, there will be concerns in cases in which an adoption order followed a care order that had been made on the basis of disputed expert medical evidence. As I have said, however, the position in civil cases is quite different from that in criminal cases.

After adoption has taken place there are, of course, the paramount interests of the child to consider, and the interests of the adoptive parents, as well as those of the birth parents. The whole basis of adoption is that it ensures permanence and finality for all parties. For that reason, only in the most exceptional circumstances have courts been prepared to set aside an adoption order. It is not for me, or for any of us, to say whether any of the cases with which we are concerned would fall into this category. These are very complex issues, and are of course a matter for individuals and the courts.

[Margaret Hodge]

It would be wrong of me today to give a false impression of the scope for reopening existing adoption cases, when in truth it is extremely rare. That would give false hope to those who might wish to argue that the original adoption was based on flawed evidence. It would risk causing distress to adoptive families where children are happily settled.

If birth parents are worried, they should take their own legal advice and that of a number of organisations that provide support for such parents. If adoptive parents are worried, they should get in touch with the agency that arranged the adoption to seek further information and support. If adopted children are worried, they should talk first to their adoptive parents or, if that is difficult, to another responsible adult.

Under the Government's new adoption support regulations, which came into force last October, every local authority is required to have an adoption support services adviser, which may be an appropriate point of first contact.

These are difficult and sensitive issues, and there are no easy answers. I have set out a route forward for the period ahead, within the limits of my ability to act. With this review, and with the current and forthcoming judgments in both care proceedings and appeal cases in the courts, we will ensure that we are acting in the best way possible to protect the interests of children, both today and in the future.

Mr. Dominic Grieve (Beaconsfield) (Con): First, I thank the Minister for the advance copy of her statement and for the opportunity that she gave me, and doubtless others, to discuss these matters before she came to the Dispatch Box. She is right when she says that this is a very serious matter, and I welcome the decision to facilitate the local authority review and provide an indication to local authorities of how it should be carried out. It remains a matter of huge public concern, and it relates to what could be one of the worst miscarriages of justice seen in this country for a very long time.

The Minister said that the number of cases is likely to be in the few hundreds, but it is clear from her statement that that relates specifically to cases in which the medical evidence was contested by other medical evidence. Can she give us any indication of how many cases in all there might be that depended on the medical evidence of Sir Roy Meadow, even if that evidence was not challenged? Is she aware that, in many cases—I have this on good anecdotal evidence from within my profession as a barrister—and especially cases heard outside London, when an eminent expert such as Sir Roy Meadow was involved, the Children and Family Court Advisory and Support Service commissioned joint reports from that expert with local authorities, and individual solicitors representing families did not feel readily able to challenge, or to go about the process of finding somebody to challenge, his opinions?

That is evidenced by the fact that in the answers given to the questions of my noble Friend Lord Howe on 12 February, it was pointed out that Sir Roy Meadow was the preferred lecturer of choice at the Judicial Studies Board for nominated child care judges between 1997 and 2001, and his opinion was taken as gospel. Is there not therefore a danger that we may be overlooking a large number of cases that still require consideration? I say that mindful of the difficulty and of the Minister's relying only on contested medical cases—but I believe that there may be others. Can she assure us that, by not fettering the type of case that can be considered, which she specifically said in her statement, we can allow local authorities to consider other cases, in which the medical evidence was not disputed by other medical evidence?

Concerning the mechanics, the Minister said that local authorities are required to make an informed criticism of their own past actions—that is clearly implicit in the process that she has set in train.

While I hope that they will be able to do so, my experience in representing local authorities in care proceedings and appearing against them suggests that bureaucracies are often ill placed to review their own past assumptions and the errors flowing from them. I appreciate that the Minister can only give a steer in these matters, but should there not be some mechanism for an independent review of the process, particularly if the numbers are as small as the Minister hopes they will be? As I understand it, CAFCASS, as the guardian of the child's interest in court proceedings, would be involved only if the case went back to court. Should there not be a mechanism for enabling its earlier involvement if that were appropriate?

What resources will be made available to local authorities to carry out the review? I am mindful—I am sure the Minister is mindful—of the fact that local authority social services are enormously stretched. Services are often dependent on locum social workers and often come in for criticism because they are so stretched. Will further resources be made available to local authorities that have to carry out this delicate and self-searching process to ensure that they reach the right decision on whether to return to court?

In reviews of cases where a final care order has been made and an adoption may be imminent, can the Minister give the House an assurance that the adoption process will be frozen until the review is completed? The same applies, to some extent, where current care proceedings cases are pending, but it is much easier to deal with them than cases where the date of the formal adoption may lie at the end of the next week.

It is likely that the review will lead—perfectly properly in some cases—to local authorities taking the decision not to reopen some cases. In those circumstances, what notification will families be given of the basis on which the decision was arrived at? Clearly, in some cases, families may wish to challenge the decision, and I am sure that the Minister would acknowledge that, before they embark on what may be harrowing and difficult litigation, it is important that those families have some idea of the reasoning behind the local authority's decision not to go back to court. Will the Minister give an assurance that proper notification of the background reasons for a local authority decision will be given? Will there be an opportunity for legal aid to be made readily available to families wanting to go to court?

Finally, in cases where adoption has taken place, there may be circumstances in which there is no going back, even though a court might otherwise have wanted to reopen proceedings. However, that inevitably raises the possibility that claims for compensation will be

made at some later date. I mention that because I urge the Minister to examine that matter now, rather than to let it slide to some later date. If compensation turns out to be payable to families that have been unjustly deprived of children, it is much better to resolve matters in an amicable fashion than to have prolonged litigation over years to come.

When the Solicitor-General made her statement in respect of criminal cases, I said that this is not a party-political issue. It is, however, an issue of great seriousness for the Government, who have to ensure that good government is carried out, and for Parliament, because we have to ensure that injustices are righted. I look forward to continuing to co-operate with the Minister to achieve that end.

Margaret Hodge: I thank the hon. Gentleman for his contribution and I assure him that I also view this as an extremely serious matter, in which the House has huge interest and concern. I shall report back as regularly as is appropriate, as I fully intend to keep the matter under review in the forthcoming period.

The hon. Gentleman asked about cases where the evidence was not disputed and the sole basis for undertaking care proceedings for a child was the conduct of a particular individual. He asked whether there would be a review of those care proceedings and he will know that all care cases are reviewed every six months. I have no doubt that in cases where one particular individual was the sole expert in the proceedings, local authorities will act in a sensible and rational manner and review them.

I also draw to the hon. Gentleman's attention a fact that, as someone who has practised in that field, he will already know—that on the whole, when care proceedings are taken, although medical evidence is one of the issues on which the decision is based, the best interests of the child are seen in the round, and the courts have regard to many other factors before coming to a decision.

In asking local authorities to review cases, I am mindful of the fact that the Cannings judgment and what has arisen from it do not constitute a criticism of local authorities' conduct of care proceedings. New information has come to light, and it is in the context of that new information that we are asking local authorities to proceed as they have done in the past in reviewing the cases of children who are subject to care orders. The issue is therefore not a challenge to the local authority process or procedures. The hon. Gentleman will also know that in every local authority review process, an independent review officer will have a role to play in determining how to go forward with a case, and I think that that provides sufficient independence to give us confidence in the procedure.

The hon. Gentleman asked about local authority resources, and we shall watch that issue closely, because we have always said that we would compensate local authorities for new burdens. What happens will depend on the extent to which additional work falls on local authority departments, especially social services departments. We shall have to keep the matter under constant review.

The hon. Gentleman also asked whether, when an adoption was imminent, a decision to adopt would be held, subject to the completion of the review. Of course that is the sensible way forward, and I can give him that assurance. He also asked whether families would be notified about why local authorities had taken particular decisions in reviewing particular cases. Again, that is a sensible idea, and we would encourage local authorities to do that as they come to the conclusions of their reviews.

The hon. Gentleman asked whether legal aid would be available for families. The answer is yes, on the usual means and merits tests that exist for current civil proceedings. He also asked whether we had thought about claims for compensation. We have considered that matter, and I entirely agree that we must keep it under close review, so that should such action be taken by individuals against particular local authorities, it would come as no surprise.

Mr. Tam Dalyell (Linlithgow) (Lab): Frankly, my question is based on gossip—but it may be informed gossip. Were there points at which the Government machine raised the proverbial eyebrow at the decisions of Sir Roy Meadow, given the fact that many people could not swallow the figure of one in 73 million? Why on earth one in 73 million? Small oddities often reveal bigger oddities, so my question is: were there warnings inside the Department, as there certainly were with other cases in the Scotland Office, about that so-called medical expertise? I am not challenging the medical expertise, but we must ask questions about anybody who could be so silly, statistically.

Margaret Hodge: Whether there is credibility in the evidence given by a particular individual is a matter not for the Department but for the courts. The issues with which we have to deal are incredibly difficult. With judgments in relation to child proceedings in the courts there is often disputed medical evidence, and it is difficult to say that the science is certain. Furthermore, as our understanding of the science proceeds, matters change. There is increased understanding of the issues surrounding the unexplained deaths of children, which has led to review by the courts, and to the decisions of the courts on which we are now acting.

Mrs. Annette L. Brooke (Mid-Dorset and North Poole) (LD): I, too, thank the Minister for her courtesy in providing an early discussion, and for making her statement available in advance. I associate myself with her comments about the tragic cases and extend my sympathy to all those involved. I also associate myself with the comments of the hon. Member for Beaconsfield (Mr. Grieve), which I shall not repeat.

I accept that each case is individual, but people will want reassurance that all councils are following the same procedures. For example, the phrase "best efforts" occurs in the statement, but what monitoring will there be to establish the performance of councils reviewing current cases over the next four weeks? What monitoring will there be across councils to establish uniformity of approach as a result of the review both of current cases and of those cases where a final care order has been made?

Many people face uncertainty—birth parents, adoptive parents and adopted children—so will the Minister consider setting up a national helpline for the first point of contact, with clear routes for further advice?

[Mrs. Annette L. Brooke]

Has there been, or will there be, any research into child deaths that have occurred after an adoption that itself took place because the natural parent was judged to have Munchausen syndrome by proxy? That might shed further light in respect of expert witnesses.

What discussions has the Minister held with colleagues in the Department for Constitutional Affairs and the Home Office in the light of the review of the coroner service and the lack of paediatric pathologists? What efforts are being made to fill the vacant paediatric co-ordinator positions in regions throughout the country? It is important that people are not deterred from applying for those vital positions.

Finally, does the Minister agree that, despite the great concern that we are expressing today, if justice is to prevail, the police, social services and other professionals must not be discouraged from fully investigating all cases of suspected child abuse?

Margaret Hodge: I welcome the hon. Lady to her new position as the Liberal Democrat representative on children's affairs. I concur entirely with her final statement: it is extremely important, in the prevailing climate, to re-state our commitment to all the professionals who work in the extremely difficult field of trying to detect and prevent child abuse and who have responsibility for safeguarding children. Indeed, one of my concerns throughout the process has been to support many of the paediatricians who work in that field, who feel vulnerable and threatened by much of the criticism that has been levelled against them. There are difficulties in recruiting high-quality paediatricians to support the work of safeguarding children. We cannot tolerate that, and we want to support the profession in recruiting and keeping high-quality individuals to work in that field.

The hon. Lady asked whether councils would do as we asked. We are issuing guidance and that will form the basis of the requirement that they act as we have asked them to do. She asked whether we would establish a national helpline. We considered that, but, as a range of support agencies is in situ, we decided that it was better to work through the helplines and organisations that already exist. All local authorities have adoption support facilities and a number of national organisations offer support to all the groups of people who might be involved. Such organisations include NORCAP—the National Organisation for the Counselling of Adoptees and Parents—the Family Rights Group, After Adoption and the Post-Adoption centre. There is a whole range of such groups and we thought it better to work through them.

Any child death, whenever it occurs, will of course be investigated, so I did not quite get the point that the hon. Lady was making about that. Any child death will be the subject of investigation by the relevant professionals. With that, I think that I have dealt with most of the hon. Lady's questions.

Mr. Hilton Dawson (Lancaster and Wyre) (Lab): I commend my right hon. Friend for a balanced and wise response to a very difficult situation. Will she assure me that the independent reviewing officers, who have a crucial role in chairing the six-monthly statutory reviews of children in care, will play a full part in the process? Can she confirm that those officials will have a direct line to CAFCASS if they feel it is necessary in defence of children's rights?

Such situations may involve children who are settled and who cannot possibly be disturbed, but given that care situations and adoptive placements are more open these days, will she assure me that the president of the family division and her colleagues will look more sympathetically upon applications for contact from parents who have been placed in such dreadful and tragic situations?

Margaret Hodge: First, I acknowledge my hon. Friend's important role in supporting social workers in their work of safeguarding and protecting children and the wide professional experience that he brings to the House.

Secondly, I confirm that the independent reviewing officer will play a key role. My hon. Friend knows that we are developing advocacy support arrangements in all local authorities—some arrangements are more developed than others—so that the child's interest and voice are heard in difficult proceedings. There are also a number of national organisations and children's rights officers in local authorities. I hope that the National Youth Advocacy Service and others will play their part—ChildLine is, of course, the first port of call for many young children.

Finally, my hon. Friend raised the issue of contact for adopted children, where it may be appropriate for them to re-establish contact with a birth parent. Again, the matter is for the courts, where children's cases may be taken. I am sure that the courts will examine such situations sympathetically where it is appropriate to do so.

Sir Patrick Cormack (South Staffordshire) (Con): May I press the Minister on the matter of Sir Roy Meadow? Will she assure the House that every case in which he has been an expert witness will be re-examined? There is wide public disquiet.

Margaret Hodge: The hon. Gentleman probably knows that we do not keep central records of local authority care proceedings, so there is no way to detect the number of cases in which the advice of one particular individual was used. It would be inappropriate for me, or indeed for him, to pass judgment on all the cases in which Sir Roy Meadow gave evidence, and in particular those involving children, before the General Medical Council has examined Sir Roy Meadow's professional competence and his evidence—Sir Roy Meadow is currently subject to GMC proceedings. I assure the hon. Gentleman that under the guidance that I am publishing, local authorities will review cases in which the decision to take a child into care rested wholly or mainly on disputed medical evidence and make sure that the child's best interest is promoted and protected.

Vera Baird (Redcar) (Lab): I compliment my right hon. Friend on the care that she has taken over the weeks to ensure that this difficult matter is dealt with correctly and fairly. Will she consider this possible further step? The local authorities that are being guided

to review such cases were, of course, adversarial opponents of parents in cases that relied upon such evidence—they will, of course act with integrity now. None the less, it would perhaps be wise to communicate with the Law Society's family law practitioner group, which is certain to have acted for parents. In cases where such evidence was given, local authorities should perhaps examine their old files and consider whether there is further advice that they should proffer to parents, so that parents are fully apprised of their position straight away. On ascertaining the cases in which Professor Meadow has appeared, it would be a good idea to ask him for his tax records.

Margaret Hodge: I compliment my hon. and learned Friend on the work that she has done on this difficult issue and the positive contribution she has made to the deliberations on how to move forward on these complex matters. I will certainly consider her suggestion of asking the Law Society family practitioners group to give advice to parents and I will come back to her on that point. We will keep under review her suggestion that we should take further action in relation to one particular individual and his expert witness activities.

Mr. Robert Key (Salisbury) (Con): In anticipation of the Minister's welcome statement, I spoke not two hours ago to Councillor Judy Seager, the cabinet member responsible for social services for Wiltshire county council. She raised the important issue of what happens when a case has to be reviewed but the evidence was heard in camera. What guidance would the Minister give in those circumstances?

Margaret Hodge: We have considered such difficulties and the best advice is that in reviewing whether a care order should be revoked or amended—which is the focus of the review—individual social service authorities will have to look back at the best record they have of the evidence given. I recognise that there is not always a full record of the proceedings, but we can trust the professionals engaged in this review to take a common-sense approach to the matter, to review the reasons why a care order was made and decide whether, in the interests of the child, they should review it and refer it back to the courts.

Mr. Michael Jabez Foster (Hastings and Rye) (Lab): As the father of two adopted sons, who are now far too old to be involved in this issue, I am conscious of the concern, distress and apprehension felt by many adoptive parents about what might happen. Would my right hon. Friend be prepared to say that it would be unusual for adoption orders to be overturned or revoked? However, it is important to have some process by which a wrong can be righted, perhaps by a declaration of some kind. Has she given some thought to how the record may be put straight without necessarily overturning adoption orders?

Margaret Hodge: My hon. Friend is right to say that it would be unusual for adoptions to be overturned. I hope that I made that clear in my original statement. Whether a declaration could be made in relation to particular birth or adoptive parents is a matter for the courts, and that is why my advice would be for individuals to seek legal advice and return to the courts if appropriate.

Mr. George Osborne (Tatton) (Con): The statement by the Minister anticipates the debate that I have been granted in Westminster Hall on this very subject tomorrow. Will she return to the point that my hon. Friend the Member for Beaconsfield (Mr. Grieve) raised and say why she is restricting the guidance to disputed cases? Why did she feel unable to issue guidance to local authorities about cases with just one piece of evidence about sudden infant death, given what we now know about the Court of Appeal's verdict in the Angela Cannings case and the case of Sally Clark, my constituent?

Margaret Hodge: I was mindful of the Cannings judgment, which was very narrow indeed and related to disputed evidence in respect of just one category in which care proceedings and possible adoption proceedings could take place, where an unexplained infant death or multiple deaths had taken place. We broadened that very narrow category to provide for the review of all cases in which an instance of disputed medical evidence was the only or main reason for referring them to court.

I shall simply reiterate what I told the hon. Member for Beaconsfield (Mr. Grieve), which is that in most care cases where only one medical expert has given evidence, the courts and social services departments will have considered other issues in looking at the best interests of the child in the round. We have to trust the common sense of social services departments to ensure that, in their statutory six-monthly review of all care orders, they will have regard to the sort of evidence that led to a care order being instigated in the first instance.

I think we have got things about right in this difficult policy area, but I assure the hon. Gentleman that, if that proves not be the case over time, I will return to the House with further proposals.

Ms Sally Keeble (Northampton, North) (Lab): I welcome my right hon. Friend's statement. She has referred to the lack of centralised information. In view of the public concern and the serious public policy issues, will she consider publishing some of the results of the reviews that local authorities have undertaken and ensure that the best practice from those reviews is captured and disseminated widely across social services? I hope that, as a result, improved procedures would work through local authorities and not only apply to cases that come under the present review, but improve arrangements for children in care on a much wider basis.

Margaret Hodge: We must beware of giving publicity to individuals. This is a very difficult area, and publicising details about how individual cases have been considered is extremely difficult. In dealing with the situation that arises from the Cannings judgment, there has been no criticism of the way that local authorities have conducted the reviews and taken the decisions about whether or not to proceed with action in the courts in relation to individual children. What has happened is that, because of the new knowledge and evidence and because of the judgment of the courts, local authorities must now have regard to the new information that is available to them and consider each child's interests in the light of that new judgment. It is in no way a criticism of local authorities that has led me to make my statement today or has caused local authorities to undertake the review that I am asking them to undertake.

Point of Order

5.3 pm

Mr. Owen Paterson (North Shropshire) (Con): On a point of order, Madam Deputy Speaker. The Dairy Crest site in Ellesmere in my constituency has lain derelict for 15 years. A proposal to develop it has the support of the town council, North Shropshire district council, Shropshire county council and the regional development agency and was passed with flying colours by the Deputy Prime Minister's inspector last March. It therefore caused total consternation in the town when the Deputy Prime Minister threw out the proposal—a decision that was seen to be arbitrary and capricious. I wrote to him on 3 February, asking that I be allowed to bring a delegation of local councillors and other parties to meet him. He has refused to see me on the grounds that he has a judicial role in the matter. I have also been told that I cannot see any of his other Ministers. What advice do you have for me, as the elected representative of the public of Ellesmere, whose town will be blighted for a generation unless that proposal goes through? How can I represent my constituents' interests when the Deputy Prime Minister and his fellow Ministers flatly refuse to see me?

Madam Deputy Speaker (Sylvia Heal): I am grateful to the hon. Gentleman for giving notice of his point or order. If he consults the Table Office, I am sure that he will be able to find a way to raise his concerns with a Minister in the House.

Orders of the Day

Gender Recognition Bill

Order for Second Reading read.

5.4 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. David Lammy): I beg to move, That the Bill be now read a Second time.

The Department for Constitutional Affairs was created in June last year to spearhead across government a coherent programme of constitutional reform. This programme is designed to improve the credibility and effectiveness of our constitutional arrangements, engage citizens in decision making and enhance trust in our public institutions.

The Bill is part of the Government's commitment to reforming the constitution so that it better meets the needs of all people. It reflects, too, our commitment to social inclusion. Transsexual people are a small and vulnerable minority in our society and the Bill addresses one of the key problems that they face. It is essential that no one is left behind as we create the conditions for a credible and effective modern democracy.

There is a strong tradition of legislation in this country that has sought to respond to the concerns and needs of minority groups—whether they have been ethnic minorities, people who are disabled or, with this Bill, transsexual people. As you know, Madam Deputy Speaker, the Government intend to introduce legislation this Session that will enable same-sex partners to acquire a legal status for their relationships. I believe that the reformist tradition behind such measures is one that the country can be proud of. We, as a Government, are committed to continuing that tradition.

The Bill provides transsexual people with the opportunity to gain the rights and responsibilities appropriate to the gender in which they are now living. At present, transsexual people live in a state of limbo. Their birth gender determines their legal status.

Kali Mountford (Colne Valley) (Lab): My hon. Friend has now referred at least twice to transsexual people and once to gender dysphoria. Will he clarify whether the definition, for the purposes of this Bill, includes people who were born with ambiguous genitalia and whose proper gender could not be identified at birth, or does it cover only people who are identified by the medical profession as having gender dysphoria?

Mr. Lammy: I know that my hon. Friend has taken a keen interest in these issues. The Bill does not specifically deal with people who are born with ambiguous genitalia. They are, of course, already able to re-register their birth certificates with the general registrar after having the appropriate medical assessment. The Bill deals specifically with people with gender dysphoria who present themselves as having acquired a new gender because they are driven to that by the medical condition surrounding gender dysphoria. I shall come to that point, but I am grateful to my hon. Friend for raising it.

The Bill provides transsexual people with the opportunity to gain the rights and responsibilities appropriate to the gender in which they are now living.

Mr. Frank Field (Birkenhead) (Lab): We will be discussing the Pensions Bill next week, and although my hon. Friend may not be able to reply to this point now I hope that he will consider it before this Bill reaches Report. He is stressing the rights and duties of transsexual people, but we must also consider the rights of the people who were their partners. Will he therefore consider carefully what might happen to the pension rights of women who, under the Bill, may lose not only their rights to the company pensions that they expected as partners or perhaps as widows, but their national insurance pension rights?

Mr. Lammy: I know that my right hon. Friend has much experience of this issue, and I inform him that we are examining pension arrangements closely. He will understand that many of those arrangements relate to the pension arrangements for same-sex couples, and we will introduce our civil partnership legislation in that regard. We are considering the matter closely, and I suspect that there will be much debate about it in Committee.

Mr. Field: The question of pensions for same-sex partnerships will be about extending pension rights. However, the concern of some wives in this situation is that they will lose pension rights.

Mr. Lammy: In a sense, the issue of people in same-sex relationships has arisen in the same context, and I have certainly received correspondence from transsexual people who will find themselves in same-sex relationships. I accept the point that my right hon. Friend makes, and I am sure that we will look closely at this complex issue in our debates in Committee and on Report.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): My hon. Friend is being very tolerant in giving way. This issue is very important, because a decision officially to change a gender could wipe out the entitlement of a previous wife and family, who were not involved in the decision in any way, through no fault of their own. That is very unfair and will have a direct impact on many people's lives.

Mr. Lammy: Of course, there is choice—the Government are not requiring transsexual people to apply for a gender recognition certificate. They will look at the choices available to them, and different pension companies will take a view on these matters. But my hon. Friend is right: some very important pension issues arise. We are looking at them closely, both for same-sex couples and for existing couples who will be in opposite sex relationships.

Sir Patrick Cormack (South Staffordshire) (Con) *rose—*

Mr. John Bercow (Buckingham) (Con): Will the hon. Gentleman give way?

Mr. Lammy: No, I shall make progress, if I may.

At the moment, transsexual people live in a state of limbo. Their birth gender determines their legal status, even though they may have lived fully in the opposite gender for many years.

Sir Patrick Cormack *rose—*

Mr. Bercow: Will the hon. Gentleman give way?

Mr. Lammy: If I may, I shall make some progress. *[Interruption.]*

Madam Deputy Speaker (Sylvia Heal): Order. The hon. Gentleman will indicate when he is prepared to give way.

Mr. Lammy: Without legal recognition of their acquired gender, transsexual people face a wide range of problems. Frankly, there may be few other matters that are quite so personal, yet because of the disjuncture between their birth gender and the gender in which they are now living, transsexual people may have to describe their gender history to complete strangers when they seek insurance or employment, or when they visit their child's school. The Gender Recognition Bill will ensure that this intensely private matter remains private.

More than that, transsexual people currently have no access to the legal rights and responsibilities of their acquired gender. Although a person may have lived as a man for many years, for example, because his legal status remains that of a woman he is entitled to marry only another man—he may not marry a woman. After a proper process of transition under medical supervision, and after the determination of the judicial panels that this Bill provides for, we think it right that transsexual people should have access to the rights and responsibilities of the acquired gender.

Mr. Bercow: I am grateful to the Minister for giving way. In fact, I am trying to be helpful to him. I support this Bill. It is fair-minded, it should certainly get a Second Reading and I hope that it progresses successfully through the House, but may I politely point out that it would probably help at this stage if the Minister were able—in response to the right hon. Member for Birkenhead (Mr. Field) and others who are quizzical on the point—to confirm that in advancing the rights of transsexuals, which the Bill correctly does, he will guarantee that the rights of other people who could be affected in the process will not suffer in any way? That is the only assurance that the Minister need give.

Mr. Lammy: I think that I have said that the Bill is also a matter of choice for people when considering carefully whether they want to go forward with these matters. That is clearly a decision that transsexual people will take with their partners and think about carefully.

Sir Patrick Cormack: Will the hon. Gentleman give way?

Mr. Lammy: I shall make some progress, if I may.

The Bill has a long history. It has emerged from about 20 hours of scrutiny in another place and is the product of much prior thought and consultation with

[Mr. Lammy]

stakeholders – we were determined to get it right. The Government have been working on issues affecting transsexual people since 1999. The interdepartmental working group on transsexual people published its report in April 2000 and was reconvened in 2002 to resolve finally the many difficult technical issues involved in changing a person's legal status. That work led to our announcement on 13 December 2002 that legislation would be introduced, and to the publication of a draft Bill on 11 July 2003.

Sir Patrick Cormack: I am grateful that the hon. Gentleman has at last given way. If the Government have been working on the Bill for all these years, why can he not answer clearly and unequivocally the question put by the right hon. Member for Birkenhead (Mr. Field) and the hon. Member for Crewe and Nantwich (Mrs. Dunwoody), from his side of the House, and by his sympathetic supporter, my hon. Friend the Member for Buckingham (Mr. Bercow), from this side of the House?

Mr. Lammy: On pension rights, I said that specific issues arise for same-sex couples in civil partnerships. Specific issues arise for a person who was previously a woman and would have been required to retire at 60, but who would be required to retire at 65 after acquiring the new gender of a man. There are, quite properly, matters that a family will have to consider when deciding whether to go forward with gender recognition, which, of course, will pertain to pension rights that exist under specific policies. Those matters will properly be debated in Committee, but, if I may, I shall make more progress.

Lynne Jones (Birmingham, Selly Oak) (Lab): May I try to be helpful to my hon. Friend? I understand that it is the intention that if there is a marriage in which both partners wish to continue their relationship and the transsexual person wishes to have full recognition, it should be possible for the marriage to be dissolved and for a new same-sex partnership to be created in the same day. Therefore, should it not also be possible for pension rights to be transferred?

Mr. Lammy: That is something that the Government should quite properly consider in line with the civil partnership legislation that we hope to introduce in this Session. In that sense, I do not want to prejudge the debate that we will have on that matter, but I am grateful to my hon. Friend for raising an important issue.

The draft Bill was considered by the Joint Committee on Human Rights. Although differences of opinion remain between the Committee and the Government, after a period of detailed scrutiny and receiving 47 separate submissions, it was on the whole satisfied that the Bill would bring the UK into compliance with its obligations under the European convention on human rights. I should say something about those obligations because they underline the importance of having UK legislation in this area. The European Court of Human Rights interpreted the convention, which is now a part of UK law, in the case of Goodwin *v.* UK, and its judgment stated that a system for recognising transsexual people in their acquired gender must exist and that transsexual people must be granted their rights under article 8, the right to respect for private life, and article 12, the right to marry. The Law Lords, in the case of Bellinger, concurred with the view that transsexual people ought to have a means of marrying in their acquired gender. Their lordships stated that transsexual people do not have that right at present and that legislation would be required to ensure that they do.

The Bill proposes to provide legal recognition in the acquired gender to those transsexual people who have taken decisive steps to live fully and permanently in that gender. The effect of legal recognition will be that a transsexual person gains the legal rights and responsibilities appropriate to the acquired gender.

Tim Loughton (East Worthing and Shoreham) (Con): As we have not made much progress on the thorny issue of pension rights, may I ask the Minister about another practical implication of the Bill? Will prisoners be liable to apply for a gender change certificate if they started that exercise before they became prisoners? If so and they are granted a certificate, what will be the accommodation arrangements for that prisoner? Will he or she have to be moved, or is this something else that the Government need to think about but have not, as with pension rights?

Mr. Lammy: Prisoners can apply and that person will be subject to prison arrangements for their new acquired gender. We are talking about a very small group of people and the hon. Gentleman knows that that situation would arise in limited circumstances.

Miss Ann Widdecombe (Maidstone and The Weald) (Con): I am grateful to the Minister for giving way; I appreciate that he is taking many interventions.

If a woman who has lived her life as a woman, has been registered at birth as a woman and has borne children decides that she wishes to change gender to become fully a man, and the birth certificate is rewritten to reflect that, who is the legal mother of those children?

Mr. Lammy: She is the parent of those children and she has acquired a new gender, but the right hon. Lady should let me describe the terms under which the panel will make that decision.

The specific provisions are divided into three sections. The first makes provision for applications for a gender recognition certificate. The second sets out the consequences of the issue of a gender recognition certificate. The third deals with supplementary matters.

The first section sets out the criteria for application and the process by which applications will be determined. That process must be robust, credible and sustainable. That is why the Bill proposes the establishment of gender recognition panels to determine all applications. The panels will consist of legally and medically qualified members. Schedule 1 sets out some of the detail of the proposed practice and procedure of the panels. We will continue to work with the professional medical bodies to ensure that the panels consider only medical evidence that comes from reputable sources. We will also continue to work with

groups representing the transsexual community to ensure that the process does not place undue demands on applicants.

An application for recognition in the acquired gender will be considered according to three criteria set out in clause 2. The person must have or have had gender dysphoria, the recognised medical condition that drives the transsexual person to live in the opposite gender. A person must have lived in the acquired gender throughout the preceding two years and must intend to continue to do so until death.

Mr. Andrew Robathan (Blaby) (Con): I have been listening with great care. I do not applaud the Bill. I think it is the most arrant nonsense. However, will the Minister explain what happens if, after someone has acquired a new gender, they decide that they wish to go back to their previous gender?

Mr. Lammy: I am sorry that the hon. Gentleman does not support legislation that attempts to support a vulnerable group of people. However, he is right that a very small minority of people wish to return to their existing gender. The panel will be able to consider that request.

Mr. Mark Oaten (Winchester) (LD): Does the Bill provide the opportunity for an individual to appeal against the panel's decision, and, if so, how does that work?

Mr. Lammy: Individuals will have the opportunity to return to the panel six months later to request that the decision be reconsidered.

The criteria are designed to establish whether a person has taken decisive steps to live fully and permanently in their acquired gender. That must be the test for legal recognition in the acquired gender, not whether the person's physiology fully conforms to the acquired gender and not whether they "look the part". Such tests are inappropriate and inconsistent with our broader ambition to respond to the needs and concerns of a small minority group.

The Bill must also account for the situation of the relatively small number of transsexual people who are in existing marriages. After recognition in the acquired gender such couples will become same-sex couples, and marriage is of course an institution for opposite-sex couples. It has always been so, and the Government intend it to remain that way. That means that existing marriages will have to end. We acknowledge that that will have emotional and practical repercussions.

The decision to require existing marriages to end was not taken lightly. Ultimately we believe that these same-sex couples should be treated in the same way as other same-sex couples and should therefore have access to the civil partnerships that the Government propose to make available for same-sex couples, but marriage should remain an institution for opposite-sex couples.

Angela Watkinson (Upminster) (Con): I thank the Minister for giving way; he has taken an inordinately large number of interventions. The explanatory notes say that if somebody who is married acquires a new gender and an interim gender recognition certification, the marriage is voidable, but they also state:

"Proceedings for dissolution on this basis must be begun within six months of the issue of the interim certificate."

Does that mean that after the six months have elapsed the spouse loses the right to have the marriage voided on those grounds?

Mr. Lammy: It is our intention to make this process as swift and easy for the applicant as possible. We would like the process to take place in a day, but six months is the period within which we have mandated that that decision should be made.

Mr. David Rendel (Newbury) (LD): Will the Minister give way?

Mr. Lammy: If the hon. Gentleman will forgive me, I will make some progress. I have taken a number of interventions, and if I can make progress we can then have a full debate.

In short, although the marriage will have to end, there is no impediment to the continuation of the relationship, and, should civil partnership legislation be enacted, it will be possible for the relationship to regain a legal status and for there to be mutual rights and responsibilities.

On how the marriage is to end, we are concerned to leave the individual in control of the process and to tackle the practical difficulties that ending an existing marriage may create. If a married individual applies and is successful, he or she will receive an interim gender recognition certificate, which will provide the basis, in schedule 2, for a new ground for dissolution of the marriage. On dissolving the marriage, the court will substitute a full gender recognition certificate for the interim one. In that way, the Bill proposes to avoid the situation where a married applicant first has to end his or her marriage and only then learns whether his or her application meets the criteria. The process provided in the Bill eliminates the potential for that vulnerability and allows a person to plan his or her affairs. When dissolving the marriage the court will also be able to deal with practical matters such as the sharing of pensions or making provision for children of the family.

The Government will also introduce during this Session legislation on same-sex civil partnerships. Should that legislation be enacted, a couple who have to end their marriage to allow one party to gain recognition in the acquired gender will be able to enter into a civil partnership. After the recognition of the acquired gender, they will be a same-sex couple like any other, and will have access to the rights of a same-sex couple. The effect of that is that the couple will be able again to acquire a legal status for their relationship, with legal rights and responsibilities. We plan to make it possible for a couple to end their marriage, for the full gender recognition certificate to be issued, and for a civil partnership to be formed, all on the same day.

The second section of the Bill outlines the consequences of issuing a gender recognition certificate. The consequences are largely straightforward. The two main principles are stated in general terms in clause 9. Once a certificate has been granted, a person's gender becomes in law the acquired gender. The Bill proposes to provide transsexual people with access to the rights and responsibilities that are appropriate to their

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acquired gender. This change of gender is, however, prospective only – the Bill does not seek to rewrite history.

Clause 10 and schedule 3 are critically important. Following a successful application for recognition, the panel will issue a gender recognition certificate. The appropriate Registrar General, depending on whether the individual's birth was initially registered in England and Wales, Northern Ireland or Scotland, will then create a new record on the individual in the gender recognition register. A birth certificate in the new name and gender recorded on the gender recognition certificate can then be issued from the new record. The link between that new birth certificate and the original birth certificate will be confidential. I want to make one thing very clear. The original birth record will not, and should not, be erased, because it is a record of a historical fact. The original birth record will remain in existence, and any person who has the original birth details will have access to a certified copy of that record. The point of issuing a new birth certificate is to allow the transsexual person privacy by not revealing their gender history in a public document. We feel that this is a reasonable safeguard for that small group of people.

I shall mention one vital aspect of the third section of the Bill. Clause 22 prohibits the disclosure of information about a person's application for gender recognition or about a successful applicant's gender history. That information is to be protected whenever it has been acquired in an official capacity. Changing gender is a difficult process. It is difficult in terms of the person's own identity and in terms of their relationships with others. Recognising the change of gender in law will produce benefits for transsexual people. Those benefits will be undermined if there remains open access to, and open disclosure of, the fact that the person was once of the other gender.

Gender dysphoria is, after all, a medical condition whereby a person feels driven to live in the opposite gender. To be reminded of the original gender, to be regularly confronted by it, and to have others knowing that one suffers from that medical condition and to know that they might be talking about it is not conducive to feeling secure and it makes it very difficult to live in the acquired gender in dignity. We do not believe, as a Government, that we are able to, or should seek to, prevent all rumour and gossip—that would require too great an encroachment into the private sphere—but we do believe that those with access to information about a person's gender history in an official capacity should play no part in any such activity. Clause 22 seeks to achieve that.

There will be instances of the individual's previous identity being relevant. All human rights legislation should try to balance the rights of one set of individuals with the rights and interests of others. To that end, clause 22 sets out the limited circumstances in which disclosure is permissible, for example, for prevention or detection of a crime or in pursuance of a statutory duty.

I should like to add to the theme of respecting the rights and interests of third parties. Schedule 4 contains a conscience clause for ministers of the Church of England and the Church in Wales.

Lynne Jones: I wish to take my hon. Friend back to clause 21, which covers foreign gender change and marriage. I apologise for not intervening at the appropriate time. Why is it necessary for transsexual people who have full legal recognition abroad to apply to the panel for recognition here? What would be the status of marriages that take place abroad? Would it not simply be possible to recognise countries that grant legal status and accept that status in this country, provided that we have approved the process, just as we accept a passport from another country as a valid document?

Mr. Lammy: Let me say to my hon. Friend that we *[Interruption.]*

Madam Deputy Speaker: Order. Perhaps we could hold only one debate in the Chamber.

Mr. Lammy: We want to ensure that the standards in other countries are the same as those that we apply here. We also want to make sure that we do not create a position whereby people who cannot get the gender recognition certificate here apply abroad to fulfil the criteria. That is why we believe that it is right for the panel to consider applications. My hon. Friend will understand that the applications are essentially considered on the papers and that, over time, the panel will build up expertise on the criteria and standards in other countries.

Schedule 4 contains a conscience clause for ministers of the Church of England and the Church in Wales.

Donald Anderson (Swansea, East) (Lab): My hon. Friend is about to deal with the conscience clause and the exemption for the Church of England and the Church in Wales. I hope that he agrees that members of other Churches, including the free Churches, also have consciences. Will he guarantee that the proposed legislation does not mean that Churches in other denominations will experience expensive litigation because of deeply held views of conscience? My hon. Friend will know of a case in south Wales in which an individual took a free Church to court unsuccessfully under the Sex Discrimination Act 1975. It could have been liable to expensive litigation. What exemption is he prepared to give those free Churches—probably a small minority—that, because of their religious views, will not wish to accept the Bill?

Mr. Lammy: The Church of England and the Church in Wales have a specific exemption because of their obligations to solemnise marriages. That does not pertain to free Churches. The Bill does not extend the law on equal rights and equal opportunities in human rights or other legislation and it therefore places no extra duties on the free Churches. Doubtless the transsexual person who applies will be minded of the understanding of the priest or clergyman of those matters.

However, it is important to make the distinction between the specific status of the Church of England and the Church in Wales, which have obligations when someone asks for a marriage to be solemnised, and that of other Churches.

Donald Anderson: What about the very real danger of Churches being put to expensive litigation because of activists in this field, and of being bankrupted on grounds of conscience?

Mr. Lammy: That does not arise, in that the Bill does not make provisions in relation to equality in any new fields, beyond our existing arrangements. My right hon. Friend might know that when the Joint Committee on Human Rights considered the matter, there was some discussion on extending discrimination, and hon. Members might well seek to take those arguments forward later in this debate, but the Government's view is that this Bill is specifically about gender recognition. It is not about wider issues of discrimination relating to transsexual people, which might well pertain to the issue that my right hon. Friend raises and lead to new powers and legislation.

There was considerable discussion in another place of the interests of family members of applicants. We clarified that the gender recognition panels will be able to take evidence from immediate family members and that, in the case of a spouse or partner, we would expect them to do so. That will be pertinent to the criteria in the Bill.

The Bill seeks to provide transsexual people with the opportunity to enjoy the rights and responsibilities appropriate to their acquired gender, and to leave behind the vulnerable position—the limbo between two genders—that they currently have to endure. However, it also has a wider impact. It affirms the values of tolerance, inclusion and social justice that are we as a country embody, and that we as a Labour Government are committed to fostering.

5.42 pm

Mr. Tim Boswell (Daventry) (Con): I am grateful to the Minister for his attempts to explain the Bill. Given that he has run into considerable difficulty with questions from both sides of the Chamber for the past 40 minutes, it would be fair and charitable for me to say that I attribute at least some of those difficulties to the Bill's inherent complexity, rather than to any deficiency on his part. Indeed, to give a rare compliment, it is a little unusual for the present Government to take such trouble over the details of legislation.

It is possible to read the clauses, if not the schedules, with a degree of understanding, which reflects the history of the Bill's creation, including the preparatory studies of the interdepartmental working group on transsexual people—which the Minister's Department reconvened, with an extended remit, to consider the implications of the Goodwin judgment—and the wise publication of a draft Bill last summer. There were then the observations of the Joint Committee on Human Rights and the Bill's introduction in substance in another place, which led to some thorough and lively debates. I sense that those might continue in this place.

The Joint Committee and others have declared the issues complex and delicate, and I thoroughly endorse that comment and share the Committee's concern. I want to approach the subject not with political triumphalism—we saw some signs of that from the Minister—but with a degree of humility and in a spirit of honest inquiry. It seems that there is scope in this matter for the proper expert input of at least three learned professions, although of course they never agree with each other on such matters. They are theology, the law and medicine. I practise none of those, but I take advice from those who do.

We can certainly agree that Parliament now has an opportunity to tackle this matter definitively, and I believe strongly that, in the interests of everyone, we had better get it as right as is humanly possible, if not absolutely perfectly right. I should make it clear at this stage that the official Opposition will allow their Members a free vote on this issue tonight. This reflects not only the sensitivities to which I have already referred, but the clear reservations of principle that have already surfaced in debate, particularly, although not exclusively, from people of faith. I should also record that the opinions of people of faith are not unanimous. At this point, I should perhaps make it clear for the Minister's comfort that I shall support the Bill.

We often find that we learn from our constituents on these issues. I have a constituent who is a male-to-female transsexual, and who has been discussing the issues with me and briefing me on the matter over the number of years in which I have taken an interest in it. She is a former senior official, and as such is well aware of the processes of legislation. She has taught me a great deal about the problems that transsexuals face, particularly people in a situation such as hers, as she is legally married to a woman.

To borrow from a literary reference from a Roman historian, the unknown is often magnified in circumstances such as these. If people could come to terms with some of the difficulties that some of our citizens encounter, they might take a more sympathetic view—although not, as I hope to show, a completely uncritical one—of the issues.

To move from the particular to the general, I believe that I echo the spirit of the Minister's remarks when I say that Parliament has a long and entirely decent tradition of legislating to meet the deeply felt concerns of even quite small numbers of individuals about their status. That status could well be defensible under some principle of law; equally, however, it could have arisen from some long-past concern or controversy so deeply buried in history that we do not even remember why it was originally introduced. I am thinking, for example, of the intense debates that were held in this place a century ago during the passage of the Deceased Wife's Sister's Marriage Act 1907, or the minor but remarkable and commendable legislation passed half a century ago to correct the position in which foundlings had to have a special birth certificate labelled "foundling", which must have deeply offensive to them.

Issues such as these are not generally a matter of political weight. With great respect to the 5,000 transsexual people in this country—I think that we would all wish to show that—they are extremely unlikely to turn the result of the next general election. However, that imposes a duty on us collectively to try to be as helpful to individuals as we properly may.

[Mr. Tim Boswell]

In this case, as the Minister has said, there is also a European dimension, and I am personally exercised that British law is harsher on transsexuals than most of its European counterparts. The Liberty submission suggested that only four other countries were equally harsh, and that only Britain and Ireland refused transsexuals any rights such as these at all. As the Minister has implied, however, the impact of the recent judgment of the European Court of Human Rights and the Bellinger judgment in the UK must be tackled.

I should stress that we are, by definition, contemplating a change in the operation of the civil law—no more, no less. At least since Hardwicke's Marriage Act 1753, Parliament has taken an interest in matters that have a clear ecclesiastical and theological interface, such as provisions regulating marriage. That Act, as a matter of interest—this bears on some of the concerns of the faith communities—regulated the conduct of the clergy in the matter of marriage, and, I understand, imposed extremely severe penalties, up to and including capital punishment, on transgressors.

As to the theology, over which we can all pass briefly and tentatively, I hope that the Minister will appreciate it if I confine myself to the argument in the Acts of the Apostles of the wise Gamaliel, who told the Jewish council that God would ultimately be the judge of the worth of what was being done, and that, in effect, we could do no more than offer our good faith in the matter. We need to acknowledge that good faith and good will may be necessary conditions for legislating but are not necessarily sufficient. We therefore need to tackle the difficulties, too.

I genuinely accept the sincerity and intensity of views of those on the other side of the argument and of those who may wish to oppose the legislation in the Lobby. In some cases—not always—those counter arguments start with objections of intrinsic principle. For example, in the debates in another place, the Lord Bishop of Winchester referred to the biblical text,

"male and female created he them",

and pointed out that that is an intrinsic part of the beliefs of Christians, Jews and Muslims alike. I note that a number of objectors in another place took sex as a given at birth. Even then, however, some genuine doubt existed as to the uniqueness of the criteria to be employed, whether the definition of sex was simply a chromosomal definition—the hon. Member for Colne Valley (Kali Mountford) has mentioned the separate issue of intersex people—and in certain cases whether even the chromosomal definition could be ambiguous in determining sex. I was impressed by some of the medical comments made by learned peers on that matter. Whether or not there is or could be a precise, conclusive definition of sex, it is clear to me, modestly, that the defining characteristic of transsexuals is that they are in the real world deeply unhappy with their birth gender. That is the issue that, after due process, the Bill would change.

Mr. Bercow: My hon. Friend is making a characteristically judicious speech. Notwithstanding his reference to the speech in the other place, may I put it to him that religion is neither the only nor an essential basis of civil obligation or just law? I further put it to him that what saddens some of us who support the principles of this Bill, and who intend to vote for it, is the way in which ghoulish images are conjured up whereby protecting the rights of a minority is somehow interpreted as a great threat to everybody else, which it is not.

Mr. Boswell: I am grateful for my hon. Friend's comments and for his implied support for the legislation. Everybody who has a faith and a set of principles must form their own judgment. I start from the basis of saying, "Is there a problem for individuals, our colleagues and fellow citizens? Is that something that we can address without disrupting some other basic principle that we all hold dear?" I agree with my hon. Friend to the extent that the operation of the civil law, which I have emphasised that this legislation will be part of, is binding across the whole population irrespective of their faith. An important distinction therefore exists, which we need to secure through the legislation, between the general operation of the law in relation to marriage, gender or whatever, and the specific ability of faith communities to impose their own conditions on their members.

Mrs. Dunwoody: With the hon. Gentleman's normal inherent good sense, he is picking his way gingerly through this maze of complex situations. Does he not accept, however, that there may be a good reason to bring this Bill to the House because a genuine problem exists, even if it affects only a small number of people, but that it would be equally wrong were the House to allow flawed legislation to go ahead without considering with extraordinary care the effects on others who may be influenced and damaged by decisions taken in which they have no standing and, frequently, on which they have no influence?

Mr. Boswell: I agree passionately with the hon. Lady's comment. It is terribly important that we do not consider this issue in a vacuum. We should not seek to solve the problems of one group of people, however intensely felt, at the expense of another group. The Government do not intend to do that, and the detailed work and consideration of amendments that we must do in Committee, with great respect to the other place, which has looked at many of these issues including the broad sweep, is intended to ensure that the Bill does not have repercussive effects. If the hon. Lady will allow me to proceed, she will see that I am sensitive to her points.

On the general issue, it is interesting, and impressive in relation to my argument, that the chief medical officer and the bulk of medical opinion—although not all, as that is never the case—sanction the diagnosis of gender dysphoria as a real disease or condition and the provision of public funds for its treatment.

That leaves a number of serious matters to be considered, and I am anxious to make progress so that other Members can make their points. First, there is the issue of birth records. Some Members feel that we are in some way conniving at a lie in permitting the issue of a certificate recording the amended gender. It would be practically impossible, however, to permit someone to

change gender in law without the conversion of that basic record, provided that the original records are maintained and can be accessed.

Sir Patrick Cormack: Does not my hon. Friend accept, however, that we are obliging registrars to connive at an untruth, and no clause in the Bill gives them the right to object conscientiously as ministers of religion can do?

Mr. Boswell: I am interested in my hon. Friend's comments, and what he says is true not only of registrars in relation to birth certificates but in relation to any duties that they might have as marriage registrars, and I have some thoughts about amendments on that matter. In this particularly difficult situation, however, we are entitled to consider the relief of the individual, even at the expense of parading the original and full record. That is a judgment that we must make. If we do not do it, we run the risk of continuing to treat transsexual people as second-class citizens, or as the organisation Press for Change would argue, as non-people.

Miss Widdecombe: Please may I follow the question that has just been asked? Ministers of religion can say no, either because they have no legal obligations anyway or because they have been exempted under the conscience clauses in the Bill. Registrars, however, may not say no. Is my hon. Friend content with that?

Mr. Boswell: I am content, provided that it is sanctioned by the law and that we have taken the decision in Parliament that if a gender recognition certificate is to be issued by a registrar—and he will know that he is issuing it—it is a different legal document from the original birth record. It is a difficulty, and my right hon. and hon. Friends are right to raise it.

Donald Anderson: Cannot that difficulty be met by some form of clause that preserves the right of those registrars to cite conscience, and ensures that there is no termination of employment owing to the failure of a registrar to proceed with this matter?

Mr. Boswell: This little exchange has been useful in drawing out the concerns about this issue, which is properly an issue that Members may want to raise in Committee, and I hope that the Government will have an answer. I now want to make some progress.

For married people in particular, the procedure in relation to the issue of an interim certificate, followed by its conversion to a full certificate, looks cumbersome. I am satisfied, however, that it strikes the right balance between the integrity of the original records and the new requirements of the Bill.

When we come to the specific issue of people who apply for the certificate when they are married, we come to the most difficult situation of all. We do so in support of marriage itself: I think that that principle is agreed across the Chamber. Those who take what I might call the principled view that no sex change is possible would not wish to break marriages on grounds of gender change. I ask them to reflect, however, on the fact that they would ipso facto allow—or even encourage—two persons who are legally married to continue in that legal state, if they wish to do so, although to the outside world they might for all practical purposes be living as two persons of the same gender. One would have changed gender, and they would still be married to each other.

Angela Watkinson: I asked earlier about the six-month period during which a marriage can be voided on the basis of one partner's having changed gender. Does my hon. Friend foresee circumstances in which a partner imagined at the time that he or she could tolerate the new situation, but found after the six months that it was intolerable, and had then lost the opportunity for the marriage to be voided on those grounds?

Mr. Boswell: I did not find the Minister's response on that entirely convincing. My own view is that it would be better to allow a longer period of reflection. Members of the transgender community have told us in briefing that they would rather not feel that a pistol was being held to their heads forcing them to make an immediate decision. I think that there is everything to be said for allowing the interim certificate to remain in force for longer. The Minister may say that it will be possible to apply for another certificate, but that seems to me unnecessarily cumbersome.

Those of us who are sympathetic to the Bill are faced with a dilemma. We could permit what is in fact a marriage between two persons of the same sex, one being transgendered, to continue in the name of marriage, although I think that in the future it would be a kind of legal fiction. Alternatively, we could force it to be annulled on the principle of not allowing same-sex marriage even when both partners genuinely wish to continue the relationship. I think it right in principle to maintain the fundamental rule that marriage is between a man and a woman. That, in my opinion, makes it essential for legislation facilitating civil partnerships to be enacted and dovetailed with this Bill in its future operation.

Mr. Rendel *rose—*

Hugh Bayley (City of York) (Lab) *rose—*

Mr. Boswell: I will give way to the hon. Gentleman and my hon. Friend, but I must then make progress.

Mr. Rendel: Is there not a further difficulty involving those who wish to remain married, although one has changed sex, because some entitlements—for instance, pension rights—may depend on the date on which the partnership began? If two partners have been forced apart and then reunite by means of a civil partnership, there may be a considerable effect on pension rights.

Mr. Boswell: Indeed. The issue is set out exhaustively in the schedule, and I have a feeling that we shall need to deal with a number of such matters in Committee.

I now give way to a former social security Minister.

Hugh Bayley: I may discuss some of the pension issues if I catch your eye later, Mr. Deputy Speaker.

The Joint Committee on Human Rights examined these matters closely, and recommended that existing marriages should not have to end for a full and final

[Hugh Bayley]

gender recognition certificate to be issued. Does the hon. Gentleman, speaking for the Opposition, agree with the Committee?

Mr. Boswell: With huge respect, I must point out that I am speaking for the Opposition, and that I have made it clear that this is a free-vote issue for my party; but personally, on this particular matter, I agree with the Government on the logic of pursuing what I consider the overriding principle of marriage being between persons of different genders, and only that. This does, however, give rise to the need to dovetail with the arrangements for civil partnerships.

Beyond these issues of deep principle are many practical concerns. First, will the Bill work as it is intended to, in the interests of transgendered people? Aspects of that question have already been discussed. Secondly, will it have knock-on effects on aspects of our law or practice that could have unintended consequences, or damage the interests of other people? Thirdly, while most people benefiting from the Bill will be content to take its changes in their legal status quietly and without fuss—I do not ask for their generosity, because I think they have been badly treated over the years, but they may well bank the changes and be glad that at last Parliament has acknowledged their existence—is there a danger that someone will seek to make a point by flaunting exaggerated behaviour? That might have consequences in terms of the way in which people behave in public places, for instance.

Perhaps more subtly, is there a danger that test cases may be triggered? That worried the right hon. Member for Swansea, East (Donald Anderson). Cases involving, say, equality of employment law could embarrass members of the population, or a section of it such as a faith community, who have certain views that are deeply and honestly held. The Evangelical Alliance, like any decent group, signals to its members the importance of tolerating and accepting individual transsexual people, but is reluctant to accept the concept of the Bill, fearing that its ministers may be placed in an unacceptable position.

Many of the issues—both practical issues involving such things as sport, and issues of principle—were well rehearsed in another place. I pay tribute to those who tackled them there, notably some of my noble Friends. We should bear in mind, however, that in this instance ours is the revising Chamber. I assure Ministers that, although I support the Bill in principle, I am determined to probe and seek further assurances in Committee.

This is a Bill about the legal status of transgender people; it is in no sense about the general conduct of those or any other individuals, let alone about individual sexual behaviour. Let us dismiss that idea immediately. If the Bill is to help such people, it must not strain its acceptability to those who come into contact with them, or are more closely related to them—their families, or faith or other interest groups. Nor must it have repercussions for cherished general principles, notably the integrity of marriage. Anything that we do in Committee or thereafter must be aimed at balancing those principles, and anything that we say should take account of the sensitivities of all involved, even if the issues are really challenging.

I suspect that, left to themselves, the Government might have been content to let the issue lie, but the European judgment has compelled them to act. In any event, I personally believe that it is right to do so now, and to remedy a long-held and deep sense of injustice among a small number of our blameless citizens. It will not be a painless process, and others may in good conscience reject it; but I believe that today we can make a belated start.

6.8 pm

Lynne Jones (Birmingham, Selly Oak) (Lab): This is a big day for me: we are about to approve legislation for which I have campaigned for more than 10 years. The Parliamentary Forum on Transsexualism was established 10 years ago almost to the day, in February 1994, with the support of members of both main political parties. I pay tribute to the former Conservative Member of Parliament for Chislehurst, Roger Sims, and the former Member for Montgomery, Alex Carlile, who is now in the other place and who has participated actively in the Bill's progress there. We set up the forum to campaign for civil rights for transsexual people who were being subjected to appalling discrimination and anxiety.

This issue first came to my attention in 1993. Like the hon. Member for Daventry (Mr. Boswell), I became involved largely through learning of the personal experience of constituents and, subsequently, other transsexual people with whom I came into contact over the years.

The transwoman who came to see me was so nervous about seeing a Member of Parliament and admitting that she had transitioned from male to female that she sent her male partner to sus me out first, to see whether her secret, as she saw it, would be safe with me. I had not thought about that issue before, and very much had the idea that people who went through this mutilating process must be disordered or seeking sexual gratification. I had not given it much thought, but as I came to meet people and talk to them, I learned more about the syndrome and realised that it was not a matter over which people had control. It was not a choice: they were living in the wrong body, and their brain identity was different from their chromosomal and genitalia identity—although sometimes there are further complexities.

Andrew Selous (South-West Bedfordshire) (Con): I am listening to the hon. Lady with great interest. I accept that there are some physiological factors, but what does she say, in relation to the question of choice, about those people—I gather it may be up to 25 per cent.—who subsequently change back to their original gender, or wish to do so?

Lynne Jones: Not 25 per cent.

Andrew Selous: Let us not argue about the percentage; unequivocally, there are some people who change back, which seems to belie the hon. Lady's argument that there is no choice involved.

Lynne Jones: Such cases are extremely rare, and 95 per cent. of transitions are very successful. It is a

recognised, successful medical procedure for a recognised medical condition. There is evidence that the aetiology of the condition is that, in the uterus, the foetus is subjected to abnormal hormonal influence, so that the brain develops in the opposite sex to the gonads and the chromosomes. Lord Winston talked about chromosomes varying, as in Turner's syndrome and other syndromes. People can also be mosaic, with some female cells and some cells with Y chromosomes. It is a complex matter, but in the majority of cases gender reassignment is a very successful medical procedure, and the majority of people who go through it subsequently live a much happier and more successful life.

The Bill is about recognising that, after transition, people are in what they see as their correct gender. It gives them full civil rights so that, although they can still be discriminated against in terms of the supply of goods and services, and other matters that I hope the Government will legislate on later, their correct gender is recognised under the law, allowing them to have a new birth certificate and to marry and enjoy all the rights of other members of their sex.

Sir Patrick Cormack: I do not for a moment question the hon. Lady's sincerity, but will she accept, as it is on the record, that a very large percentage of these people undergo no physical changes or surgery, and remain physically exactly what they are, male or female?

Lynne Jones: Again, I would dispute that. The majority of transsexual people want to undergo a medical process that will leave them physically as congruent as possible with their gender identity. This has nothing to do with sexuality. Exactly like other people, transmen and women can be straight, lesbian or gay. The condition is not associated with a particular form of sexuality: indeed, many such people have a lower libido, often as a result of the medical treatment that they have to undergo.

On occasions, for medical reasons, it is not possible for people to have the full transition. There have been great medical advances, and treatment is much more sophisticated than it used to be. In the past, men in particular could not always have a new penis constructed. There was the famous case of Mark Rees, who for many years identified himself as and was a man, but did not have a penis, and who later, as the techniques developed, underwent the surgery. There was an interesting and moving television documentary about his experiences.

It is true, however, that the Bill does not require there to have been surgery but requires the individual to demonstrate that they have lived in that role for two years. There are good reasons for that. It may not always be medically possible for people to have the full reassignment surgery, but in my experience, the majority of transsexual people want to undergo the full transition.

The constituent who came to see me lived in great anxiety about being asked to show her birth certificate. She was worried about employment and told me that she had had to forgo promotion because of her unwillingness to show the certificate. She could not marry her partner. Unfortunately, she had also been raped, and at that time it was not recognised that a transsexual woman could be raped, but I am pleased to say that that was put right in the Sexual Offences Act 2004. It was her experience that led me to take an interest in this issue. She was unwilling to be public about her situation, but I am pleased that she put me in touch with many members of the transcommunity who, extremely bravely, were willing to come out as having undergone reassignment.

I pay particular tribute to those people, who did a very difficult thing. Their bravery has, in many ways, been responsible for the sea change in public opinion that has happened over the past 10 or 11 years. We organised our first fringe meetings at the party conferences in 1995. I pay tribute in particular to Christine Burns, who is vice-president of Press for Change, because she spoke at fringe meetings at the Conservative party conference, as she was an active member of the Conservative party at that time.

When we had the first fringe meeting at the Labour conference, I remember being in the lift with two journalists who had come to witness what they thought would be a freak show. The remarks that I overheard them making were, frankly, disgraceful. We still see evidence of such attitudes in some articles in the press, but I am pleased to say that that is slowly changing. It was wonderful to see the faces of those two female journalists drop when they saw the person who was there to talk about her experience as a transsexual.

Roger Sims talked about this in 1996 in the discussion of Alex Carlile's Gender Identity (Registration and Civil Status) Bill, a private Member's Bill that did not get very far in the House. He said that he had attended a fringe meeting organised by a lady representative, who was branch chairman and typical of the ladies whom many of my hon. Friends know in their constituencies—yet her birth certificate showed her as a man, so she could not legally marry. He went on to describe how he, too, was impressed by the way in which Christine Burns spoke about her experiences. I am sure that, if hon. Members who have doubts about the legislation met some of the wonderful people who have campaigned through organisations such as Press for Change and others—I single out the Gender Identity Research and Education Society—they would realise how important the Bill is to them.

The Bill is not about discriminating against other people. We all want to ensure that others do not suffer. Many transsexual people continue with their relationship in marriage, but in many cases the marriages end when someone undergoes a gender reassignment. It is a very difficult issue, which will arise again in Committee.

I welcome the changes in the other place, particularly on the establishment of a fast-track process for those who have lived in role for six years or more. Initially, that was to be allowed only for the first six months after the Bill's enactment. It will now be extended to two years, which I welcome. I should also like to highlight the fact that, in the draft Bill, there was no expiry date on the interim gender recognition certificate, and I wonder why the Government subsequently imposed the six-month time limit. Will the Minister explain in his winding-up speech why it is necessary to have such a time limit?

[Lynne Jones]

This is a good Bill, and it will mean a lot to a very small number of people. I greatly hope that it will have a fair wind in the House and that transsexual people will soon be able to enjoy the legal recognition that they deserve.

6.22 pm

Mr. Mark Oaten (Winchester) (LD): I am pleased to have the opportunity to say a few words about the Bill. I profess straight away that I do not claim to be an expert on the issues, but I have listened carefully to the remarks of the Government and Opposition Front Benchers and of the hon. Member for Birmingham, Selly Oak (Lynne Jones), and I have been taken by the degree of consensus on the matter. The Liberal Democrats certainly want to give the Bill a fair hearing and we hope that it proceeds to its next parliamentary stages.

I say that in acknowledgement of the fact that there are real concerns, particularly on the part of those holding strong religious beliefs, who struggle with the matter and have serious difficulties with the Bill. I read with interest the contribution of the Bishop of Winchester, whom I know well, in the other place. There comes a point, frankly, where one can argue as much as one likes, but people simply have to agree to differ on some of the issues because they are approached from a wholly different perspective. Little can be gained from getting into endless arguments on narrow points, when there are fundamental differences.

We support the measures in the Bill, largely because of the tradition in the House whereby we eventually—perhaps not as fast as some would like—catch up with social changes and reflect how society is moving. Sometimes we are ahead; other times we lag behind. On this particular issue, we have lagged behind, but it is a tradition, as I said, that the House acknowledges what is happening in the real world outside of both Houses. There is also an important tradition whereby we do all we can to protect minorities out there, many of whom are persecuted because of their position or beliefs. As ever, we politicians should protect those people's rights. The Bill recognises that we needed to catch up and put those rights in place. It is important to recognise that transsexuals have rights and I hope that, as the Bill proceeds, we are also aware, as other hon. Members have said, of the impact that conferring them could have on other individuals' rights.

Mr. Rendel: Does my hon. Friend accept that those who have undergone the process are almost unanimously in favour of the Bill? I have a letter from the chair of the Gender Trust—the largest organisation working for transsexual and transgender people. She urged me

"to support this Bill on behalf of transsexual people in general . . . The Bill meets our needs and is vital in allowing transsexual people to integrate fully within society rather than forever remaining on the fringe attempting to live a 'stealth' existence."

Mr. Oaten: I certainly agree with that point and I congratulate those transsexuals, including some of my hon. Friend's constituents, who have persistently raised the issues in Parliament. The hon. Member for Birmingham, Selly Oak spoke about her constituents and people who have not been able to talk as openly as they would have liked about the issues. They will welcome our sensible and mature debate in Parliament today.

The process of arriving at the present position was partly set by European legislation, which was once again ahead of us. We have had rulings from the European Court of Human Rights, but we have also had valuable pre-scrutiny in the work of the other place and of the Joint Committee on Human Rights, so no one can accuse us of rushing to this particular stage. Many of the issues have been thoroughly examined.

The Bill has resolved several problems. The first, mentioned in the other place and in our earlier debate, is what I describe from a layman's view as the car insurance point. By that I mean the ridiculous circumstances under which someone who has changed sex can phone up and ask for car insurance under a woman's name—there is nothing wrong with that—but if an accident were to happen and a claim were made, that person would, as I understand it, be committing fraud on the basis that the person is really a male. That is daft, silly nonsense and it is the sort of problem that the Bill will help to sort out. We should all welcome that.

I also welcome the Government's clear commitment to putting in place a new birth certificate. It is another sensible, practical measure for someone to have a piece of paper that is requisite for many forms of legal documentation, which does not cause awkwardness or embarrassment.

Sir Patrick Cormack: The hon. Gentleman is a fair-minded man and recognises that some of us are not lacking in sympathy for this small group of people, but do not believe that the Bill is right. I accept that the Bill will be passed, but does he accept that it is important to build in a conscience clause for registrars and others who find it offensive to take part in what they would view, frankly, as issuing fraudulent documents?

Mr. Oaten: My inclination is to agree because I respect the hon. Gentleman's views, but I have to say that I cannot agree on this occasion, because the job of a registrar is to implement the law. If we were to allow some form of waiver on this particular issue, on what other laws would a registrar be allowed the same thing? Although I could be persuaded that conscience opt-outs are appropriate in some circumstances, I could not accept that in respect of an individual whose job is to manage and register the law. I could not therefore agree with the hon. Gentleman on that point.

The Bill also deals with access to pensions and benefits, and I believe that some of the measures will usefully tackle current problems. It is also important that individuals will have a right to marry under the new gender, which is wholly sensible and right.

Rev. Martin Smyth (Belfast, South) (UUP): On that point, have I been misinformed that under case law, a person could be divorced on the grounds that a marriage was void because the person was transsexual?

Mr. Oaten: I am sorry, but I did not quite understand the point of the hon. Gentleman's intervention. Perhaps

I shall be able to answer it by moving on to my next point, which deals with the issue of how marriages currently stand. There is a problem there, and the Government have not moved far enough to deal with it. I hope that the Minister will reconsider the matter and not be so rigid about what happens to the tiny number of individuals—no more perhaps than 150 or 200—currently living in a marriage, who have undergone gender reassignment but want to continue to be married.

I am not being pre-judgmental, but it strikes me that for a marriage to be able to survive in those circumstances, and for people to stay together, there must be an incredibly strong bond between them. Given that bond, that love and that affection—there may even be children involved—if everybody is comfortable and happy with the situation, there must be a way round the problem. The Government must be able to allow the marriage to continue. We are talking about a very small number of people, and we do not wish to create difficulty, tension and unhappiness where none existed.

Even if it were not for that moral issue, I would still argue that there is a practical issue, which several hon. Members have raised—pension rights. Obviously, the ability to draw down a pension in such a partnership is dependent on whether, at a particular point, a marriage existed. If we require marriages to be dissolved, we could be jeopardising pension rights, so I hope that the Government will reconsider the issue.

Peter Bottomley (Worthing, West) (Con): Is not the way forward to accept that, except in cases of bigamy, which we are not discussing at the moment, marriages will not be put asunder in a civil sense unless someone applies for them to be ended in one way or another, or made void? Perhaps the Government could accept that without such an initiative, people could continue as they were.

Mr. Oaten: Whether that would be legal is a complex and tricky question, and I would also have concerns about who might apply for the marriage to be broken up. It might be a way forward—but I am sure that when the detail is discussed in Committee, the issue will be revisited by Members who want to ensure that we get the balance right. When the Government get round to introducing the welcome legislation on civil partnerships, that may resolve some of the issues, but for the sake of those 150 or 200 people, I hope that they will think again now.

I welcome the provisions on privacy, and the fact that the Minister said that he was concerned to ensure that in the context of documentation and birth certificates, an individual's privacy would be protected as much as possible. He also said, however, that despite that desire for some form of privacy, we would need to ensure that police records were maintained. That is important. Either now or in Committee, will the Minister tell us how far that provision will be extended?

I am thinking in particular of access to such material through the Criminal Records Bureau, an organisation not known for the effectiveness of its operations. I would like to know at what level the information will be made available. For example, if an individual is likely to be employed in a school, or as a care worker, some sensitive issues will be raised. There will be information that could be made available, and some difficult judgments will have to be made about what information to release to a school governor or a head teacher—information that would completely take away someone's privacy. Will the school governing body suddenly have to judge whether it feels that gender recognition is an issue for it to deal with?

I would want to be very clear about where information will be passed on. I understand the need to have it in police records, but if it became available through the Criminal Records Bureau, it could suddenly become widely known. We should be very careful about how it might be used.

Mr. Bercow: I am grateful to the hon. Gentleman, who is making a typically decent speech on this subject, for giving way to me. It follows, does it not, that where improper disclosure takes place, any redress that may be secured will necessarily be after the event? It will be retrospective, and therefore rather modest compensation for the wrong done. Does the hon. Gentleman therefore agree that the question is not merely the level at which information is disclosed or exchanged, but the number of people in an organisation who should ever have access to it?

Mr. Oaten: I entirely agree. The way in which information is passed on means that it will become available to many more people. In the climate of concern that currently surrounds many such appointments, one individual may feel unable to take a decision alone and may wish to share the responsibility with a wider group, for fear of getting it wrong. There is a real problem, which we need to look at as the Bill proceeds.

I want to know how the panel will make its decisions. I intervened on the Minister earlier, but may I ask him again to consider the process of appeal carefully? I understand that at the moment the right of appeal will not come in for six months, but I hope that whoever winds up the debate will give more information about the way in which the Government envisage the appeal process working, and on what grounds an appeal could be based. Would those be purely issues of law or fact, or would somebody be able to put a stronger case and try to strengthen the arguments with which they had originally failed to convince the panel? I would be worried if an appeal could be based only on a point of law, because someone might want to try again to put across an emotional case to the panel.

On a more sensitive and perhaps complex issue, there is some concern—to be honest, even I, as someone who supports the Bill, share that concern—about the need for clarity about whether a medical procedure has taken place. As I understand it, one of the arguments that has to be put to the panel, and which the panel has to consider, is whether a surgical procedure has taken place—but I think that the panel can also consider whether it is someone's intention to undergo a surgical procedure in future.

I confess that I have not read the Bill in great detail, and I would like to know whether the timing is crucial. The panel's decision could be taken on the assumption that a surgical procedure will take place. Would the

[Mr. Oaten]

certificate—the approval—apply only after the surgical procedure, especially if the panel had taken the decision on the assumption that that procedure would take place? If that had been the tipping point for the panel, there could be concern about whether the panel had checked whether the procedure had taken place. The timing is important, and as the Bill now stands, I do not think that there is enough detail in it to explain what would happen first, and at what point in the process.

Mr. Eric Joyce (Falkirk, West) (Lab): I think that it may help the hon. Gentleman if I tell him that I am fairly confident that the Bill says that there is no requirement for surgery to take place.

Mr. Oaten: The Bill also says—or at least, when I read it through I understood it to say—that one of the issues that the panel will consider is whether a surgical procedure has taken place or will take place. I realise that that is not the only consideration, but it is one of the considerations. It seems to me that, in the context of making good law, if that had been the tipping point and the key consideration for the panel, there would be an issue about whether the procedure had happened or would happen. If somebody can be given a certificate because of a promise that in six months' time they will have a surgical procedure, the issue of timing must be clarified. I entirely recognise that that is not the only consideration, and that there is no requirement for a surgical procedure to take place, but it is one of the issues that the Committee will examine, and it would be helpful to know about the timing.

There is also the question of foreign nationals. Can the Minister who will wind up the debate clarify whether other countries have similar Bills going through, or similar legislation already in place? Would not one way to overcome the difficulty that the Minister raised in his opening speech be to introduce a reciprocal arrangement? That would not only benefit transsexuals who come to this country, but make the procedure easier for transsexuals who wish to travel abroad and perhaps to live there. There may be barriers in the way of their doing that now, so a reciprocal procedure would make sense.

Finally, in connection with the need to maintain some kind of privacy, I support the provisions covering birth certificates—but there are other certificates that people may be required to show more often than a birth certificate. I am thinking of public examination certificates—although I must confess that I have never been asked to show mine.

Mr. Bercow: Let's see them.

Mr. Oaten: It is probably a good thing that I have never been asked, because people probably presume that my results were better than they were. There may be a more practical day-to-day requirement for people to show certificates for public examinations, qualifications and training rather than birth certificates, and I imagine that there could be real embarrassment if somebody were suddenly required to do that.

Have the Government given any thought to such issues, as they will probably have a bigger day-to-day impact than whether a person can have a new birth certificate?

A number of those questions will, I am sure, be resolved in Committee. I acknowledge the real doubts and concerns that individuals have expressed, but we shall have to agree to disagree. I welcome the measure; it is modern and it accepts and understands what is happening in society today. I hope that it will go some way to dealing with the real anxieties that the hon. Member for Birmingham, Selly Oak outlined earlier. There is hurt and real hardship for some individuals and I hope that the Bill will tackle some of those issues.

6.40 pm

Mr. Shaun Woodward (St. Helens, South) (Lab): The Bill is very important; it is important because it will dramatically affect the lives of several thousand people in this country and because it will create a climate that will enable people who have experienced the issue in some way to feel more comfortable and more equal in our society in the future. The Bill does not give anybody special rights or special privileges; what it is doing—like so many things on what might be described as the equality or fairness agenda—is giving transsexual people in this country the same rights that everybody else is rightly free to enjoy.

The Conservative party is to be congratulated on its decision to have a free vote on the measure, which is not something that we might realistically have imagined to be the case a few years ago. That decision genuinely represents a proper consideration of the need to address Britain as it is rather than Britain as some people might wish it to be.

I rise partly as the Member of Parliament representing a constituent who wrote to me only a few weeks ago asking for my support on the Bill, saying:

> "I would like to point out that the likes of me 'just blend into the crowd'. I go to work, do my job, everybody likes me. I do not go around shouting for my rights on the radio and television, I just want to live a normal life which is in fact what I do on a daily basis."

That person wrote to me because they have actually experienced difficulties. The person says:

> "I have worked for a major clearing bank for the last 38 years, and during that time they have supported me whole heartedly and covered for me when I had my operation, saying that I did not work for the bank when the press came after me, those days are now over, thankfully."

When the Bill was being described earlier, the hon. Member for Blaby (Mr. Robathan) referred to it as nonsense. Hand on heart, charitably, I can only feel that the hon. Gentleman has never met someone who has experienced such things. Had he done so, he could not describe the Bill as nonsense.

I say that on behalf of my constituent and also on behalf of my sister, formerly my brother. I mention my sister not because I believe that it is a good idea to bring one's private life into the Chamber, but because when, four years ago, I made a certain political decision, certain parts of the media felt it incumbent on them to draw my sister into the argument. She was not drawn into the argument as a way of adducing factual information; certain tabloid newspapers and one broadsheet—one of whose sketch writers was in the Gallery earlier—felt it incumbent on them to refer to the fact that my sister "used to be a fella". She found herself plastered over the front pages of various newspapers whose aim was to "get" me.

There is a real need to recognise that in this country, sadly, this legislation is still really important. It is about changing climates and attitudes, and recognising that we actually have an opportunity to do something right. The Bill is not, as the hon. Member for Blaby said, nonsense; it is sensible and very, very important.

Much work has gone into the Bill. As a member of the Joint Committee on Human Rights, I pay tribute to its officials and my colleagues on the Committee. I pay tremendous tribute to my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones) who has done a huge amount. When my sister began to talk to me about the issue, she was extremely aware of the work of the hon. Lady and asked me particularly to pay tribute to her today. I am aware of the hard work and commitment of the officials in turning the draft Bill into the current Bill.

However, the Government must look again at some issues, in our position as a revising Chamber for the other place.

Andrew Selous: I share the hon. Gentleman's concern about the fact that the tabloid and other press often behave hurtfully and irresponsibly in the ways to which he has referred, but I should like him to explain why he thinks the Bill can help deal with that. I am worried that certain things in the Bill could engender more concern and opposition, and could encourage the sort of irresponsible behaviour that we both find distasteful.

Mr. Woodward: I thank the hon. Gentleman for his comments. In this Chamber, we often broadly discuss matters of principle. Sometimes it helps to listen to the individuals who are affected by legislation, to find out whether we may be applying our own principles high-handedly and, as a consequence—often with the best intentions—doing more damage rather than what we intended. In the course of my speech, I shall adduce the comments of some of the individuals who have written to me about the issue. I hope that that will convince the hon. Gentleman that the Bill is the right thing to do and that, rather than preserving our current inequalities, pursuing equality is always a step forward.

In relation to the Bill, I draw the Minister's attention to clause 22, on privacy. Will it do enough to protect individuals from the infringement of their right to a private life? That protection is needed because I am worried that we might continue to see gratuitous press intrusion, along the lines suggested by the hon. Member for South-West Bedfordshire (Andrew Selous), and, more specifically, the kind of thing that can easily happen unless people feel a duty to behave differently. I refer to my sister's experiences. She has received legal documents—for example, from a court—addressed to "Miss Lesley Woodward, formerly known as Mr. Leslie Woodward". That might seem a minor thing to hon. Members, but it is not to the individual concerned, and the Minister needs to be confident that those people are fully protected. Is he confident that there will be adequate protection in the future for people who have suffered that kind of thing? Will a duty of care be imposed on officials in such circumstances?

The second point I want to raise with the Minister relates to discrimination. The Joint Committee considered whether the Government should go further in their protections against discrimination. The Committee's response was that it

"took the view that the most pressing need had been to amend the law in relation to employment and vocational training".

It did not consider

"that there was any evidence of a pressing need to protect transsexual people against discrimination in other fields".

Housing is an extremely important field and the Minister should think carefully about whether the law will provide adequate protection. When many young people go through the experience of being transsexual it is coupled with psychiatric problems. In the most appalling circumstances, that can mean that the individual is ejected from their home and loses their job. Sometimes, they are destitute. A hostel, or somewhere to live, is critical at that point. It is thus essential that such an individual is not subject to the kind of discrimination whereby, because they may be presenting themselves as a woman, the person in charge at the hostel says, "I'm sorry you can't come here because really you are a man", or the other way around.

I am slightly worried by the Government's explanation of why they do not need to move—they feel that the issue is too complex to sort out. I say to the Minister that that is not a good reason for not trying to address the matter, which it is still incumbent on the Department to re-examine. When the legislation is scrutinised in Committee, we must be confident that further injustices will not be done to the same people.

Mr. Bill Wiggin (Leominster) (Con): The hon. Gentleman is discussing the amendments that are likely to be tabled in Committee. Does he believe that the Government will take away some of the amendments introduced in the other place or will the Bill stay as it is today?

Mr. Woodward: I have no idea what is in the Minister's mind, but he may indicate what will happen in his winding-up speech. Hon. Members can obviously table amendments in Committee, but on Second Reading it is important to introduce concerns for consideration today or in Committee that have been raised by constituents who will be directly affected by the legislation.

During the debate a lot has been said about the Church. It is important to put on record comments by groups such as the Metropolitan Community Church of Manchester that wrote to the Joint Committee on Human Rights. It said how much it supports the Bill, which it does not regard as aberrant, wrong or nonsense. A particular member of that Christian community told the Committee:

"On behalf of the Metropolitan Community Church of Manchester I am writing to indicate our broad support for the bill. This reform is long overdue and will be warmly welcomed by our members . . . Many of our members are transgendered and we know how difficult the current legal situation is for people with gender dysphoria. The introduction of this bill by the Government helps to rectify injustice and is very good news and long overdue.

I hope you are aware that many Christians will be supportive of this bill. Some Christian organisations, like the Evangelical Alliance"—

which was mentioned earlier—

"and the Christian Institute, are very good at promulgating their views but they only represent one stream of Christian opinion. There are many churches and groups of Christians who are supportive of any and all moves towards justice and greater social inclusion and cohesion."

Mr. Robathan: I am sorry that I was not present at the beginning of the hon. Gentleman's speech, but I was

[Mr. Robathan]

watching the monitor and know that he mentioned me a couple of times. To avoid doubt, I assure him that I have met a transsexual. The hon. Gentleman says that the Bill is not nonsense, but why is he criticising it so much? I do not say that the Bill is nonsense because I lack sympathy for people in that difficult condition; I say that it is nonsense because I listened to the Minister's speech and he had no answers to the questions—indeed, he has no answers to the hon. Gentleman's questions.

Mr. Woodward: The hon. Gentleman is right to qualify his position, but this is obviously an opportunity to say why he believes that the Bill is nonsense, in which case the Minister will answer his questions.

The Church argument that tends to be adduced in relation to this matter concerns marriage. It must be said at the outset that marriages go wrong. Things sometimes happen through no fault of the individuals concerned—equally, things sometimes happen that are the fault of individuals—that make it right to dissolve a marriage. The particular point about which I am concerned does not involve a marriage having gone wrong. As a consequence of the Bill and not because their marriage has gone wrong, several hundred people will be faced with what can only be described as a terrible choice.

I say to those hon. Members who perhaps think otherwise that it was not a matter of choice for my sister to take the gender that she felt herself to be. It was about putting something right that had gone wrong very early on; it was not a matter of choice. The Minister must consider whether it is appropriate to force people to dissolve marriages that may have lasted for 30 years or more to fulfil a legal obligation.

It is interesting to consider the evidence submitted to the Joint Committee on Human Rights. One couple said:

"For any marriage to survive, it takes a huge investment of emotion, energy and money, and a great deal of love. This bill, if passed as proposed, would ignore the realities of people like us in the cruellest possible way. We would be put in the invidious position of having to choose between a female birth certificate"

for one partner

"and our marriage. We cannot believe that someone has actually suggested that we should have to trade one set of rights for another."

I pay tribute to the hon. Member for Sutton Coldfield (Mr. Mitchell) who has done a great deal of work with a couple who also came to see me—he took them to see the Minister concerned and presented their case. The couple, Joy and Christine, were written about sympathetically in *The Daily Telegraph* and have been married for 36 years. As one of them said:

"One of us is going to feel disappointed"

if they make this choice, and one of them will feel absolutely wrecked. The couple do not want to divorce, they have children and they married in church.

Their priest has written to them, and his comments are worth considering given the arguments adduced. He said that he had been thinking about this issue for some time, and that the character of their marriage vows—a lifelong and exclusive partnership for better or for worse—seemed uncompromised by their wish to remain together. He said:

"It seems to me that the intention at your marriage was for you to be together and explore the nature of love. Your marriage has survived (as you put it) and I don't think that voidance"—

the word used in the Bill—

"can be anything other than 'putting asunder', which is exactly what the state can't do . . . the state can sanction divorce where the 'love' has broken down; or 'annul' where there was not intention of lifelong commitment . . . But here these characteristics of marriage remain. I don't think that the state"

should

"sanction either a divorce, or an annulment or a 'void' whilesoever you continue to maintain the 'character' of marriage."

It is interesting to reflect on what the couple's priest says the Bill may unintentionally force them to do. The state is forcing them to wreck their marriage, which has nothing to do with their wishes, and break their commitment to each other and their love. They feel that the situation will damage their children. Sometimes it is right for marriages to be broken, but neither Labour nor Conservative Members are saying that that is the right thing to do in this case, and the couple do not want to do it. However, the Bill would force them to destroy their marriage. Some people may genuinely feel that it is still appropriate to break that marriage because the matter is too near to the question of same-sex marriage, which everybody is frightened to discuss, and it would be better not to frighten the horses. In some cases, we may be doing more than forcing a terrible choice.

One couple wrote to me to say that about 15 years ago one of them came to accept that they were transgendered. They went on to say that the adopted policy was to put family first and gender considerations second and that this repression led to depression, resulting in failure to gain promotion and eventually in 1995 retirement on the grounds of ill health. The letter said that since then there had been a continued decline in the physical and mental health of one of them and that it became a choice between full gender reassignment or a very short life expectancy. They said that the problems seemed immense: their commitment to their children has meant that there has only ever been one income earner, and both of them now suffer health problems. Again, we are saying to such people, "Choose between your marriage and your certificate."

Perhaps the choice is not that simple. It is sometimes incumbent on us to be a little less judgmental and a little more understanding.

For those who may have experienced only one person coming to talk to them about the issue, I simply say that thousands of people have experienced it, and perhaps we need to listen to them before we listen to our own prejudices.

Andrew Selous: The hon. Gentleman mentioned the Evangelical Alliance and may have said that it was not a major part of the Church—*[Interruption.]* If I misheard him, I apologise, but I wish to make it clear for the record that the alliance has 1.2 million members and includes groups such as the Shaftesbury Society, the Tearfund and the Salvation Army. It is a large, well-respected organisation.

Mr. Woodward: I am glad that the hon. Gentleman made his point, but it was not what I suggested. I simply represented the view of one Church group that felt it was

necessary to correct the impression that the Church only has one argument, such as that put forward by the Evangelical Alliance, which has been good—as instanced by the hon. Gentleman—at getting its point across. Other Church groups have not been quite so efficient at doing so.

Mr. Bercow: The hon. Gentleman is making a powerful speech. I just wish to suggest that although constituents' representations are important, they should not be regarded as the overriding—still less, the only—criterion that should influence Members. I have not received a single representation from a constituent urging me to vote for the Bill. I will do so because its principles are right.

Mr. Woodward: I congratulate the hon. Gentleman, but as we are also here to represent our constituents when they do write to us, we might be forgiven for doing so.

My final point relates to pensions, which have been mentioned by several other hon. Members, including my right hon. Friend the Member for Birkenhead (Mr. Field). The Bill raises a serious issue that the Government need to think through, for two reasons. The first is the general point of principle and the second is the timing of the civil partnership Bill and the consequences if it is delayed for people adversely affected by this Bill. A case history may illustrate the problem.

Let us take two people we will call Claire and Barbara. Claire was a committed police constable who loved her job but was forced to leave when she told her boss that she was transsexual and was transitioning. She would not have left her job if she had not been asked to go. She had a 10-year police service record and was entitled to a pension. Let us suppose that something should tragically happen to Claire. Where would that leave her partner, Barbara? The problem is that for Barbara to qualify for the survivor's pension under the Police and Firemen's Pensions Act 1997— this is just one example—the couple must have been married both at the point of Claire's retirement from the police and at the time of her death. So if they had to divorce as a consequence of the Bill, the partner would lose the rights to the pension.

We need to look carefully at the issue in Committee. We do not need to delay the Bill, because it is important for everybody affected by the issue. However, the Government must recognise the problem and the need to review it. It may be necessary to appoint individuals in the Department as points of contact for members of the public who may be affected by the Bill. Those individuals might also discover serious problems caused by the Bill and we would then be able to rectify the matter at the first possible opportunity. It would be tragic if, for the best of reasons—and I believe that the Government have the best of reasons at heart—the Bill adversely affected the lives of people caught up in circumstances through no fault of their own and who suffered as a result. The Government clearly do not intend that anyone should suffer by the Bill: indeed, they want to make life fairer and more equal for everybody in our country. However, the pensions issue is very important and we need to be open-minded about it in Committee.

7.5 pm

Mr. David Atkinson (Bournemouth, East) (Con): I support the Bill. As the Minister explained, because of a court ruling more than 30 years ago transsexual people in this country have been condemned to be always of the sex written in their birth certificate. That has sentenced them to a life of constant secrecy, fear and depression, at risk of suicide and self-mutilation. Their position in law prevents them from safeguarding themselves, their partners and their families. The Bill will do much to end that. I regret that it took five failed petitions to the European Court of Human Rights, before the two that succeeded, to bring forward the Bill.

There are two reasons why I want to speak in support of the Bill. Like several hon. Members who have spoken, the first is the experience of a constituent who sought my help in my surgery two years ago, in 2002. She was 62 years old, a post-operative transsexual male to female. She had always known her birth certificate was wrong. She had a particularly tragic childhood. She had a terrible puberty. No one knew what gender she was, except herself. She married, but was compelled to divorce. She paid for her surgery and subsequent treatment herself. She lost her male partner because they were unable to marry in this country. She pursued a teaching career. When she reached 60, she was told that because she was a woman she had to retire, but because she had been a man she would have to wait five years for her pension. Understandably, she became ill as a result of the financial problems that caused and the stress she faced.

In response to my representations, the then Minister of State, the right hon. Member for Makerfield (Mr. McCartney), confirmed that my constituent would not receive her pension until she reached the male age of retirement, 65. Of course, my constituent feels that she has been denied natural justice. By then, the European Court in Strasbourg had delivered its judgment in favour of Goodwin *v.* United Kingdom. My constituent has rightly been pressing me for the legislation that is before us today.

The experience of my constituent and my sympathy for her compels me to support the Bill. Will the Bill enable transsexuals in my constituent's situation—described as male on her birth certificate, now a female—to enjoy a woman's pension from the age of 60? If so, will the pension be backdated in her case?

The second reason I support the Bill is that it is in response to the findings of the European Court of Human Rights in Strasbourg. It is as a member state of the Council of Europe that we are committed to the European convention on human rights. I accept that some of what the convention imposes and the ECHR finds is not always welcomed by Ministers, hon. Members or the public. For example, many hon. Members and the majority of the public do not accept the abolition of the death penalty. Home Secretaries cannot change sentences passed by the courts, despite outcry in the tabloids, because the ECHR says they may not. However, all of us, I believe, need to be reminded from time to time that the European convention on human rights, with its unique enforcement machinery of the ECHR, is a response to the genocide and discrimination that Europe experienced under the dictators. That discrimination, no doubt, applied to transsexuals.

[Mr. David Atkinson]

Now, 50 years after the convention came into force, the rights of transsexuals in this country will also be protected by the Bill. Why has Britain been one of the only four Council of Europe member states that have until now refused permission for transsexuals to change the gender on their birth certificate?

I hope that the example of the Bill will be followed by similar legislation in the other three countries—Albania, Andorra and the Irish Republic—without the necessity of their citizens petitioning the European Court of Human Rights.

Given the existence of the Human Rights Act 1998, why were two findings of the European court in 2002 required to change the British law on rights for transsexuals? Surely the Act provides for such rights to be protected without further application to the court in Strasbourg.

In conclusion, I regret that, of all the Churches, only the Evangelical Alliance has opposed the Bill, claiming that it will allow same-sex marriages—which, of course, it will not. I also regret that some in the Conservative party sought to oppose the Bill in the other place and that, from indications from my colleagues in the House, they will oppose it in this debate. I had hoped that the Conservative party today could accept human nature for what it is. Transsexual people are probably one of the smallest minority groups in this or any country. We have treated them atrociously these past 30 years. We should all give full support to the Bill, which will help to end their unhappy situation.

7.11 pm

Hugh Bayley (City of York) (Lab): I welcome the Bill. It is a sensible and humane measure that will give transsexual people legal recognition of their acquired gender. It is right in its own terms, but it will also have the benefit of making UK law compliant with the ruling of the European Court of Human Rights.

I have been approached by four constituents who either have undergone or are undergoing gender reassignment, all of whom support the Bill. In fact, one of the good things about the debate is how many Members have talked about constituents who have approached them. This really has been a representative Chamber during today's debate.

I shall vote for the Bill on Second Reading. I agree with my hon. Friend the Member for St. Helens, South (Mr. Woodward) that the reservations that some people have expressed should not hold up its enactment. Nevertheless, I remain concerned about the Minister's lack of clarity on pension entitlements, and further attention needs to be given to the pension rights and financial security of transsexuals' spouses.

I should like to describe to the Minister the dilemma faced by two of my constituents: one is a transsexual in the process of male to female gender reassignment; the other is the transsexual's wife. The couple have been married for 35 years, and they have three children. Since the first child was born 32 years ago, the wife has not worked full-time. Like many women, she has stayed at home to raise the children and relied on her husband to make pension contributions to provide her security in old age.

I understand why some wives, or husbands, of transsexuals cannot come to terms with their spouse's change of gender and seek divorce, but both my constituents are extremely clear that they wish to stay together and that they do not wish to divorce, and they have good reasons so to do. They care for, support and love each other, and they want the care and support that they mutually offer each other to continue in the years ahead. They want to keep their family together for their own sake and for the sake of their children. They recognise that they will be significantly better off financially if they stay married than if they divorce.

The trouble is that the Bill's drafting creates a conflict of rights—a conflict between the rights of a wife to marriage and security in old age and the rights of her partner to legal recognition in a new gender. The conflict arises because the Bill will require a couple to divorce before the full gender recognition certificate and, therefore, the new birth certificate can be issued in the transsexual's new gender. If a divorce goes ahead, pension-splitting procedures will, of course, follow, but they are almost certain to reduce the pension entitlement of both partners. So I have two questions for the Minister, and I hope that he will listen carefully to them and reply in summing up the debate. I am not sure which Minister will respond. I see that the Under-Secretary of State for Constitutional Affairs, my hon. Friend the Member for Shipley (Mr. Leslie) will do so.

First, is it right that the state should require a couple to divorce so that one person—the transsexual member of the couple—can obtain the right to gender recognition if neither partner wants to divorce? Secondly, if it is the Government's intention that there should be such a conflict of rights, is it right that the decision about whether to put the right to marriage—which, as the Human Rights Committee stated in its report, flows from the right to private and family life under ECHR article 8—before the right to gender recognition for the transsexual, or vice versa, should rest with the transsexual partner in the relationship, rather than with his or her spouse, or with the couple jointly?

In the case of my constituents, I suspect that they will jointly choose what to do if they face that dilemma, but the fact remains that the transsexual in the relationship has, in effect, the power to decide whether to put gender recognition before marriage, or vice versa, while the wife or husband of a transsexual person does not have the same right. My constituents would like the Bill to be amended to allow gender recognition for the transsexual, while allowing the marriage to continue. I recognise that that would give legal recognition to same-sex marriage in that specific circumstance. I believe that that would be the right thing to do, and I see no contradiction between the requirement that people have to be of different sexes when they marry and retaining a married relationship later if that situation alters because of gender change.

If the Government are not prepared, in the light of what hon. Members on both sides of the Chamber have said, to agree to that single and extremely specific exception to the normal prohibition on same-sex marriage, they must create in the Bill a new relationship that would retain for couples of the type that we are talking about the same legal and financial rights and responsibilities to one another, including the same pension rights, that they had enjoyed hitherto in their

marriage, because the alternative would be to undermine the rights of the spouse, which are just as important as those of the transsexual person.

I can think of no other circumstance in which the state tells a couple who are married and who wish to remain married that they must get divorced. If there is such a circumstance, I invite hon. Members to tell me about it, but I do not believe that there is one. I believe that it is fundamentally wrong for the state to tell a couple who are married and wish to remain married to divorce, so an amendment to the Bill is needed.

I should like to put a final point to the Minister, which I hope is easier to deal with, about the gender recognition panel. Some of my constituents who are transsexuals have suggested that it is important that the membership of the panel should include transsexual people and partners of transsexual people. They suggest not that the panel should be comprised entirely of transsexual people and their partners, but that there should be some transsexual people and their partners among its members, so that it has the same experience as those in respect of whom it will adjudicate and knows what they have been through.

7.20 pm

Mr. Robert Key (Salisbury) (Con): I intend to vote in favour of the Bill. It is the sort of legislation that political parties do not like, but that Governments have to face. It is certainly not the sort of issue that any party would put in its manifesto before a general election nor campaign on with any zeal or the expectation of reaping electoral rewards.

The Bill began its course through Parliament in another place and, on Second Reading there, Ministers justified it on the grounds of constitutional reform, social inclusion and developing a culture of rights. Last of all, they admitted that the Bill had been influenced by judgments of the European Court of Human Rights, which has ruled that a system recognising transsexual people in their acquired gender must exist and that transsexual people must be granted their rights under article 8 of the European convention on human rights—the right to respect for private life—and under article 12 on the right to marry. The Law Lords in this country judged in the case of Bellinger that the law must be changed so that transsexual people have the right to marry in their acquired gender.

The Government have therefore been forced to introduce the Bill, which was not in the Queen's Speech, but I make no complaint about that. Indeed, I welcome it. This is very difficult legislative territory and Members on both sides are on their own in deciding how to cast their votes. The Whips will tread on this piece of law at their peril.

Andrew Selous: I think that my hon. Friend will find that Government Members are under a three-line Whip.

Mr. Key: I bow to my hon. Friend's superior knowledge, but we shall see. If Labour Members are under a three-line Whip, that is legitimate. It is Government legislation, and there is no reason why they should not be. However, I would be very surprised if the Whips were up to their usual tricks with anyone who had a conscientious objection to the Bill.

A great deal of time during the Bill's passage through the other place was spent discussing sex and religion. However, I have read the debates and spoken in the past few days to a number of transsexual people, and I am in absolutely no doubt that the most important reason for supporting the Bill is because it is about justice. It is about the justice denied to a very small minority of people down the ages, the justice denied because of taboo, prejudice and incomprehension and the justice denied because business managers and Cabinets can always find less controversial and more pressing matters to deal with. Now, that injustice is finally being confronted by the rule of law.

I go back a long way when it comes to issues of minority rights. When I was a student at university, the then Member of Parliament for Hampstead, Ben Whitaker, ran something called the Minority Rights Group and I read his reports avidly. As my hon. Friend the Member for Daventry (Mr. Boswell) said, the influence of constituents will always be important in our decisions.

A member of a Christian transgender group to whom I spoke only yesterday wished me to stress the fact that, as far as she is concerned, same-sex marriage is not on, that civil partnerships are equitable and that most transsexuals get by nicely until something goes wrong, but that by far the most important issue is the simple justice at stake here. I beg the House to remember that we are not arguing about angels dancing on the heads of pins. We are debating run-of-the-mill, everyday issues such as motor insurance. A person born a male, registered as a male at birth, currently remains a male legally even though she has, in fact, changed gender. If she has a car accident, she risks prosecution for driving without insurance and for fraud. She will also be forced to reveal her gender history to officials who are complete strangers. This is humiliation up with which you, Mr. Deputy Speaker, or I would not put.

Much reference has been made to pensions, which are an extremely important issue. I draw the House's attention to schedule 5. It deals not only with pensions but with state benefits, which are also at stake. It refers to the widowed mother's allowance, the widow's pension, the widowed parent's allowance, long-term incapacity benefit, the category A retirement pension and so on. The explanatory notes provided by the Department for that schedule are very revealing. Paragraph 112 on page 19 says:

"In summary, these provisions ensure that a transsexual person who has been granted a full gender recognition certificate will be entitled to the state benefits which are appropriate to his or her acquired gender, and will no longer be entitled to a benefit or pension which is payable only to someone of his or her birth gender."

I hope that my hon. Friends will pay great attention in Committee to paragraph 113. It says that

"the Department is of the view that if there is any interference with the Article 8 rights of a transsexual person as a result of these provisions it is minimal, justified as a means of according full recognition to transsexual people in their acquired gender, and a proportionate means of obtaining that end."

In other words, it is the Department's view that it is all right to have diminished pensions and to cut state benefits if transsexuals have their certificates because their object surely was to obtain their certificates. It is important that the Government listen to the view of Parliament and not just to the views of Department when it comes to these issues.

[Mr. Key]

Clause 11 and schedule 4 raise important issues for all the Christian Churches and for other religions. Without going into the theology that might be more appropriate for Committee, let me say that I smiled quite broadly when the bishops lined up to vote against those Lords Temporal who thought themselves more religious than our Fathers in God. I am neither a theologian nor a clinician but, as a practising member of the Church of England, I take very seriously the teaching of Christian Churches on this issue. I have with me the excellent Church of England report on "Some issues in human sexuality" that was published last year with the authority of the Archbishops of York and Canterbury. I have read the report—as you can see, Mr. Deputy Speaker, it is quite well thumbed—and the good news is that we cannot blame the Bible. Paragraph 7.3.2. of the report says that

"there is general acceptance that there are no biblical texts that can be seen as addressing transsexualism as such".

There are those who believe that human beings are either male or female because of their God-given biology and that nothing a surgeon can do can alter that fact. They say that sex reassignment surgery can never make a man a woman or vice versa, but is it fair to blame God in this way?

Others believe, as I do, that the existence of gender dysphoria is a consequence of the fact that we live in a fallen world and that it is right for us to take action to correct the consequences of our fallen state when God has given us the means for us to work out how to do it. My wife and I did not blame God when our first child died after a few days, more than 30 years ago. We did not blame anyone. We sought to find out what had happened, and whether it would happen again. We entered the world of genetics. We were told that he had a random, one in 8,000 genetic abnormality—a chromosome 13 partial monosomy. We assessed the risk; we took advice; and we now have three wonderful adult children all earning an honest living.

I had always taken my sex and the sex of others for granted. It all seemed so obvious, but it is not. Perhaps the most enlightening debate in the other place, where the Bill started, took place on 3 February when an amendment to schedule 4 sought to prohibit marriage between two persons each possessing XX chromosomes or each possessing XY chromosomes, or each possessing genitalia appropriate to the same sex. "After all," it was argued, "that is the undoubted determinant of biological sex," but it is not. What about Turner's syndrome, which affects women with only one X chromosome? Is one X chromosome enough to count as a woman? What of Klinefelter's syndrome, which affects men who have two Xs and a Y? Should they be classified as men or women? They believe that they are men.

Lord Turnberg also reminded their Lordships that many babies are

"born with genitalia that are at variance with their chromosomes."

Many of them have surgery to place them firmly in one gender or the other. If those genders do not coincide with their chromosomes and if those people marry and try to have children, they will sadly be infertile.

As the hon. Member for Birmingham, Selly Oak (Lynne Jones) pointed out earlier, Lord Winston reminded us that

"even in the case of Turner's Syndrome . . . it is possible to have an XY mosaic, with some of the cells carrying a Y chromosome and some having a deleted X chromosome."

Therefore, such people

"may have varying degrees of masculinity or femininity."

He also said that most geneticists would

"describe sex on six, totally separate, definitions."

They can be chromosomal, but they are also genetic. He pointed out that

"genes on the Y chromosome are not the only genes that define sex. Although the SRY gene is by far the most common and important, there are genes on chromosome 17, chromosome 11, chromosome 10, chromosome 6 and chromosome 3 that . . . can determine sex of various kinds. Those people can carry on a completely normal life."

I am indebted to Shaun Fountain, of the Salisbury Fertility Centre, for taking time out from yesterday's Ireland versus Wales rugby match to explain to me about 46 XX males, who lack a single Y chromosome, and about 46 XY females, who have testicles and no uterus because of androgen insensitivity, and cannot respond to testosterone. So in addition to genetic sex and chromosomal sex, there is hormonal sex. Some people produce hormones that will tend to feminise them, while others will be masculinised. That can happen in utero. Serious medical evidence exists that some people who become transsexuals in later life have been exposed to an abnormal surge of either male or female hormones during pregnancy, which has caused them to have a psychological sex that is different from their genital sex.

As Lord Winston told the other place, we should be very cautious about defining sex in terms of chromosomal, genital or any other simple definition. He said:

"It simply is not medically just, and I am sure that it would produce bad law".—[*Official Report, House of Lords*, 3 February 2004; Vol. 657, c. 620.]

That is why the Government are right to establish in this Bill a system to recognise acquired gender in law, through the determination of an application for a gender recognition certificate. The original birth certificate will not be destroyed, but superseded. We are dealing here with the most intimate secrets of a human being. I will take some convincing that the Bill should be amended to allow access to those secrets by any other person—by right, and against the will of the person concerned—in any circumstances other than those described in clause 22. In fact, I have my doubts about some of those circumstances.

In recent weeks there has been correspondence about human gender in the columns of *The Tablet*. I end with the remarkable contribution of Dr. Bernard Ratigan, of Loughborough university, who is a psychoanalytic psychotherapist. On 7 February, he wrote:

"Simply put, we are all both male and female, and the 'physiological indicators' are only the surface markers but they are not the whole story. Given the vicissitudes of pre-natal and post-partum physical (and then psychological) development, the more experience I gain in the field of gender dysphoria the more I wonder at the mystery of human gender development. It is a triumph of nature that so many of us are secure in our gender and surprising, given the profound pressure to gender conformity, that so few suffer from gender dysphorias".

In conclusion, I can do no better than echo the words of my noble Friend Baroness Buscombe, who said that because the Bill's measures involve some important

principles of law, we must proceed with caution. That will be achieved in Committee. Indeed, as the Bill proceeds through all its stages, it is important that we approach the many issues with care—and with compassion for those for whom the measures are intended.

7.33 pm

Kali Mountford (Colne Valley) (Lab): I want to begin where the hon. Member for Salisbury (Mr. Key) left off, and with the point that I made in my question to the Minister at the start of today's proceedings. None of us can be absolutely sure of who we are at any point, and there is nothing wrong with that. My reading around this subject began in 1997, as a result of a constituent's case. I read about the question of where our gender identity comes from, and we certainly cannot find an answer by looking in medical books, because the arguments are many and varied. I am glad that the hon. Member for Salisbury discussed so thoroughly the various different conditions, as he has saved me the trouble of doing so. He is right: if we look in that direction for an answer, we might find no answer at all, or too many to come to a sensible and logical conclusion about who we are.

In trying to devise laws so that we can act out our daily lives with a proper sense of reality, it is therefore sensible to look to those individuals who find that any definition of themselves does not fit with their own sense of self. It is not for us to insist, as a result of any test that we might be able to devise as time goes by, that a given person is someone with whom they do not themselves identify. To decide gender on the basis of an XY chromosome, for example, might be to go down a very tricky path indeed. It is therefore right for people to present for themselves what they perceive as a problem in their own lives.

That leads us to the question of how to proceed sensibly from there. We have already made some progress on that front. By deciding that people can have treatment, with national health service support, that properly identifies their physical appearance, we go some way towards recognising gender dysphoria as a true and proper medical condition. That has taken some people a long way forward, but not nearly far enough. Nor will this Bill take us the entire way. Our society is in transition, as, indeed, is our medical profession and this House. And the same is true of some of the people whom we are talking about. In this period of transition, there are some specific issues that we need to address carefully.

The issues that we face today will not be those that we face in future. We are discussing very complicated family relationships that have evolved because the recognition of somebody's gender has been decided on later in life. There are many reasons why people might want to conform to their physical appearance. We could debate that issue at length and it would not help us very much, but at this stage of our social maturity, people are presenting at a much later stage in life than might be the case in the future. That will change because social attitudes will change. We have had many debates on people's sexuality, but in generations to come, as people go through puberty their gender identity will not be so difficult to address. Indeed, such progress might not be that far into the future. During development in puberty and early adult life, it might be more possible for people to say, "The person who you think I am is not who I really am after all." It might be possible to make such decisions much sooner, so that there are fewer complicated family relationships involving marriage. That will be a natural social progression.

But we are in a different place at the moment. Complicated family relationships already exist, and they will exist whether or not we legislate. The fact remains that marriages break down because of gender identity. They do not break down as a result of the state; they dissolve because the differences between the people involved are irreconcilable, and they feel that they cannot go on. It is also true that some people can overcome apparently irreconcilable differences and carry on with a relationship that they have developed over 20 or 30 years. They do not stay together simply because the financial situation is easier that way, or because it is easier to manage their family; they do so because they truly believe that they are meant to be together.

Those whom I have met—the same is true for many other Members of this House—find that their life together is incredibly difficult. There is no easy solution. My hon. Friend the Member for City of York (Hugh Bayley) pointed out some of the very painful decisions that people will be required to take. I agree with him entirely, but I am not sure that this legislation will be the end of the matter. I hope that, over time, the House will develop other solutions that might not fall within the Bill's parameters. It is difficult to make such choices, but the fact is that people make difficult choices throughout their lives. Even as things stand, the choice between staying together and divorcing is a painful and difficult one for families.

The choice between staying together or divorcing—the decision to put gender before marriage— will be difficult, but the question is: are we ready to accept same-sex marriages? I am—the prospect does not trouble me at all—but I can see that there would be substantially greater opposition to the Bill if I were to insist on such marriages forming part of it. So I look at the situation pragmatically, and ask myself what it is that I can accept. I must also recognise that some of my constituents will not agree with me. Some will think that I am taking a step too far, while others will say, "Kali, I really need you to go a lot further than this. Please support more such measures. Please think about my life."

I have to offset one set of concerns against another. I have reached the view that the Bill might be about right for where we are, but I do not think that the situation will remain static because things will have to be addressed as a result of changes to relationships after it is enacted.

We must consider how complicated family relationships will affect people's finances. Pension rights, which have been addressed by several hon. Members, clearly present a difficult problem. The Minister could not give unequivocal answers about what will happen as a result of future partnership arrangements, but the Government have made significant moves to give an indication of what we can expect. We will not simply ask people to divorce, accept their new gender and have their birth certificate as they wish it to be, and then leave them in a void with nothing

[Kali Mountford]

in place. We must ensure that the legislation that we expect to be introduced in this Session dovetails properly with the Bill; otherwise the system will not work.

Measures on people's benefit rights, entitlements and pensions have already been introduced that provide for more equality between the genders so that men's rights are now more similar to women's rights and vice versa. That was achieved especially by the consideration of the rights of widows and widowers. Now that men have the same rights as widowers that widows used to have, we have made progress toward ensuring that men and women have similar support.

Mr. Bercow *rose—*

Kali Mountford: I see that the hon. Gentleman is eager to speak; I give way to him.

Mr. Bercow: The issue of obligatory divorce, which was highlighted by the hon. Members for St. Helens, South (Mr. Woodward) and for City of York (Hugh Bayley), is of the first importance and should surely be decided on its merits. The hon. Lady would always be the first to stand up for what is right rather than what is simply convenient. Does she honestly think—I am listening closely to her argument—that the opposition to the Bill would be that much greater if it were amended in the terms that the hon. Gentlemen suggested? It does not seem to me that it would make much difference—those who are against the Bill are just agin it, full stop.

Kali Mountford: I understand what the hon. Gentleman is trying to say, and I think that that would be true of several hon. Members who have debated the matter. However, I am not sure that it is true of all my constituents or many communities in my constituency. For some people, the question of a man and women being married—with that being the nature of marriage—is so fundamental that they cannot see around it. As I have already said, that is not a problem for me. I do not feel troubled by it, and I would not have been troubled if such a measure were in the Bill. I hope that there will be a time when the matter is not an issue in society, but we must accept that it is an issue now. Many more people would have hammered down my door to oppose the Bill if it had included such a measure. I, and many transsexual people whom I know, expected a much more heated debate than we have had. As there is compromise on both sides of the debate, we have found a position in which people may find consensus.

Mr. Woodward: Just as a point of clarification—my hon. Friend and I certainly do not disagree on these matters—it is essential to recognise that the question is not about something to be promoted for the future. We are dealing with a situation with happily married people who married in good faith and wish to stay together after something has happened in that context. We will be saying, "You now have to divorce so that you can be recognised as being yourself." If we presented the argument to our constituents in the context of forcing existing couples to divorce, I wonder whether, if the House really came together on the issue, it would be that hard to convince them that we were doing the right thing by enabling couples who want to stay together to be together.

Kali Mountford: My hon. Friend makes a valid point, but I would then expect other people to come to me and say, "What is so inequitable about my relationship that I must have a civil partnership registered yet I cannot marry?" That would be a reasonable position for people to take and if we reached that situation, we would have to accept that we were entering a new form of marriage. Many people currently think that that would be a step too far. It is not a step too far for me to accept that, but I appreciate that it would be for other people. I am trying to find a way to set complex moral values against actual situations to try to make sense of people's lives and allow them to make reasonable decisions.

Hugh Bayley: If, for reasons of pragmatism rather than conscience, my hon. Friend cannot go along with my view that there should be one clearly defined and specific circumstance in which same-sex marriage could be permitted, will she go along with the alternative that I put to the Minister: we should construct within the Bill a legal relationship that would preserve for a formerly married couple who had to divorce because of the Bill all financial and legal rights between each other, including pension rights, that they had when they were married?

Kali Mountford: My hon. Friend makes the right point—that is what I would like to be preserved. There is no great strength in arguments about whether we recognise relationships in one way or another under law—or before God, if that is people's preferred way of recognising their relationships. However, when making legislation, it is important to ensure that we do not disrupt people's lives in such a way that a decision becomes impossible. That is why we want the measures that we hope will be contained in pension legislation and, most importantly, the Bill to recognise same-sex relationships in a civil manner because the dovetailing of the Bill with new legislation will be absolutely crucial. We will make decisions on the Bill today and in Committee in the light of suspicions about legislation to come, but without any guarantee of that. That is always a difficulty, but is not life always like that?

Friends of mine, who are in the same situations as the constituents of my hon. Friend the Member for City of York, are faced with the abhorrent decision of whether to stay together or for the gender of one of them to be recognised as she believes herself to be. That is difficult, but there are difficult choices to make in marriages and all relationships. Some people will choose to stay married—that is their choice. It is not for the House to say to them, "You must put asunder what you have always had." However, we propose that they should at least have a choice that has not been available to them before. That choice will be paramount for some people.

We have heard about relationships that have survived for 35 years through all sorts of ups and downs—not least of which being the gender of each partner. Such people have relationships in which those matters may be discussed. I suggest that people without such a relationship probably parted many moons ago, so the Bill will help them not one bit. The way in which society views marriage and gender is in transition—it is

changing quickly over time. It has changed more quickly over the past 10 years than it did during the 50 years of my life so far. There have been amazing changes that I thought that I would never see when I was young, but that are now considered to be mundane and ordinary. Although television programmes are made about people's actual lives, transsexual people now turn up all over the place in soaps and dramas without people flickering an eyelid about how odd that might be.

Society is moving faster than legislation in some ways, but it is moving slower in other ways. There is a conflict in social opinion between those individuals people know and recognise and what they feel about institutions. We need to get a balance between those real people's lives and attitudes to institutions. That is the situation we encounter when we discuss the institution of marriage in the light of the decision by a small number of people to stay together irrespective of their gender. That is a difficult problem to conjure with, but the Bill will take us a long way towards changing people's actual lives. There will be difficulties for some people, but others will benefit hugely from the Bill.

I talked to some of my friends about deciding between gender recognition and marriage. The big step forward in opinion, legislation and people's rights has been of such benefit to them that although they might decide that they cannot make use of the legislation now, which will be seriously distressing for them, they will accept that many others will benefit because the Bill will change social attitudes so much and so quickly—even more quickly than changes experienced so far—that the benefits for future generations will be immense. The Bill's contents place it in the middle of enormous social change.

Another set of relationships is vital and has only been touched on. It is difficult to legislate for the relationship between parent and child in the best of circumstances, but it is even more difficult in the circumstances that we are discussing. It behoves us to ensure that if the relationship can be maintained, it should be supported in every way. To decide on the title of a parent post-change is not very helpful. We need to ensure that the relationship between the parent and the child is maintained in law and maintained financially. I know the Bill does not deal with that, but we need to mention that the child should be supported through the Child Support Agency in the same way as he or she would be should the parents decide to part. It is crucial that if the child decides to break contact with a parent because of family circumstances, that child's support is at least maintained. I hope that social structures can be changed over time so that the proper relationship between parents and child can be properly maintained.

In the cases of the people I know, children found it difficult when one parent changed gender, but the love and bond between parent and child was so strong that it was not changed for ever and the good, close, loving relationships continued. Sadly, however, that is not always the case. We need assurances that support for children will be maintained. I have not detected anything in the Bill that makes me think that it will not be, but it needs to be mentioned so that people are clear, when reading the debate, that we are not overlooking children and their basic need for contact with their parents.

I want to pay a couple of tributes. The first is to the House for its maturity. My friends who advised me on speaking in the debate said that I could expect to encounter terrible hostility and cruel and harsh words. I hope, on watching the debate, that they will be relieved that their particular relationships have been held in regard by the House. That will be of some comfort. The debate has been mature and it reflects the maturity of society at large.

In particular, I pay tribute to my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones) whose fortitude and persistence over the years deserves recognition. Some of my constituents who are members of Press for Change have written to her a number of times. They think that our debate is largely, if not entirely, a result of her hard work over many years. The House owes her a great debt of gratitude.

I hope that the House will continue in its mature vein in the years to come.

7.54 pm

Andrew Selous (South-West Bedfordshire) (Con): I very much hope that the tone of the debate will continue. I think we would all agree that we have had a measured and reasonable discussion of the subject. I especially hope that that mood will continue, given that I am probably going to be the only Member who expresses a view that is contrary to those expressed so far.

When we talk about the issue it is tremendously important that we express both sympathy and compassion for those who suffer gender dysphoria and that we do all in our power to help people in that condition with some of the practical everyday problems that they face in their lives. At the same time, however, it is important that we are rigorously intellectually honest with what we are about to ask the House to do. My fear is that we are not being as rigorously intellectually honest as we should be.

I ask the House to pause and consider exactly what it is that we are planning to do when we are prepared to say that someone born a biological man will be regarded, with the full force of the law, as a woman, and vice versa. That has profound implications for our Parliament and we should reflect on that. My feeling is that we are not going about the Bill's sensible ambitions to deal with practical problems, which we all want addressed, in the right way and are not applying the right, the appropriate or the really honest solutions.

We heard a bit about the medical background as to what causes gender dysphoria, such as the genetics before people are born. As parliamentarians we have to accept that we are not experts in the field and should defer to those in the medical profession who have studied the subject. I note, however, that when the Government were under pressure and in difficulty in the other place when the medical matters were discussed, it appeared to a number of commentators that Lord Winston was brought in to help them out. I have the greatest respect for Lord Winston. He is an eminent fertility expert who trained as a gynaecologist and an obstetrician, but even he would say that he is not an expert or trained in gender dysphoria. The people who are expert on gender dysphoria are psychiatrists. If hon. Members had taken the trouble to contact the Royal

[Andrew Selous]

College of Psychiatrists, its past presidents and others, they would have heard a different take from the one proposed by Lord Winston in the other place on the question of whether sex was conditioned before birth.

Lynne Jones: I draw the hon. Gentleman's attention to a document produced by the parliamentary forum on the medical view of the aetiology of transsexualism. There is a link to that report on my website, and work is being done to update that view. The forum is attended by the people who are most expert in the condition and it is advised by them. It is not correct to say that the Royal College of Psychiatrists takes that view. Its lead member on its panel attends and advises the forum.

Andrew Selous: I hear what the hon. Lady says, but I challenge her and any other hon. Member to produce a list of experts in the field who genuinely believe that the matters are absolutely predetermined physiologically and genetically. I am not saying that there is no physiological element. However, a number of the doctors at the two main centres in this country which deal with the condition—the unit at the Charing Cross hospital and the Portman clinic—have gone into print, and have suffered considerable hostility as a result, saying that they do not share that view. Even research undertaken in the Netherlands is not accepted as conclusive.

Mr. Woodward: Does the hon. Gentleman appreciate that the logic of what he is saying is effectively to reduce all the surgeons who carry out this work to nothing more than cosmetic surgeons, doing it because somebody comes along and says, "Well, I just fancy changing my gender"? That is not what happens. Years of work lie behind such operations, some of it very distressing to the individuals. After having counselling and living in the other gender, there is then a big decision to be made about the operation. The hon. Gentleman must bear it in mind that no doctor would undertake that work as a flight of fancy. It is not a cosmetic procedure; it is a very serious procedure. The hon. Gentleman must reflect on what he is suggesting doctors are doing in these cases because, in my view, they think that they are providing a necessary medical remedy.

Andrew Selous: I take the hon. Gentleman's sensible point that this is a major, serious operation. There are provisions in the Bill to ensure that gender change cannot happen in a short period, as it currently does in some cases, which causes concern.

I am simply making a general point that a range of factors cause gender dysphoria, and they are principally psychiatric conditions. Reference has been made to the fact that in every case people who want to change their gender have been preconditioned genetically and physiologically so to do. I am not questioning their right to do so or the fact that they face discrimination. I am merely making the point, which I think a large number of clinicians and others accept, that this is a psychiatric matter as much as it is a matter of genetics or is in any way preordained.

I have not yet heard in the debate a proper answer to the case of those transsexuals who move from one gender to the other and then back again. That supports my case that these matters are not inherently determined in people's genes. People who choose to go back to their original gender do exist, and the Bill will have to cope with those circumstances. As I said, I do not want to get bogged down in a medical argument because I do not think that we are the right people for that, but it is important to make those general points.

It is important also to note that we are not discussing intersex conditions—a point that the hon. Member for Colne Valley (Kali Mountford) established early on in a useful intervention on the Minister. Those are a separate category from the transsexual issues that we are discussing.

If the Bill is enacted in its current form it will very much affect marriage, as it will, in effect, legalise same-sex marriage. We should be concerned about that. These points were made by the Bishop of Winchester in the other place, as the hon. Member for Winchester (Mr. Oaten) made clear, and he accepts that he has a difference with the Bishop of Winchester on the matter. We have to accept that if we pass the Bill we will be allowing two men or two women to marry. I have sympathy with the point made by a number of Labour Members that when a married person wants to adopt a different gender the couple should not be forced to dissolve their marriage; I think that they should be able to stay together. I know that the Government are trying to support the principle that marriage applies purely to a man and a woman, but they are going about it the wrong way and putting gender before sex. As the plaque on every registrar's wall says:

"Marriage according to the law of this country is a union of one man with one woman".

Kali Mountford: I am grateful to the hon. Gentleman for advancing the argument about same-sex marriages, which I expected to hear in this debate but had not yet heard. Those are explicitly excluded from the Bill. A moment ago, the hon. Gentleman said that this is a problem to which the Bill is not the answer. Perhaps he would like to tell the House what the answer is.

Andrew Selous: I shall deal with those two points in turn. The hon. Lady says that same-sex marriage is excluded from the Bill. I disagree. I think that it is same-gender marriage that is not included, because I come from the premise that one cannot change the biological make-up of a human being. I accept that people may want to adopt a different gender, and we have heard movingly from the hon. Member for St. Helens, South (Mr. Woodward) about his sister. I am not denying that people should have the opportunity to do that if they so choose. However, if one accepts that a human being has a unique biological make-up, which any law made in this House cannot change, we are talking about the ability of a man to marry another man and of a woman to marry another woman. There cannot be any dispute about that.

The hon. Lady asked what other means we could use to prevent some of the problems that transsexuals face. We could deal with employment problems by using employment legislation to ensure that there could be no discrimination. Insurance has been mentioned a number of times, and there are ways of dealing with that. I think that I may be the only chartered insurer who is a Member of the House—I am certainly one of very few.

Believe it or not, underwriters are reasonable, understanding people, and I am sure that separate arrangements could be made with insurance companies. *[Interruption.]* Perhaps not all hon. Members are prepared to accept that, but having been a member of the underwriting community for a while I contend that they are.

Lynne Jones: Will the hon. Gentleman give way?

Andrew Selous: In a moment.

We should be very keen to stop any form of harassment. We have legislation to stop race-hate and homophobic bullying, and I would be very much in favour of legislation to make sure that transsexual people were not harassed or intimidated.

Mr. Bercow: Will my hon. Friend give way?

Andrew Selous: I said that I would give way to the hon. Member for Birmingham, Selly Oak (Lynne Jones).

Lynne Jones: I just wanted to inform the hon. Gentleman that there is legislation preventing discrimination in employment: the Sex Discrimination (Gender Reassignment) Regulations 1999. That provides guidelines but it does not deal with cases in which employers require to see birth certificates, so people often censor themselves in applying for jobs and promotion. That problem cannot be overcome other than by full legal recognition, enabling transsexual people to have a reissued birth certificate.

Andrew Selous: The hon. Lady makes a practical point, and one way to get round it might be to say that a gender recognition certificate could be used in place of a birth certificate. *[Interruption.]* The hon. Lady shakes her head but I see no reason why that would not work while we were looking at practical alternatives. I now give way to my hon. Friend the Member for Buckingham (Mr. Bercow).

Mr. Bercow: I admire my hon. Friend's courage and principle in standing up for that in which he believes. I put to him two simple questions. First, would he acknowledge that at heart his motivation for opposing the Bill is a religious one, which may be convincing to him, but is not necessarily convincing, or a basis for legislation, in the minds of many others?

Secondly, I put it to him that his opposition to discrimination, harassment and ill treatment would probably sound more convincing if he had argued for practical equality before the law prior to the Second Reading of this Bill.

Andrew Selous: I shall deal in turn with those points raised by my hon. Friend and parliamentary neighbour. First, I speak today, as do several hon. Members, from personal religious conviction. However, I have received letters from constituents who are worried about the Bill but do not have a personal faith. People of all faiths and none will be concerned that Parliament is being asked to legislate to create a legal case for something that I do not believe to be valid in terms of biology and physiology.

I do not quite understand my hon. Friend's second point. I am on the record as having expressed concerns about homophobic bullying, race harassment and so on, and I repeat that I would not want that to happen to transsexual people.

Mr. Bercow: My hon. Friend has been very fair, and it is right that I should clarify my second question for the avoidance of doubt. I do not dispute that he is opposed to harassment and violence. My question is this: if he believes that transsexuals experience day-to-day discrimination and disadvantage, and he has long been conscious of that, why did he not argue for reform of the law before, instead of declaring a willingness to consider the matter on Second Reading of this Bill, to which he is explaining that he is opposed?

Andrew Selous: I plead guilty as charged to not having taken the course of action that my hon. Friend urges upon me. Indeed, there are probably many other worthy causes that I have not taken up owing to insufficient time or interest. However, that does not invalidate my basic point, which is that through the Bill we are legislating to enshrine secrecy and to put into law the case that someone's sex is other than that which has been biologically determined.

As I said, that has implications for marriage. It also affects many other groups of people. First among those would be the families of those affected, by whom I mean the spouse, partner, children or wider family members. I was pleased that the Minister said that those family members will have the chance to be represented on the gender recognition panel, and I hope that the Under-Secretary of State for Constitutional Affairs, the hon. Member for Shipley (Mr. Leslie), will give the House more detail about that.

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Eagle) *indicated dissent.*

Andrew Selous: The Minister's colleague is shaking her head. Perhaps I am confused, but I thought that he said that family members will be fully represented on the gender recognition panel. That is tremendously important, because large numbers of people are affected by someone's decision to change their gender. We exist not as individuals, or as atomised beings who are on our own in society, but in relationships with other people as families and communities. Of course, such decisions have profound and personal consequences for the individual concerned, but so too do they for their wider families and for many other people. If those people really care for that individual, they should be able to appear before the gender recognition panel to make any points that they wish—especially given that some transsexuals move from their original gender to an adopted gender, then back again.

As regards registrars, I have to disagree with the comments made by the hon. Member for Winchester in response to my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack). Of course I agree that public officials have a general duty to obey the law, but this is surely a matter of conscience involving issues of principle about which people may feel strongly. There have recently been comparable cases in which social workers have lost their jobs over adoption decisions

[Andrew Selous]

following the recent change in the law in that area. Hon. Members will have to be mindful of the position of registrars who, for the highest motives, find themselves having to make a genuinely difficult personal decision.

Hugh Bayley: I recognise that the hon. Gentleman is arguing against the Bill. However, if it passes into law and a transsexual is able to apply for a birth certificate in their acquired gender, how on earth would the registrar know that the person was a transsexual who had changed gender? When applying for marriage, they would simply use their birth certificate.

Andrew Selous: I am talking about the specific circumstance whereby a registrar is asked to provide a different birth certificate to change a male birth certificate to a female one, or vice versa, which may well give rise to issues of conscience. The hon. Gentleman may have thought of wider examples that I have not considered.

Many Churches are worried that they will find themselves open to legal challenge on this matter. That may occur purely in relation to pastoral arrangements—for example, the senior minister may want to share some information with other members of the pastoral team and find that he or she is unable to do so. There is also the worry that malicious legal action may take place. I remind the Minister that the former Home Secretary, who is now Foreign Secretary, said unequivocally in this House on 20 May 1998 that Churches act as public authorities when they conduct a marriage. I hope that people's fears are unfounded and that they can be allayed during the progress of the Bill. However, I have a copy of a letter that a Church recently received in which it was threatened with legal action and told that it would find itself in a more difficult legal position once the Bill becomes law. Churches should not be looking to exclude transsexuals, who should be able fully to involve themselves in the life of a Church.

However, there are concerns about vindictive legislation that will cost Churches a great deal of cash that they can ill afford. I therefore hope that the Minister can reassure us about that; I can assure him that it is an issue of concern.

Pension rights were mentioned earlier. We have not received proper answers to the points made about that. I hope that in Committee we will get some proper answers.

Mr. Boswell: With the leave of the House—

Miss Widdecombe *rose—*

Mr. Boswell: I shall let my right hon. Friend speak.

8.20 pm

Miss Ann Widdecombe (Maidstone and The Weald) (Con): I apologise to my hon. Friend the Member for Daventry (Mr. Boswell); I believe that we were called simultaneously. It was undeniably my fault for not being quick enough on my feet, and I thank you for calling me, Madam Deputy Speaker.

Even if the Bill were the most perfect measure, I could not vote for it on the ground of conscience. However, the measure should cause everybody, even those who support its principle, to pause for thought. It is muddled and a legal quagmire. Despite the fact that it has been through the other place, there are massive, important questions that the Minister could not answer today. I do not say that abusively; he simply could not answer them.

No man or woman is an island. When we try to rectify an injustice, we must examine the impact on others and on society. Until we have managed to answer the questions that are raised in that examination, we should not rush into passing the Bill. Again, I stress that even if one accepts the principle—and I make no bones about the fact that I do not—this is a bad Bill.

Kali Mountford: Will the right hon. Lady give way?

Miss Widdecombe: Let me make some progress and I shall.

First, the subject of pensions has been raised time and again. My hon. Friend the Member for Salisbury (Mr. Key) pointed to schedule 5. The issue is not the individual's rights to a pension but those of dependants, especially in circumstances in which the state has enforced a divorce as a result of the Bill, and the impact on the former spouse. That has not been worked through. It must be done, and I do not believe that Committee is the appropriate place in which to do it. The issue is of such fundamental underlying importance—*[Interruption.]* I can see the hon. Member for Colne Valley (Kali Mountford) getting agitated; I will not sit down without giving way.

The Minister must deal with the important issue that I mentioned quite separately from civil registration because, as a result of the Bill, the state will force a divorce on some people who will not wish to stay with the former spouse in a civil relationship. They will therefore become separate entities whose pension needs require tackling and clarifying. They need a guarantee that they will not suffer loss.

Secondly, I made a point earlier about the identity of the legal mother of a child in specific circumstances. If the Minister had said that, from the moment that a surgical procedure and a sex change takes place and someone is recognised as being legally of another gender, rights accrue, the Bill would at least be more coherent, although I would still disapprove. The problem arises in rewriting history and in the state establishing a life so that a birth certificate has to be issued that provides a name and a gender that were not given at birth. History is thus rewritten.

Elements of the Bill are farcical, including not providing information about the past. If one has a sex change, everyone from the past knows about it. Everybody knows one as the person one was; they played games at school with David not Davina. Former employers who are asked for references know people only in the gender that they had when they were in that employment. It is nonsense to try to throw a veil of secrecy, enshrined in law, over the past, suggesting that one can rewrite it or wipe it out.

Changes in life do not mean that the past is rewritten. A marriage can be dissolved but nobody says that it did not exist, that that period of one's life, however unhappy

or difficult, did not happen. Rewriting history causes many of the measure's problems. I shall now honour my promise to give way to the hon. Member for Colne Valley.

Kali Mountford: In the light of the right hon. Lady's clear compassion for people who will be affected by the Bill, how does she believe that their treatment will be worse as a result of the measure? Given that people already assign their gender in a new way, the Bill is simply a matter of recognising that and the consequent choices.

Miss Widdecombe: There is a difference between allowing something to happen and institutionalising it, with all the legal consequences that flow from that. When someone changes gender, there is a great difference between simply recognising that and saying that it has always been so, with all the resultant implications, for families, financial organisations, responsibilities and, in some instances, employers.

The Bill is appalling. It is a muddle and a quagmire. It is nonsense. I uphold the views of my hon. Friend the Member for Blaby (Mr. Robathan). I shall not pretend that, if it were the most brilliant Bill on earth, I would not oppose it. However, the measure should give everybody pause for thought. In our desire to rectify a wrong, we should not create more wrongs in its place.

8.27 pm

Mr. Boswell: For the second time, with the leave of the House, I am grateful for hon. Members' indulgence in allowing me to respond briefly. The debate has spoken for itself and I need only pick up one or two points briefly.

We have heard nine passionate speeches, which were clustered in an interesting way. Let me begin by topping and tailing the debate. I was grateful to the hon. Member for Birmingham, Selly Oak (Lynne Jones). It was clear from several contributions, including mine, that hon. Members felt that her work in converting her constituents' concerns into a campaign that is within a whisker of bearing fruit was praiseworthy. As she knows from my earlier remarks, I am personally in sympathy with the campaign.

However, I also believe that hon. Members should be grateful for the contributions of my hon. Friend the Member for South-West Bedfordshire (Andrew Selous) and of my right hon. Friend the Member for Maidstone—

Miss Widdecombe: And the Weald.

Mr. Boswell: I meant my right hon. Friend the Member for Maidstone and The Weald (Miss Widdecombe). We would do no service to anybody, transgendered or not, if we pretended that the issues were easy and that there were no debate to be had.

I derive encouragement from the conduct of the debate. As the hon. Member for Colne Valley (Kali Mountford) said, it was not characterised by the sort of heat and nastiness that it could have been. That does us credit. We should not rest on our laurels; we should sometimes take such an issue and debate it properly. We have done our best to do that. That applies to all Members who have contributed, including my hon. Friends the Members for Bournemouth, East (Mr. Atkinson) and for Salisbury (Mr. Key), who supported my line on the Bill, and Labour Members who spoke from personal experience or their experience of, for example, the social security system and developed a position. Occasionally, therefore, we can come away with a sense of a worthwhile debate that was well conducted.

On such a subject, about which views differ, it would be impossible to hammer out consensus. Indeed, it would not be sensible. However, it is possible to light on several themes that will be germane to the Committee stage.

There is a very strong concern in principle. The Minister knows that I am on his side, and not that of certain others, over the implications for continuing marriages. We must have a firm debate on that in Committee, and consider any other possible procedures in relation to the transition to civil partnerships, or whether there are other assurances that can be given on that. That matter relates to legal status, and leads to the important issue of pensions. One or two comments that have been made on that are possibly not wholly fair to the Government. Anyone who reads schedule 3—I recommend it for insomnia—will realise that it addresses many issues. It might not always be congenial to people, because the basic principle on which the Government are operating is that if a person changes gender, everything else follows from that and there will be no other advantage. However, the consequences to which my right hon. Friend the Member for Maidstone and The Weald referred could well flow from a divorce that took place with no reference at all to transgender issues. We will certainly need to consider that matter.

The hon. Member for Winchester (Mr. Oaten) made some interesting points, especially on confidentiality issues. I can just imagine the difficulties if someone asked for a person's GCSE certificate, and it had not been changed because no one was under a legal duty to change it or to consider that matter. We will want to look at such situations.

We have had a debate, if not of consensus, involving a remarkable consensus of tone. That is a good start, working on the assumption that the Bill receives a Second Reading, but it is not sufficient in itself. I am passionately committed to trying to get the legislation as right as I can—although that is sometimes a little difficult for a lay person—and I give Ministers and the House genteel notice that I intend to table amendments, as and when the Bill has received a Second Reading, precisely so that they can form part of the debate. I hope that other hon. Members, if they are prepared to participate in the Committee, will feel that they, too, can do that. It is greatly to our benefit to debate amendments thoroughly and properly, and I hope that we will not be rushed in doing so.

I have picked up from my hon. Friends their real concern that in their view, because they feel that the change of gender cannot have taken place, the Bill would allow two men or two women to marry. All I would say in response is that there are essential difficulties in this field. I might throw back to them the situation that can arise now in which a man and a woman are legally married but, because one of them has changed gender, the marriage now exists between two

[Mr. Boswell]

people of the same gender. In the same way, on registration and certification, if someone's birth certificate declares that they are a man, but for all practical purposes they are now living as a woman, I am not sure whether it is happier or more honest to say, "That's a man", or to recognise the fact that that person is now a woman. Then there are all the confusions, difficulties and ambiguities over the medical evidence. Perhaps my hon. Friends have realised that these issues are not straightforward. Some of them feel that they cannot live with the Bill, which I can understand, but equally, aspects of the status quo are not comfortable either.

That suggests that we need to proceed with a delicate balance. My hon. Friend the Member for Salisbury quoted our noble Friend the Baroness Buscombe as having said in another place that we need to proceed with caution—I am sure that that is right, because the law must be got right—but he then added the rider that we must also proceed with compassion. That is the right balance. In my view, if in doubt—this will drive my support for the Bill—we should look at the people concerned and the problems that they face, and try, if we humanly can, although not regardless of any other implication, to meet their needs. The Bill is not perfect, but it is a lot better for the long process of debate and discussion that has already taken place. We can have a further go at improving it, and we intend to do so.

8.34 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): May I say how impressed I am by the conduct of the debate? In my time in Parliament, I have not been involved in such a thorough, sensible and calm debate, which has brought out many of the important issues at the nub of the Bill. I feel privileged to have taken some part in today's debate. It was particularly marked that the hon. Member for Daventry (Mr. Boswell) had such a constructive approach, which I welcome. That constructive attitude will be brought to Committee, and my hon. Friends the Ministers who will take the Bill through Committee—the Under-Secretary of State for Constitutional Affairs, my hon. Friend the Member for Tottenham (Mr. Lammy) and the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Liverpool, Garston (Maria Eagle)—are no doubt looking forward to that experience.

My hon. Friend the Member for Colne Valley (Kali Mountford) commented on the nature of gender dysphoria and said that the way in which some individuals define themselves and see their identity is a critical, and very personal, issue. It is important to recap what we are talking about. Transsexual people feel a deep conviction of the need to present themselves in the appearance of the opposite sex, changing their names and identities to live in the acquired gender. Some take hormones and have cosmetic treatment to alter their physical appearance, and some undergo surgery to change their bodies to conform more to their acquired gender. However, the medical condition whereby an individual born to one gender feels adamantly that they are in fact of a different gender is known as gender dysphoria. It is a real phenomenon, albeit one that affects only an estimated 5,000 people in the United Kingdom. Those individuals sometimes feel so strongly that they are of a different gender that they seek gender reassignment socially, hormonally or even surgically.

The hon. Member for Winchester (Mr. Oaten) stated that when we debate those issues and try to find solutions, which the Government have genuinely tried to do with the Bill, a point comes at which we have to take a view on the principles that we hold. The Bill enables such a decision to be made, although I realise that there will be different opinions.

The basic principles behind the Bill are clear. Although it concerns a minority, the test of how civilised a society is rests in part on the care and respect that it gives to minorities. Tolerance and respect are important, and recognition of difference is a key ingredient of that. Giving legal recognition to transsexual people is one step towards removing a sense of exclusion from society for a minority in our community—so there is an important principle at stake. That was the point that my hon. Friend the Member for St. Helens, South (Mr. Woodward) made in a powerful and moving speech, as many Members heard. The Government believe, as does he, that all people should be entitled to basic rights and allowed to live their lives freely and legitimately, as they determine. If some people lack legal status or recognition, that can inhibit their freedom and their ability to take part in society at large.

Even if that problem affects only a small number of people, it is our duty to address it and to find solutions where we can. My hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones), as several hon. Members noted, has campaigned strenuously over a long period for many, if not the bulk, of the provisions in the Bill. She made her points exceptionally strongly, and I pay tribute to her for her contribution.

Basic rights to legal recognition are needed to allow transsexual people the right to privacy, without the need continually to describe their gender history to complete strangers in the course of their daily lives. That is another specific reason why this reform is necessary. Of course, the Bill will also enable us to meet our international obligations and honour various rulings of the European Court of Human Rights. The time has come to join a number of European and other states in giving legal recognition to transsexual people. We acknowledge that that will involve changing significant parts of our legislation, and that we need to begin to recognise more fully the human rights of that group in our society.

The hon. Member for Daventry said that we often come to understand these issues through listening to the views expressed by our constituents. Indeed, many hon. Members have mentioned hearing such views.

Mr. Alex Salmond (Banff and Buchan) (SNP): Will the Minister say a little more about the schedule relating to exceptions for clergymen in England and Wales in regard to their obligation to solemnise a marriage? How will a clergyman know whether he is in a position to exercise such an exception? Why are such exceptions not

necessary in Scotland and Northern Ireland? I know why they are not necessary, but it might be helpful if the Minister answered that question for the record.

Mr. Leslie: As the hon. Gentleman knows, various Sewel motion activities and other Scottish Parliament implications exist in relation to extending some of the UK provisions to Scotland, and I shall deal with some of the exemptions shortly, including what has been termed the conscience clause. That proposes that those in the established Church who are under a legal obligation to solemnise a marriage when a person requests them to do so will have the ability effectively to opt out of that legal obligation. That provision has been put in place to allow those clergymen and women to have that opt-out, and it is now part of the Bill.

The determinants of gender are important, and the hon. Member for Salisbury (Mr. Key) quoted a number of sources in that regard. In the Court of Appeal, Lord Justice Thorpe concluded in the Bellinger case that:

"The test that is confined to physiological factors, whilst attractive for its simplicity and apparent certainty of outcome, is manifestly incomplete. There is no logic or principle in excluding one vital component of personality, the psyche."

That is an important point. This involves not only physiological issues; psychological considerations are important, too. There is a growing body of medical opinion in this field, including practitioners and chartered psychologists. The Bill has been discussed with the British Medical Association, the General Medical Council, the Royal College of General Practitioners, the Royal College of Psychiatrists and the British Psychological Society. No objections were raised about the general principles of the Bill.

The hon. Member for South-West Bedfordshire (Andrew Selous) said that hon. Members should defer to those with medical qualifications and experience in these matters. The chief medical officer himself has informed Government thinking and concluded that gender dysphoria is a medical condition that needs to be addressed. We must face up to these problems and issues, and not bury our head in the sand and pretend that there are no issues to be addressed.

The Bill has already undergone detailed scrutiny, not least in the other place, and it had its genesis in the interdepartmental working group back in 2000. The Joint Committee on Human Rights has considered the draft Bill. The noble Lord Filkin has taken a great interest in the formulation of the Bill, and I would also like to pay my own tribute to the Minister of State, Department of Health, my hon. Friend the Member for Doncaster, Central (Ms Winterton), for her part in devising and framing it when she was a Minister in the then Lord Chancellor's Department.

The Bill contains a number of specific proposals. A panel of lawyers and doctors or chartered psychologists will be established and will be capable of issuing gender recognition certificates to individuals who are assessed as having the medical condition of gender dysphoria. My hon. Friend the Member for City of York (Hugh Bayley) pressed for hon. Members to include transsexual persons on the panels, but that requirement is not in the Bill and we have no plans to go down that particular avenue. The panel will be set up to take evidence from a wide number of experts, family members and others, and that will be the manner in which it will be informed of relevant experience and expertise, rather than by trying to break down the composition of the panel. However, I understand where my hon. Friend is coming from on this issue.

The medical condition assessment will require the applicant to provide evidence of a diagnosis of gender dysphoria, details of any treatment undergone for gender dysphoria and of whether the applicant has, in practice, lived in their acquired gender for at least two years—family evidence of this will be an important factor, as the hon. Member for South-West Bedfordshire pointed out—and whether they intend to continue to do so permanently. Evidence of treatment will not solely relate to surgical treatment. Although most transsexual people have had surgery, some have not and should not—perhaps for other health reasons. The key test will be whether a person has taken decisive steps to live fully and permanently in the acquired gender, as the hon. Member for Winchester observed.

The issue of a new birth certificate will overcome a number of problems currently encountered by transsexual people. The hon. Member for Winchester highlighted the point about insurance, which was a good example. Insurance can be taken out in the acquired gender once a new birth certificate has been issued, so that, in the event of an accident, there would no longer be a risk of prosecution for fraud or driving without insurance, as legal recognition would remove the discrepancy between what the insurance documents record and the reality of how a person presents to the wider world.

My hon. Friend the Member for Birmingham, Selly Oak mentioned the interim gender recognition certificates, and asked why a six-month time limit had been decided upon. The only purpose of the interim certificate will be to allow the dissolution of an existing marriage, and six months was felt to provide sufficient time for those proceedings to begin. As the interim certificate provides grounds for ending a marriage, allowing unlimited time would create too much uncertainty for the other partner. It is therefore only fair to limit its use to six months. I am sure, however, that this issue will come up in Committee.

A number of hon. Members have mentioned the provisions in clause 22 on disclosure of information. It is clear from the approach that the Government have taken in respect of the issuing and recording of birth certificates that we have tried hard to strike a fair balance in the Bill between protecting the privacy of transsexual people and preventing disclosure by public authorities, while not acting excessively and criminalising all aspects of disclosure. For example, when a person acquires information about a person's gender history in the course of official duties, this will be regarded as protected information, and disclosure would be an offence.

However, there are exemptions that will allow disclosure for valid public policy reasons, such as preventing or investigating crime—as mentioned by the hon. Member for Winchester—and there will be no prohibition on disclosure if information is acquired in a private capacity. If the individual is not identifiable, disclosing protected information will not be an offence—for example, in the use of information for statistical reporting purposes. The Government believe

[Mr. Leslie]

that this approach strikes the right balance between protecting the privacy of individuals and safeguarding the public interest. My hon. Friend the Member for St. Helens, South asked whether officials would be bound to have a duty of care in regard to the use of protected information. My understanding of the Bill is that that will be the case, because they will be covered by the tightly defined offence involving the misuse of protected information. I believe that it is right to have that provision in the legislation.

The issue of marriage was raised by several hon. Members. Transsexual persons will be able to marry persons of the opposite sex. These would not be same-sex marriages—as the hon. Member for South-West Bedfordshire wrongly asserted—as the change of gender would allow a valid marriage to proceed between a male and a female in law. That is the principle that we have followed.

Andrew Selous: I feel that the Minister is falling into a slight confusion between sex and gender. One could argue that it would be same-sex marriage. His case is that it would be marriage between people of different genders, but it is not the case that it would not be same-sex marriage.

Mr. Leslie: I do not think that the hon. Gentleman has understood our proposal for the use of the gender recognition certificate to acknowledge, on behalf of society, that individuals have been reassigned by their own volition and have acquired their gender—men and women, as defined by the panel on gender recognition.

Mr. David Heath (Somerton and Frome) (LD): May I bring the Minister back to information held by public bodies? He has not made it clear whether provision exists for a requirement on public bodies to amend registers that they hold, perhaps on professional or academic qualifications. Does he anticipate any change on that basis within the legislation?

Mr. Leslie: The only core change that the Bill proposes is in respect of the issuing of a new birth certificate through the gender recognition register. That is the main register that will effectively be created by the Bill. No specific consequential series of changes will be made to public information held elsewhere, and, as was said, there will be no attempt to rewrite history. The original birth certificate will remain on record, with the new birth certificate on the gender recognition register. I take the hon. Gentleman's point about wider public information, however, and those are the sorts of issues that we will need to consider in Committee.

The Government intend to introduce separate civil partnership legislation in this Session following consultation about a framework for the legal recognition of same-sex couples. Indeed, 83 per cent. of respondents to the consultation supported the principle of a civil partnership scheme. That is an entirely different issue, which is unaffected by this legislation, but it is important to bear it in mind that the Government are attempting to address some of the other questions in different pieces of primary legislation.

The issue of pre-existing marriages is a difficult one, about which the right hon. Member for Maidstone and The Weald (Miss Widdecombe) and my hon. Friends the Members for St. Helens, South and for City of York were asking. Pre-existing marriages would need to be dissolved in order for legal recognition for a newly acquired gender for married persons to be achieved: marriage in the UK is between a man and a woman, and the panel would therefore issue only an interim gender recognition certificate, which would be grounds for dissolving the marriage, at which point the court would issue a full gender recognition certificate. That is because marriage is an institution distinctly for opposite-sex couples. I accept, however, that careful consideration of this matter is needed, and my hon. Friend the Member for Colne Valley expressed carefully and pragmatically the difficult judgments that come into play on this issue.

On the complicated question of pensions and benefits, my hon. Friend the Member for City of York asked two specific questions and made several other comments, as did the hon. Member for Bournemouth, East (Mr. Atkinson), the right hon. Member for Maidstone and The Weald, the hon. Member for Salisbury and others. The basic principle that we are following is that pensions and benefits follow the entitlement for the new acquired gender. A male-to-female transsexual person, say, aged 62, will gain state pension eligibility from the date of that gender recognition certificate. It will not be backdated, because we do not have retrospective legislation.

My hon. Friend the Member for City of York raised a specific example of a case in which an individual whom we will call Y is a male-to-female transsexual person, and X is the wife of that original male individual. Were Y to apply for a gender recognition certificate, but is married to his wife, X, they will have their marriage dissolved. While X will lose her category B married woman's pension, the court will be able to institute a pension sharing order for occupational and other pension sharing rights, and X will be entitled to some category A state pension based in part on the national insurance contributions record of the former husband, Y, or on X's national insurance contributions record.

My hon. Friend asked whether it was right to require a couple to divorce in order to obtain recognition if neither party wanted to do so. As I said, marriage is an institution between persons of the opposite sex, and that is part of the essential nature of a marriage contract and the marriage legislation. We must look towards some sense of consistency in our legislation. He then asked whether it was fair to put the right to marriage, in some sense, before the right to gender recognition, and to give that spouse less power in the relationship. That is a difficult judgment to make, and we are trying to resolve some of these problems, not least through the civil partnership legislation, which needs to be considered in tandem with this Bill.

Hugh Bayley: I thank my hon. Friend for his full and thoughtful response to my question. My follow-up question relates to the occupational pension entitlement of the spouse—the wife, in this instance—rather than entitlement to the state pension. If my hon. Friend intends not to change his mind on the question of dissolving the marriage, would the Government be

prepared to table an amendment requiring the supplier of the occupational pension to treat the wife as she would have been treated had the marriage not been dissolved—in other words, to protect the rights of the partner?

Mr. Leslie: That is an important point, but, I suspect, a point of detail that the Committee would be better placed to address.

I believe that the test of a civilised society is its approach to minorities and the respect that we have for their rights. Transsexual people face obstacles and legal problems on a day-to-day basis, quite unnecessarily. They have human rights that need defending, and freedoms that deserve respect. The Bill will right a wrong that currently exists, and I commend it to the House.

Question put, That the Bill be now read a Second time:—

The House divided: Ayes 335, Noes 26.

Division No. 55] **[8:56 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Arbuthnot, rh James
Armstrong, rh Ms Hilary
Atkins, Charlotte
Atkinson, David *(Bour'mth E)*
Bailey, Adrian
Baird, Vera
Banks, Tony
Barker, Gregory
Barnes, Harry
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Bercow, John
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnett, John
Burnham, Andy
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Carmichael, Alistair
Casale, Roger
Caton, Martin
Challen, Colin
Chaytor, David
Chidgey, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Cohen, Harry
Coleman, Iain
Connarty, Michael
Cook, Frank *(Stockton N)*
Corbyn, Jeremy
Cousins, Jim
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, Mark *(Cities of London & Westminster)*
Fisher, Mark
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
Garnier, Edward
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibb, Nick *(Bognor Regis)*
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Greenway, John
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hancock, Mike
Hanson, David
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Hesford, Stephen
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Hodge, Margaret
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kemp, Fraser
Key, Robert *(Salisbury)*
Kilfoyle, Peter
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laws, David *(Yeovil)*
Leslie, Christopher
Levitt, Tom *(High Peak)*
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McDonagh, Siobhain
MacDougall, John
McIsaac, Shona
Mackay, rh Andrew
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, rh Peter
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Meale, Alan *(Mansfield)*
Mercer, Patrick
Miliband, David
Miller, Andrew
Moffatt, Laura
Moore, Michael
Moran, Margaret
Morley, Elliot
Moss, Malcolm
Mountford, Kali
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Oaten, Mark *(Winchester)*
O'Brien, Mike *(N Warks)*
O'Brien, Stephen *(Eddisbury)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Osborne, Sandra *(Ayr)*
Ottaway, Richard
Owen, Albert
Palmer, Dr. Nick
Perham, Linda
Picking, Anne
Plaskitt, James
Pollard, Kerry

Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prescott, rh John
Price, Adam *(E Carmarthen & Dinefwr)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Quin, rh Joyce
Quinn, Lawrie
Randall, John
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Rendel, David
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salmond, Alex
Sanders, Adrian
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Shephard, rh Mrs Gillian
Sheridan, Jim
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Spink, Bob *(Castle Point)*
Starkey, Dr. Phyllis
Steen, Anthony
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Simon *(Ceredigion)*
Thurso, John
Timms, Stephen
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tyrie, Andrew
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
Weir, Michael
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Wiggin, Bill
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
Mr. John Heppell and Jim Fitzpatrick

NOES

Beresford, Sir Paul
Burnside, David
Chope, Christopher
Cormack, Sir Patrick
Djanogly, Jonathan
Dodds, Nigel
Forth, rh Eric
Grieve, Dominic
Hunter, Andrew
Leigh, Edward
Lilley, rh Peter
Loughton, Tim
McIntosh, Miss Anne
Paisley, Rev. Ian
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Peter *(Belfast E)*
Rosindell, Andrew
Selous, Andrew
Syms, Robert
Taylor, Sir Teddy
Trimble, rh David
Turner, Andrew *(Isle of Wight)*
Watkinson, Angela
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*

Tellers for the Noes:
Miss Ann Widdecombe and Mr. Andrew Robathan

Question accordingly agreed to.

Bill read a Second time.

GENDER RECOGNITION BILL *[LORDS]* (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Orders [28 June 2001 and 6 November 2003],

That the following provisions shall apply to the Gender Recognition Bill [*Lords*]:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on 16th March 2004.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Sessional Order B (programming committees) made by the House on 28th June 2001 shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords amendments or on any further message from the Lords) may be programmed.—*[Ms Bridget Prentice.]*

Question agreed to.

GENDER RECOGNITION BILL *[LORDS] [MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with Bills),

That, for the purposes of any Act resulting from the Gender Recognition Bill [*Lords*], it is expedient to authorise the payment out of money provided by Parliament of—

(a) any expenditure of the Secretary of State under that Act, and

(b) any increase attributable to that Act in the sums payable under any other Act out of money so provided.—*[Ms Bridget Prentice.]*

Question agreed to.

DELEGATED LEGISLATION

Madam Deputy Speaker (Sylvia Heal): I shall put together the two motions on employment and training.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

Employment And Training

That the draft Industrial Training Levy (Construction Board) Order 2004, which was laid before this House on 18th December, be approved.

That the draft Industrial Training Levy (Engineering Construction Board) Order 2004, which was laid before this House on 8th January, be approved.—*[Ms Bridget Prentice.]*

Question agreed to.

INDUSTRIAL ORGANISATION AND DEVELOPMENT

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation)

That the draft Milk Development Council (Amendment) Order 2004, which was laid before this House on 26th January, be approved.—*[Ms Bridget Prentice.]*

Question agreed to.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees),

EUROPEAN SPACE POLICY

That this House takes note of European Union Document No. 14886/03 + ADD1, the Commission White Paper on European Space Policy; and supports the Government's aim of engaging with European partners and the Commission to encourage the formulation of policies that offer clear commercial and scientific benefits targeted at the Union's wider aims.—*[Ms Bridget Prentice.]*

Question agreed to.

Seroxat

Motion made, and Question proposed, That this House do now adjourn.—*[Ms Bridget Prentice.]*

9.11 pm

Paul Flynn (Newport, West) (Lab): The Seroxat scandal is one of gigantic proportions, which affects millions of people. There has been over-prescribing and misprescribing of this antidepressant on a scale equalled only by the over-prescription of tranquillisers 40 years ago. It is likely that the legacy—*[Interruption.]*

Madam Deputy Speaker (Sylvia Heal): Order. Will Members please leave the Chamber as quickly and quietly as possible?

Paul Flynn: Thank you, Madam Deputy Speaker.

It is likely that the legacy of the misery created by what has happened with antidepressants will be at least as severe as what happened with tranquillisers.

The pharmaceutical industry has achieved miracles in disease control and elimination in the past century. It is not my intention to attack the science of that industry, but it is my intention to attack the spin, the marketing and the propaganda, all aimed at maximising profits, and the ineffective regulatory control that has failed to protect the public. GlaxoSmithKline, the manufacturer of Seroxat, has been exposed as duplicitous, profit-driven and irresponsible over the 14 years for which the drug has been available. It prizes its profits above the health of its customers.

Where there should have been scientific objectivity there has been voodoo medicine; patients who have sought care have had their trust abused. Seroxat has turned mild stress into suicidal despair, and in many cases a passing anxiety has become a lifelong addiction, leading to self-harm, suicide and even murder. Those who have long questioned the safety and efficacy of Seroxat were ridiculed and undermined by the pharmaceutical giant GlaxoSmithKline.

That company is the villain in those tragedies, but happily there are heroes—those who fought to expose the truth about the dangers, addictiveness and ineffectiveness of Seroxat. The heroes include Dr. David Healy, professor of psychiatry at the university of Wales, Bangor; the "Panorama" programme, which produced two splendid accounts about the effects of the drug; Sarah Boseley of the *The Guardian*; the charity Mind, one of the few charities that takes no money from the pharmaceutical industry—a significant point in this case—*The Citizen*, a local Gloucester newspaper which is to be congratulated on conducting a campaign with national results; and my hon. Friends the Members for Gloucester (Mr. Dhanda), for Dundee, East (Mr. Luke) and for Edinburgh, North and Leith (Mr. Lazarowicz) who have also been involved.

Seroxat is a selective serotonin reuptake inhibitor. The drug appeared only in the 1990s and took over from the tricyclic antidepressants that had been available since the 1940s. I believe that need for the drug is based on a great myth: the idea that we can go through our entire life in a state of continuous euphoria and that if we suffer a moment of discomfort, pain, boredom, grief or anxiety we should be classified as ill and in need of

[Paul Flynn]

medicine. If any of our loved ones feel similar unhappiness, we are supposed to feel guilty unless we provide them with a pill. If we are sadder today than we were yesterday, there must be something wrong with us. Humankind has progressed through many millennia without using antidepressants, yet the myth has been perpetrated and we are conditioned to believe it.

I wrote to GlaxoSmithKline more than a week ago to tell the company what I planned to say in the debate and asked for its comments. It has not had the courtesy to reply although I have received a number of letters from it over the last four years. The company has expressed the view that antidepressants should be taken by half the female population of the United Kingdom and a third of the male population; it wants to see 25 million people on antidepressant drugs. That is certainly not the number of people who suffer from the type of depression that needs medical intervention—serious, pathological, clinical depression. I do not want to minimise the effects of that dangerous illness, which can lead to self-loathing or self-destruction and certainly requires the attention of the medical profession.

We have been conditioned to believe that we need those drugs, but there are far better alternatives. For example, counselling does not involve chemical drugs; it is over-prescribed at present, but if people are looking for a way out of the hell of clinical depression, they would be well advised to study the work of Dr. Dorothy Rowe, who has written a splendid book about clinical depression, "Depression: the Way Out of Your Prison". She gives vivid descriptions of people's reaction to deep depression—their feelings of hopelessness, of being locked inside a room and that no one can help them. She offers practical ways of dealing with depression through self-knowledge, meditation and exercise, which is very much in line with current Government thinking. Having spent the better part of my life ignoring exercise, I am a late convert to its joys. After discovering the great pleasure of endorphin-releasing exercise, I can go along with what is said about it.

The effect of Seroxat is not to free people from the prison of depression, but to create a new prison wall around them; that wall is all-encompassing and often encloses them in a prison of addiction. At the heart of the debate is ensuring that the Government do two things: the benefits of new medical discoveries should be enjoyed by all who need them, but the public should be guarded against the serious side-effects that such drugs can often cause.

We do not want to return to the terrible scandals of the past such as tranquillisers, thalidomide, Eraldin, Opren and others that have resulted in wasted lives. The charge against GlaxoSmithKline could not be graver: it has deliberately suppressed information on the danger of Seroxat and its lack of utility.

Two years ago, GlaxoSmithKline wrote me a letter that contains very little that is truthful apart from the date. We know that its spokesmen made preposterous claims on "Panorama", and the letter states:

"The safety and efficacy profile of Seroxat has been confirmed through clinical trials involving thousands of individuals and the experience of tens of millions of patients over the 10 years the medicine has been available."

The letter does not mention the number of reports that GlaxoSmithKline has disregarded, ignored or, as happened recently, actually suppressed.

The issue is not new, but we learned about the worst case very recently. Studies have been conducted that prove that Seroxat is no more effective than a placebo, and that in many cases it is less effective. Such claims have been around for a long time, but in spite of that Seroxat was increasingly prescribed, and it overtook Prozac as the No. 1 antidepressant in the UK, with four million prescriptions a year at one time, and now that figure has greatly increased.

It is difficult to get precise figures about how many prescriptions are issued and how many people are on Seroxat, but, as with many things, we are following the United States line. We know that there are 3 million children on antidepressants in Canada and that there are 10 million children on antidepressants in the United States. Dr. Healy says

"There is probably no area of medicine in which the academic literature is so at odds with raw data."

After many denials, a particular report, headed "Confidential. For internal use only", has been revealed. It was prepared not a couple of weeks ago, although that is when it was published, but in October 1998. It refers to studies conducted in 1993 and 1996 of children and adolescents who were given courses of either Seroxat or a placebo. In one trial, there was no beneficial difference in the outcome between the placebo and Seroxat; in the other, the placebo produced superior results, which was not unexpected. The studies demonstrated that there is no beneficial effect in treating adolescents with Seroxat.

One difference was noticed in children: suicidal behaviour was 1.5 to 3.2 times higher on Seroxat than on a placebo. It was not until 2003 that the body responsible for regulating medicine, the Medicines and Healthcare products Regulatory Agency, issued guidance to doctors that Seroxat should not be prescribed to people under 18.

However, a parliamentary answer that I have received in the last half an hour says that the Government do not intend to change the rules on prescribing unlicensed drugs to children. The Government seem to say that, if a drug works for adults, it should work for children. If so, it must also be true that, if there are increased suicidal tendencies among children, there is a similar effect on adults. Dr. David Healy reports that GlaxoSmithKline had evidence that approximately one in every 60 adults on Seroxat made a suicide attempt, while the figure for those on the placebo was one in 550 adults. That is an extraordinary difference.

David Healy gave evidence to the regulatory body, when it investigated Seroxat last year, and there is a rather bizarre story to tell about what happened. About nine months before, Dr. Healy had applied for a meeting with the regulatory body. When the meeting eventually took place, he was surprised that no one questioned the evidence that he gave to the regulatory body, although he was a long-time critic. Although some agreed minutes were supposed to be prepared, they were never sent out because many of the members of that committee had financial and other interests in GlaxoSmithKline and in other selective serotonin reuptake inhibitors. That is a deplorable situation.

I am sure that the Minister will say—it was said at the time—that the body is beyond suspicion and that those professional people will act in a disinterested way and

reach conclusions. That may be so, but it is unlikely that the public will trust such a body, when so many of those who judge the safety of medicines have dual interests of that kind, as well as an alternative duty as a regulatory body to ensure the success of the British pharmaceutical industry. If we are to have full trust in our regulations on such matters, we need a body that has only one commitment: the safety of the public and those who take the drugs.

GlaxoSmithKline has repeatedly failed to respond to patient reports of withdrawal difficulties and refused to publish reports that demonstrated that 85 per cent. of healthy volunteers in a controlled experiment suffered from agitation, abnormal dreams and insomnia, and there was one suicide. Let me make it clear what that shows: 85 per cent. of that control group of healthy people were not suffering from depression, even mild depression, but they experienced those problems. Time and again, we hear evidence of people whose behaviour is modified tragically by Seroxat.

Last year, the Brecon coroner, Geraint Williams, wrote to the Secretary of State for Health to ask for an inquiry into the drug after one such case. The family wished people to know about that case because they hoped that some good might come from the tragedy that had engulfed them. The case involved a retired head teacher, Colin Whitfield, who took his life after he was prescribed Seroxat. His wife said in court that that was totally out of character and that she believed that his mind had been affected by the drug. The coroner said that he was profoundly disturbed by the effect that Seroxat had had on Mr. Whitfield, and he accepted expert opinion that Seroxat could induce agitation and lead to people having suicidal thoughts.

Sadly, there are many cases of that kind. The Tobin case in America has become very well known. Again, the behaviour of a man who had taken just a few tablets changed in a way that his family said was completely uncharacteristic of him. He killed the three women in his life—the three people whom he loved the most—a wife, a mother and a granddaughter. He then killed himself. That was reported in the first "Panorama" programme on the subject.

Another case, which emerged in the second programme, involved someone in this country who suffered a similar character change after taking a few tablets of Seroxat. He tried to take the lives of his wife and daughter, and he then tried to take his own life.

It is difficult to see these cases as coincidental, because they are so similar. However, we must examine them and ask ourselves why such terrible tragedies have taken place. The clinical evidence suggests that the drug must take the blame.

The defence put up by GlaxoSmithKline is that the people involved are depressed anyway and that there is a chance that their taking the drug may lead them to self-harm. When GlaxoSmithKline examines the results of the trials, it gives the credit for beneficial results to the use of Seroxat. However, when there is a bad result, that is blamed on the depression suffered by those involved. The company cannot have it both ways.

Other side effects have been reported by the volunteers who took part in one of the trials. They reported difficulty in withdrawing from the drug and one peculiar effect of this drug and no other was electric "zaps". They reported difficulty in walking, co-ordination problems, aggression, confusion, memory difficulties and lethargy. Yet the published account of that report never mentioned any of those things. The information was obtained because, in the court case in America, Dr. David Healy was allowed access to the files of GlaxoSmithKline, which did not include these results in its report.

That contrasts with the response received by "Panorama" following the broadcast of its first programme on Seroxat. It received 67,000 phone calls and 1,400 e-mails, almost of all of which reported problems with side effects and difficulties of withdrawal. Among the cases reported were 16 of accomplished suicide and 47 of attempted suicide. Those responses came from just the group of people who happened to be watching BBC 1 on the Sunday evening when the programme was broadcast. A follow-up survey by Panorama and Mind of 229 people using Seroxat found that 83 per cent. experienced withdrawal symptoms. The symptoms were "intolerable" for 44 per cent. and "severe" for 32 per cent. Therefore the use of the drug did not succeed for 76 per cent.

Seroxat heads the World Health Organisation's league table of drugs from which it is difficult to withdraw; it is higher than Valium. Our Department of Health agrees, and a reply that I received from one of the Minister's colleagues last year pointed out that, in her view, Seroxat makes the symptoms of depression more severe in the early stages. That point is widely recognised.

In spite of that, GlaxoSmithKline repeatedly failed to remove the words on the side of the packet that said in unambiguous terms:

"These tablets are not addictive . . . You cannot become addicted to Seroxat".

The company changed its mind, but only in April 2003, 13 years after the problems began to emerge. In the first television programme, it was adamant that the drug was not addictive; in the second one, it blamed the patients for not understanding the warning. However, it is hard to imagine words that could be more explicit or less unambiguous. To this day, the company still gives the same advice on dependency to doctors. It argues that Seroxat does not cause dependency, but it certainly does, as the World Health Organisation and our Government agree.

The patient information leaflet that GlaxoSmithKline puts out now states that 25 per cent. of those taking Seroxat will suffer a withdrawal reaction. That is an extraordinary change when compared with what it previously said. It declared the figure to be 0.2 per cent. until 2002, but it then increased the figure to 0.7 per cent. Now it has decided, after years of misleading everyone, that the true rate for addiction is about 25 per cent.

It is disappointing that the United Kingdom regulatory authority has failed to protect patients from the profiteering of GlaxoSmithKline. Even moves by the US Food and Drug Administration to warn patients about the potential problems associated with Seroxat amount to a slow reaction, and almost to a dereliction of duty. Patient complaints have been ignored by GlaxoSmithKline and by doctors, and by the regulatory body and its predecessors in this country. This is a familiar story.

[Paul Flynn]

One constituent wrote to me, saying that she reported a bad reaction to her doctor, who declined to report it under the existing yellow card scheme. That scheme, which was introduced after thalidomide, is ramshackle, does not work and is hopelessly ineffective. I remember receiving an answer from Gerry Malone, the then health Minister of a previous Government, in which he told me that the number of deaths arising from paracetamol in Britain were 46 in one year and 52 in another. I was astonished by that reply, because according to the coroner's report, there were between 500 and 600 deaths in each of those years. Mr. Malone was quoting the number of deaths reported through the yellow card system, but it understated the number; in fact, there were 12 times as many. Yet we are relying on that system to guide us on adverse reactions to drugs. It is no surprise that a system that is 40 years old is working in such an inadequate way. Only a tiny fraction of the reportable adverse effects are actually reported. It is nonsense to continue to rely on that system in this way. That is why there is a huge understating of adverse reactions, suicides and addictions. When the Minister sums up, I hope that she will say that we need to look seriously at any reliance that we place on the yellow card system.

In the television programme to which I referred, Dr. David Healy said that the evidence shows that roughly one person in 60 who uses Seroxat makes a suicide attempt. On the same programme, a GlaxoSmithKline representative gave a transparently dishonest account of its position. We are talking about a drug that is probably ineffective. There are few reports to suggest that it achieves markedly better results than placebos. As we know, it is addictive, and I should also point out—this is an important factor for the Government—that it is ruinously expensive. There has been a huge increase in the prescription of antidepressants, and few people who spend long spells in hospital can escape the well-meaning attentions of hospital staff, who regularly come round with their medicine trays and announce that one has been prescribed this pill and that pill.

A constituent of mine told me that when she was in hospital, she demanded to know what each of the types of pill that she was taking was. She was regularly told, "This is a painkiller", to which she replied, "Well, I'm not in pain, so I'm not taking it." On being told, "This is an anti-depressant", she said, "I'm not depressed either, so I'm not taking that." The excuse for prescribing such drugs is that one might well be in pain or become depressed later, so one must take them in anticipation of future pain or depression. Now that we know beyond any doubt that such pills are addictive, why on earth do we continue with this approach? Why do we still measure the efficiency of hospitals not by how much pain is relieved—admittedly, that is impossible to measure—or how much depression is dealt with, but by how many pills are prescribed? That is an extremely ineffective method, and it is also extremely wasteful. One of the current problems is that although funding for the health service has gone up by 40 per cent., outcomes have increased by a much smaller percentage. One main reason for that is the extraordinary inflation of the drugs bill, which has increased at a far greater rate. Many of the drugs that are prescribed are probably useless or damaging.

Charles Medawer, the director of the medical research group Social Audit, said many years ago—before the latest announcement—that a study at the university of California's neuropsychiatric institute found that just over 50 per cent. of patients who were given Prozac, which is a similar drug, reported an improvement in their symptoms, but that an identical proportion of patients who were given a placebo drug reported the same results. That is nothing new because it has been known for a long time that SSRIs have a poor outcome for patients, so why on earth do we continue to espouse them and support their use?

Twenty-six new SSRI drugs are under development, so they will come later. We are undertaking an extraordinary experiment with human beings on a massive scale. There are rightly complaints about the drug ecstasy because it is used recreationally. It disturbs the chemistry of the brain, and no one can say what the long-term effect of that on the mental health of those who take the drug will be. The argument is precisely the same for altering the serotonin levels of the brain in the way that SSRIs do. No one can say what the long-term effects will be after 40, 50 or 60 years. The experiment is being carried out for the long-term interests of drug companies' profits.

I would like my hon. Friend the Minister to deal with several points. Although research is continuing, Charles Medawar says:

"I see antidepressants as the biological equivalent of thumping a TV on the top to help improve the picture"—

we know that that works, but we do not know how it works. However, in this case, we know that the drug does not work, but we still go on thumping. He said:

"My belief is that in 30 years, our grandchildren will look at the way we treated depression in the 20th century with the same disbelief as we look at the way we prescribed tranquillisers 30 or 40 years ago".

That is the position that we are in now.

When will the inquiry on selective serotonin reuptake inhibitors that ended in such confusion be re-established, and when will it report its findings? What are my hon. Friend's proposals to restore full confidence in the Medicines and Healthcare products Regulatory Agency, which is, strangely enough, entirely funded by the drug companies—only two countries in the world are in that position? The Public Accounts Committee was critical of the situation last year, and said that stakeholders would have a lack of trust because the agency is entirely funded by the companies—that is like getting Arthur Anderson to audit Enron.

What action does my hon. Friend propose to take to ensure that the pharmaceutical companies publish all results of their drug trials? We know that two trials took place that proved beyond doubt that the drugs had no utility and that Seroxat was useless. We also know that the results were not published, and the drug company made it clear why it was not publishing the results by saying:

"it would be commercially unacceptable to include a statement that the efficacy had not been demonstrated, as this would undermine the profile of"

Seroxat. That is an indication—a confession—that the suppression of the truth of the report has nothing to do with health or safety; it was done only for commercial considerations.

No one else is carrying out such trials on a similar scale. We give a free hand to the drug companies to carry out trials. If they do not like the results, perhaps because they are likely to reduce their profits, they suppress them and keep them secret. We must ensure that the regulatory bodies have the power to insist that the results of all trials are published. They might claim that they already have that power, and that may be the case, but the results of the trials, which finished in 1998, should be available; otherwise, there is no way of informing patients.

Will the Minister act now to at least reduce the prescription of unlicensed drugs to children? That continuing scandal has gone on for a long time. I know there are many reasons for it, but some drugs are prescribed to children which are almost certainly harmful because of a child's different metabolism. Does she have proposals to end the under-reporting of the yellow card scheme? Will she consider developing a scheme to allow testimonies from patients to be considered along with those from doctors? Under-reporting is serious, but when the patient whom I mentioned tried to persuade a doctor to report her problems, the doctor refused.

Seroxat should be withdrawn from use, certainly for new prescriptions. That might cause difficulties for those who have been on it for a long time because of withdrawal symptoms. It would be cruel to take them off the drug to which they are addicted overnight, but for new patients it should be withdrawn. The evidence is there to support that. There should be an urgent review, not the relaxed leisurely review of the past two years, of Seroxat and the other SSRIs to determine their safety, the possibility of addiction and the other severe reactions that have taken place in a significant group of people, in particular those who have felt suicidal.

There has been a major failure by the regulatory authorities, especially in the light of the fact that they refused to take patients' testimonies. The new MHRA should be far more proactive in seeking adverse reaction reports and establish further ways of using direct experience of medicines in drug safety monitoring. It was shocking to discover that the MHRA and its predecessor often only looked at summaries of conclusions rather than at the conclusions themselves. All those patients who are taking drugs need better information from manufacturers and doctors on possible side effects and withdrawal effects and need advice on how to manage and support withdrawal.

There has been an immense scandal, involving many millions of people. Those patients who have gone on to Seroxat, who have sought solace and care, have been abused by the system and GlaxoSmithKline, and have been let down by us as parliamentarians and the regulatory authority.

9.48 pm

Mr. Parmjit Dhanda (Gloucester) (Lab): I shall be brief, not least because my hon. Friend the Member for Newport, West (Paul Flynn) has done a thorough job, and I congratulate him on his work on the drug, which he has done over many years. I am relatively new to the field, as someone who was elected in 2001, but I have become aware of the effects of Seroxat on many of my constituents. When I tabled early-day motion 238 last year, it took virtually no time to gather 100 signatures.

I also ally myself with the congratulations and thanks that my hon. Friend paid to *The Citizen* for its work on the ground, to the BBC team that made the "Panorama" programme—I am mindful of its help and support—and to the Seroxat users group, which has done a great deal of work to raise the profile of some of the difficulties that our constituents have suffered as a consequence of the drug.

As I highlighted in the early-day motion, side effects and withdrawal symptoms include muscle spasms, insomnia, anxiety, depression and, in some cases, aggression and violence.

In addition, as my hon. Friend highlighted, there have been cases such as the one in America which resulted in the killing of the entire family of a user of Seroxat, or Paxil as it is known in the United States. That has led, among other things, to court rulings that mean that adverts for the drug are no longer shown in the US. In this country, more than 1,000 Seroxat users have taken legal action against the drug company. The World Health Organisation puts Seroxat at the top of its league table of drugs from which people have difficulty withdrawing.

I am pleased to see the significant changes to the labelling of the drug which have been implemented as a consequence of the pressure applied by my hon. Friend and others, including *The Citizen*, "Panorama", Mind and the Seroxat users group. That took an awful lot of work, but it is important that people are aware of the side-effects that they are likely to experience if they take the drug. It is a shame that it took so much pressure for GlaxoSmithKline to accept that the drug has addictive qualities that go beyond the scientific definition of "addiction" and come under the definition understood by the rest of us, as lay people.

I follow what my hon. Friend said with three questions for the Minister. These points have been made but need to be emphasised and re-emphasised. As my hon. Friend said, the expert working group on SSRIs has been reporting, or on the verge of reporting, for some time. It is important that we have a date for that. There have been problems with that review, and I ask the Minister to consider those that have occurred at a European level. Members who were part of that review were alleged to have had interests in the drug company and, indeed, reported to have acted on its behalf in legal matters affecting it in America.

Perhaps most important is the transparency of trial data which is required. I shall not labour the point because my hon. Friend the Member for Newport, West has already made it effectively. At the moment we are totally reliant on drug companies for information about the drugs, and the only mechanism by which it comes into the public forum is the MHRA, so we need far greater transparency.

To reiterate, the WHO puts Seroxat at the top of its league table of drugs from which people have difficulty withdrawing. At the very least, it needs to be monitored

[Mr. Parmjit Dhanda]

far more closely, and I urge the Minister to heed what my hon. Friend said and do whatever is in her power to ensure that that happens.

9.53 pm

The Parliamentary Under-Secretary of State for Health (Miss Melanie Johnson): I congratulate my hon. Friend the Member for Newport, West (Paul Flynn) on securing this debate on an issue about which I know he and others feel very strongly. I welcome the support given to him by my hon. Friend the Member for Gloucester (Mr. Dhanda). I am well aware of the early-day motion on the subject and the questions that both Members have asked of Ministers.

Before I say more, given earlier references to suicide, I would like to place on the record my heartfelt view that, whatever the circumstances, suicide is obviously a devastating event, and our thoughts go out to the families of those who have suffered as a result.

The burden of depressive illness is felt at all levels of society and from the young to the elderly. One in three families suffer as a result of a member being diagnosed with depression, and sadly the toll of lives lost remains too high, with suicide claiming, on average, one person's life every two hours.

The treatment of depression with the older tricyclic antidepressants is characterised by significant side effects and a high risk in overdose. The newer class of medicines, which are known as selective serotonin reuptake inhibitors, or SSRIs, of which Seroxat is one, have a different safety profile and, importantly, are less risky in overdose. Antidepressants, and SSRIs in particular, have undoubtedly saved many lives. However, all effective medicines are associated with side effects, and questions remain about the effects of SSRIs on some individuals. A great deal of interest has been expressed, both here and in the other place, about Seroxat and the wider class of SSRIs. This debate provides us with a welcome opportunity to update the House on recent developments, as well as to address the points raised by my hon. Friend the Member for Newport, West.

The concerns expressed by patient groups and in the media over the safety of Seroxat and other related drugs have been taken very seriously and acted on. In response to concerns about withdrawal reactions and the question of an association of Seroxat with suicidal behaviour, an expert working group of the Committee on Safety of Medicines—CSM—was convened to examine the safety of Seroxat and related antidepressants. That group, through the committee, has already delivered important new advice, but it has more to do—I shall come to that in a moment.

Seroxat was not, and never had been, licensed for use in those under 18, but it was used in that age group outside its licence. New data on Seroxat use in children under 18 years were evaluated promptly as soon as they became available and was considered by the CSM. Ministers accepted the committee's advice that the benefits of Seroxat in children for the treatment of depressive illness did not outweigh the risks, and that children under 18 years of age should not use Seroxat. Therefore, in a written statement to both Houses on 10 June last year, the Government announced new advice from the CSM advising against the use of Seroxat in children under the age of 18 for the treatment of depression. Since then, the balance of risks and benefits of Seroxat has been the subject of a referral to the European equivalent of the CSM—the Committee for Proprietary Medicinal Products, or CPMP—which is undertaking a further review of all the available evidence on Seroxat. In the United States, as hon. Members will be aware, the Food and Drug Administration has been considering the use of SSRIs in children and is considering what regulatory action is necessary.

Thus in Europe and across the world, the UK has taken action ahead of other regulators to issue clear advice on the risks and benefits of treatment with Seroxat in the under-18 age group, and has gone further still to consider the remaining five drugs in the SSRI class and one that is related. Most recently, on 10 December last year, a full review of the remaining drugs in the class was published, again in a written statement to both Houses. Importantly, responding to feedback from clinicians and others, the Government took the unprecedented step of releasing summaries of the clinical trial data on which the advice was based to ensure total transparency for health care professionals, patients and the public.

I hope that my hon. Friend the Member for Newport, West will join me in paying tribute to the rigorous approach that is being taken by the expert working group of the CSM. The group has completed the most comprehensive review yet undertaken of the safety of SSRIs in paediatric use, and is now focused on completing its task of reviewing all the data on the use of Seroxat and related drugs in adults.

All lines of evidence are being examined, including a dedicated research study that uses the general practice research database to examine the evidence further, especially the difficult question about the age at which the benefits of treatment outweigh the risks.

Paul Flynn: Does the general practice research database mean that my hon. Friend has evidence from doctors? We now know about the extraordinary under-reporting by doctors, who have many things to do.

It being Ten o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Motion made, and Question proposed, That this House do now adjourn.—*[Ms Bridget Prentice.]*

Paul Flynn: Can my hon. Friend influence the body to accept evidence from the general public and not only from the medical profession? The Seroxat users association makes that complaint.

Miss Johnson: I believe that that refers to the yellow card scheme, with which I shall deal shortly. My hon. Friend asked when the group was expected to complete its work. It is expected to report in the summer. I am sure that that is welcome news.

At this time, CSM advice is that in adults, the benefits of treatment outweigh the risks. I am sure that both my hon. Friends agree that we need to be clear that patients who benefit from Seroxat or other SSRIs should not be frightened into stopping their medication. Indeed, my

hon. Friend the Member for Newport, West made a similar comment. Patients who experience side effects or are worried about their treatment should discuss that with their doctor.

Following paediatric advice and taking on board patients' comments, the information to patients that accompanies Seroxat was revised to reflect patient reports more closely. My hon. Friend also made that point. The MHRA has issued a question and answer leaflet to form the basis of discussions between doctors and patients. That is also available on the MHRA website.

On the resources available to support the group's work, the chairman of the MHRA has given us his personal assurance that the important work is being resourced as a priority. The team, which includes medical, professional, scientific and statistical expertise, has demonstrated considerable commitment to ensuring that the work is taken forward urgently.

It is right that the expert group adapted its work programme to reflect new information on paediatric use, first on Seroxat and then on the other drugs, to prioritise consideration of other paediatric data. I know that the group is now keen to tackle the wider issues with all due speed, but they must also be tackled thoroughly and in a way that will stand up to scrutiny.

Let us consider the alleged delay by GlaxoSmithKline in submitting data to the MHRA. The agency treats seriously any failure to comply with the law and has a statutory responsibility to enforce the requirements of both European and UK law. The obligations on marketing authorisation holders within the law are clearly set out and failure to comply with them properly is serious and potentially a criminal offence, with the penalty of fines or imprisonment.

I am sure that hon. Members understand that, in those circumstances, I cannot make any statement that would prejudice the investigation or a potential prosecution of one or more parties. I can assure hon. Members that the issues will be pursued without fear or favour, but I cannot say more in public about the facts or what proof may or may not exist to suggest that a breach of the law has occurred.

Let me deal with some of my hon. Friend's other points. I have already answered the question about the time frame for the inquiry reporting. He also asked about confidence in the MHRA and its relationship with the industry. I assure him that there are clear safeguards in MHRA staff's terms and conditions, as with those of civil servants, to prevent any influence. Furthermore, the governance of the agencies is constituted to oversee its operations appropriately.

There are clear powers in the medicines legislation to require the marketing authorisation holders to submit all data that bear on any risk or benefit to the producers. I can assure my hon. Friend that I do not share his concerns about the operation of the MHRA.

In regard to the prescription of unlicensed drugs to children, we are clear that the use of such drugs is a matter for the individual responsibility of those who decide to prescribe them. As my hon. Friend will appreciate, this is generally a matter for the medical practitioners deciding to issue the prescription, as it would be for any other treatment issues between doctor and patient. We are working towards producing an effective strategy to deliver medicines to children, and towards ensuring that they are licensed pending new EU legislation that will become effective in 2006. There will therefore be a change in the arrangements, but it will not involve an end to the prescription of unlicensed drugs in relation to children, for the reasons that I have already given.

The National Institute for Clinical Excellence is producing guidance on the effective management of depression, which should tackle the question of prescription and over-prescription in this area. We are currently reviewing the yellow card scheme and will be considering proposals to strengthen it. The reports from patients have been a valuable contribution to the SSRI review and, yes, the current independent review of the yellow card scheme will make proposals on patient reporting. I can therefore assure my hon. Friend that many of the issues that he has raised are either in hand or being taken forward very seriously.

It has not been possible to address every issue that might arise out of this debate, but I hope that I have made clear the Government's actions to date, and our absolute determination to establish all the facts—as far as that is possible—and not to shrink from the action necessary to protect and promote public health by ensuring that Seroxat and the related antidepressants are used to maximum benefit and with minimum risk. The Government are committed to ensuring that that course of action is carried out efficiently and effectively.

Question put and agreed to.

Adjourned accordingly at eight minutes past Ten o'clock.

House of Commons

Tuesday 24 February 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

DEPARTMENT OF HEALTH

The Secretary of State was asked—

Local Improvement Finance Trust Programme

1. **Tom Brake** (Carshalton and Wallington) (LD): If he will make a statement on the local improvement finance trust programme and general practitioner premises. [155718]

3. **James Purnell** (Stalybridge and Hyde) (Lab): What progress has been made on the local improvement finance trust programme; and if he will make a statement. [155720]

The Secretary of State for Health (Dr. John Reid): The national health service LIFT programme is a means of improving primary care facilities to address a legacy of under-investment. It is making good progress. Contracts have been signed for six schemes and work has begun on the ground. By the end of 2003, 268 new one-stop primary care centres had been developed and almost 2,000 GP premises had been refurbished or replaced. Most facilities will be provided through traditional procurement routes and such developments will continue.

Tom Brake: I thank the Secretary of State for that response. For several years, GPs at the Shotfield health centre in Wallington have been pressing to renovate the facilities and the project appears to be about to take off. Will the right hon. Gentleman confirm that GPs will not be forced to follow a LIFT route and that there are concerns among health professionals about the long-term costs of LIFT projects? Does he accept that, provided that the GPs' proposal represents best value and is what patients want, it should be allowed to proceed?

Dr. Reid: As someone whose party supports decentralisation of decision making, the hon. Gentleman understands that important decisions about the provision of local health care services should be taken locally by the primary care trust, obviously working with GPs. It is right that what happens at Shotfield should be decided locally.

On costing such schemes, the hon. Gentleman could look to the well-advanced LIFT scheme in his constituency. I believe that the south-west London LIFT scheme includes a project at Green Wrythe Lane clinic. The planned new one-stop primary care centre will be four times the size of the existing scheme and exhibit benefits, including the services that it will provide to some 6,000 patients, thereby enabling much better integration of health and social services. Such examples show how effective the refurbishments can be, but the decisions must ultimately be made locally. That is why 75 per cent. of our money is allocated in a decentralised fashion to primary care trusts.

James Purnell: There was genuine enthusiasm at a recent meeting that the Tameside and Glossop primary care trust held about our local plans to improve GP services. Does my right hon. Friend agree that those plans offer an opportunity to examine the prevention of illness, keep people out of acute services and ensure that we can bring all the professionals together to work in one place and offer a one-stop-shop service?

Dr. Reid: Yes, I agree with my hon. Friend. The NHS plan, which we published some years ago, promised new and improved premises. Since its publication, six new GP premises in the Tameside and Glossop area have been replaced or refurbished. The local primary care trust there intends to develop extended primary care services in three locations across Tameside and Glossop with a total capital value of approximately £15 million. It is currently considering the different methods of doing that, including NHS LIFT. My hon. Friend, like many people, has benefited from the £1.5 billion that we are investing through LIFT schemes to refurbish or replace GPs' or family doctors' premises throughout England.

Mrs. Marion Roe (Broxbourne) (Con): Will the Secretary of State tell the House whether he is worried that only two local improvement finance trust programmes have reached financial closure? What action are the Government taking to persuade, convince and reassure local banks that LIFT schemes are not risky investments?

Dr. Reid: I am not sure about the premise of the hon. Lady's question, if I heard her correctly. I can tell her that, by the end of 2003, 268 new one-stop primary care centres had been developed and almost 2,000 GP premises had been refurbished or replaced. Most facilities will be provided through traditional procurement routes, but the LIFT programme involves more than £1.5 billion of capital investment. There are far more than two schemes currently under way, but if the hon. Lady has areas of special difficulty in her constituency and she writes to me, I shall be only too happy to respond.

Mr. Ivan Henderson (Harwich) (Lab): I welcome the LIFT projects in my constituency, which include a new community hospital in Harwich and a new medical centre in Holland-on-Sea. Will my right hon. Friend keep a close eye on the primary care trusts so that when they introduce such valuable initiatives, they take note,

through consultation, of public concerns when they choose sites for them? What would happen to such initiatives if £2 billion of cuts were made, as the Conservative party proposes?

Dr. Reid: I can confirm that, as my hon. Friend suggests, the proper way of proceeding involves maximum consultation and taking decisions locally. As he points out, a considerable amount of money—£1.5 billion—is being invested in this scheme alone. In addition, a further £195 million has been spent up front to help local projects to do the necessary preparatory work, such as buying sites, undertaking surveys and demolishing old buildings. If we add that £195 million to the approximate figure of £1.5 billion, we reach an amount not unadjacent to £2 billion, which is precisely the amount that would be taken away in any proposed patient passport scheme, which would subsidise the rich to jump the queue.

Derek Conway (Old Bexley and Sidcup) (Con): On a less partisan note than the Secretary of State has just employed, although both sides of the House support the new one-stop centres—he is right to praise his Department for them—may I ask him to address the question of the type of older property found in my constituency? Will he tell the House whether the scheme applies adequately to facilities for elderly and disabled patients, particularly in older surgery properties?

Dr. Reid: Yes, indeed. I mentioned that by the end of 2003, almost 2,000 existing premises had been refurbished or replaced. In addition, extra money is going in as part of the new contracts for general practitioners. In general terms, we are carrying out the biggest building programme in the history of the national health service. I extend to the hon. Gentleman an unpartisan fact: in the year in which our Government came to office, almost half the premises in the national health service were older than the national health service. That was a disgraceful residue, but I can tell him that by the end of our third term in government, in 2010, almost half of NHS premises will have been built during the Labour Government's three terms.

Mr. Kevin Hughes (Doncaster, North) (Lab): I welcome the fact that three local improvement finance trust schemes are proposed in my constituency, at Askern, Thorne and Moorends, which will greatly improve the front-line delivery of health care services to my constituents. However, can the Secretary of State assure me that the red tape surrounding the LIFT arrangements will not stand in the way of early progress on those three schemes?

Dr. Reid: I can assure my hon. Friend that everything possible will be done to expedite those three schemes. I am not aware of particular reasons why any of them should be delayed, but I will certainly try to ensure that they deliver the improvements in health care in the Doncaster area that are much deserved and needed. Just as the much-needed bridge in Doncaster, which was delivered under a previous Transport Minister, brought great relief to Doncaster's transport, so will these new premises bring additional relief in health care.

Alistair Burt (North-East Bedfordshire) (Con): Involving third parties with the NHS in the provision of health care is obviously a commendable principle. To encourage that still further, will the Secretary of State look again at the impact of VAT on charitable appeals aimed at providing further health care? That can tie up money that could be used for the development of health care in the primary and secondary sectors, as we found recently with the Primrose appeal in Bedford, on which the hon. Member for Bedford (Mr. Hall) and I wrote to the Minister of State, Department of Health, the right hon. Member for Barrow and Furness (Mr. Hutton).

Dr. Reid: The hon. Gentleman makes his point skilfully but, as he knows, reconsidering tax matters is largely, although not exclusively, confined to the ambit of my right hon. Friend the Chancellor of the Exchequer.

Medical Engineers

2. **Dr. Richard Taylor** (Wyre Forest) (Ind): If he will make a statement on the provision of training for medical engineers for the national health service. [155719]

The Minister of State, Department of Health (Mr. John Hutton): The Government are increasing the number of scientists and technicians, including medical engineers, employed in the national health service and the number of those people who are entering training. Last year, an additional 1,350 scientists and technicians entered training compared with 1999, an increase of 93 per cent. Over the same period, the number of qualified scientific and technical staff employed in the NHS increased by more than 8,500, an increase of 16 per cent.

Dr. Taylor: I thank the Minister for that reply. Does he recognise the good work that the Capital medical training centre is doing on the Kidderminster hospital site, in providing vocational training courses for NHS and Ministry of Defence medical engineers? If the Minister who has kindly agreed to visit Kidderminster next week has time, will he meet the manager of the centre so that he can hear more about this extremely successful unit? Will he also encourage local managers to allow this training centre to take over more of a block that might otherwise be demolished? If that block were used, it could produce useful income for the Worcestershire Acute Hospitals NHS Trust, which is labouring under a large debt at the moment.

Mr. Hutton: I shall certainly recommend to the Under-Secretary of State for Health, my hon. Friend the Member for South Thanet (Dr. Ladyman) that, if he has time when he visits Kidderminster, he should visit the service to which the hon. Gentleman has referred. In general terms, we are interested in exploring all opportunities for further increasing the range of training opportunities available to this critically important work force. Obviously, however, such decisions are a matter for the local national health service.

Ophthalmic Conditions

4. **Angela Watkinson** (Upminster) (Con): What his Department's strategy is to improve access to treatment for ophthalmic conditions. [155721]

The Secretary of State for Health (Dr. John Reid): Our strategy began with reintroducing free eye tests for the over-60s, which had been abolished under the previous Conservative Government. We are building on that by increasing capacity, for example through new treatment centres, and by developing more efficient ways of treating cataracts and chronic eye diseases, thus providing more local and convenient services for patients and delivering greater choice, shorter waits and more consistent quality.

Angela Watkinson: Does the Secretary of State agree that the role of optometrists in the NHS could be significantly expanded, in relation to the provision of clinical eye examinations, as opposed to general eye tests to determine whether people need glasses? In that regard, the early detection of ocular pathologies such as glaucoma is particularly important.

Dr. Reid: The hon. Lady makes a good point. To complement the investment in the NHS, we are trying to carry forward a series of reforms that will allow people a far greater degree of flexibility involving working in partnership, and which will break down previously defined artificial demarcations. I can assure the hon. Lady that we are considering how people can contribute in that way to the maximum extent of their abilities and skills, and one of the areas involved would be the one that she has mentioned.

Jonathan Shaw (Chatham and Aylesford) (Lab): One of the great concerns in my constituency has been the waiting times for people in need of cataract operations. I thank my right hon. Friend for coming to Kent to open a new mobile treatment centre that will enable the number of such operations to rise from 8,000 to 13,000 a year by November. Due to the £4.4 million investment involved, no one will have to wait longer than three months for their cataract operation. Is not this the kind of thing that people want to see from their NHS?

Dr. Reid: Indeed, it was a great pleasure for me to visit the mobile unit in Maidstone on 9 February, where 300 of the extra procedures that my hon. Friend mentioned will take place. As a result of those procedures, the maximum waiting time for cataract operations in Kent will be reduced next month to six months, and to three months by December this year. I am glad to say that this is taking place four years ahead of schedule, due to the investment and reforms that have been put in place by the NHS staff themselves. At a time when every single thing that could go wrong in the NHS is being highlighted, we should mark our respect for the efforts of the NHS staff involved in a huge success such as this—which is resulting in so much pain being relieved—and for the alacrity with which treatment has been made available to so many people who previously had to wait up to two years.

Mr. John Baron (Billericay) (Con): The Secretary of State will be aware that, last September, he extended the normal three-month implementation period for National Institute for Clinical Excellence guidance to nine months when photodynamic therapy to those suffering from wet age-related macular degeneration was involved. The Royal National Institute for the Blind estimates that, as a result, a further 2,800 people will go blind unnecessarily. Given that the institute also confirms that at least 50 centres across the country could provide extra photodynamic treatment from today, will the Secretary of State now scrap the July 2004 target for implementing this treatment and allow the NHS to deliver this important sight-saving service as a matter of urgency? If this is purely an issue of cost, I would remind him that the cost of blindness far exceeds the cost of treatment.

Dr. Reid: On the latter point, we are well aware of the costs of blindness, pain and death, which is why we are investing so much in the national health service and doing it over such a sustained period. With regard to the hon. Gentleman's specific points, the timelines and flexibility that we sought on implementing the NICE guidelines were in full accord with the recommendations and advice from NICE. On implementation, it is not cost that prevents it—more money than ever before is going into the treatment of a range of eye diseases—but lack of trained personnel. We have made huge advances in that area, but the truth is that we cannot just conjure up trained personnel without forward planning and investment for their provision—*[Interruption.]* The hon. Member interrupts me from a sedentary position, but no Government who bring in 80,000 additional cataract operations, as we are doing, can be accused of not taking eye conditions seriously. I assure him that we take this matter seriously, and that as soon as we can get the trained personnel, we will expand the provision. That is a continuing process and it will not be achieved overnight, but development and expansion of the NHS will continue in this area, as in every other area, over the next five years.

NHS Accountability

5. **Mr. David Chaytor** (Bury, North) (Lab): What plans he has to increase local democratic accountability within the NHS. [155722]

The Minister of State, Department of Health (Ms Rosie Winterton): The Government are increasing democratic accountability in the NHS by giving elected councillors powers to review and scrutinise health services and establishing the direct elections of governors by local people, patients and staff in NHS foundation trusts.

Mr. Chaytor: May I tell my hon. Friend about the excellent work done by the local authority in my constituency through its health scrutiny committee, which is now regularly interviewing senior management of the acute trust and primary care trust? Does she accept that scrutiny committees have a major role to play and that there is scope to increase their powers as time goes by? Does she further accept, however, that the effectiveness of those committees is variable in different parts of the country? Does she think that there is a case to review formally the functioning of scrutiny

committees after a suitable period of time—perhaps 24 or 36 months—with a view to improving further the democratic accountability of the NHS in the next Parliament?

Ms Winterton: I am well aware of the work being carried out by the committee in my hon. Friend's constituency. I know that it has taken a particular interest, for example, in mental health services. The overview and scrutiny committees have real powers to require information from the NHS and to require attendance by senior officers at their meetings. What is important is that we make sure that the type of activity that is going on in his constituency is replicated elsewhere. That is why I announced recently something like £2.5 million for the Centre for Public Scrutiny, so that it can look at bringing together local councillors on the committees to examine how the activities that his committee may be undertaking can be used as examples elsewhere. In some areas, those Committees have not been as strong as perhaps they are in his area. We are therefore looking at how we can spread that power to make sure that all are able to take advantage of the new powers given to them.

Mr. Nigel Evans (Ribble Valley) (Con): When will taxpayers in my constituency have a greater say over the level of services that they receive in their area? To give one perfect example, someone who has just moved back into my constituency after six years and has tried to register with an NHS dentist has been told that there are no NHS dentists in the Ribble Valley area and that he would have to do a round trip of more than 70 miles with his family to get one. What accountability will there be on behalf of those who provide such services to ensure that people who pay large, increasing sums of money for the NHS, including the 1 per cent. increase in national insurance contributions, get the level of service for which they are paying?

Ms Winterton: Overview and scrutiny committees can look into the provision of dentistry at local level. Moreover, from next year we shall commission dentistry at local level, which means a radical overhaul of the current system. That will ensure that decisions on local priorities and local expenditure can be made by local people. All trusts will of course be overseen by patients forums.

Roger Casale (Wimbledon) (Lab): Along with investment and reform, will not increasing the power of patients and the public and strengthening their voice in the reshaping of health services become one of the strongest drivers of sustained improvements in the NHS? Will my hon. Friend join me in thanking community groups, members of the public and Sutton and Merton primary care trust in my constituency? They have joined forces in an innovative way to reshape plans for the new Nelson hospital in the constituency. Will my hon. Friend confirm that that is the kind of work that she wants to see taking place throughout the country?

Ms Winterton: I am extremely impressed by the work that my hon. Friend has helped to lead in his constituency, to bring about patient and public involvement. There is indeed an increasing demand from local people for more information about why decisions are made at local level, and what priority is given to different funding streams. We are enabling that to become a reality for the first time, and we want what is happening in my hon. Friend's constituency to be replicated elsewhere.

Mr. Patrick McLoughlin (West Derbyshire) (Con): What is the estimated cost of elections to foundation hospitals?

Ms Winterton: That will depend on the number of people who sign up for the nomination process. In some areas at least 9,000, or 10,000, are signing up for the wider elections to each foundation hospital trust. The elections to the board of governors will then take place. It will be up to each area to decide how the elections should be conducted, and the proposals will be put to the independent regulator to ensure that the procedure is adequate and that enough funds are available.

Helen Jones (Warrington, North) (Lab): Does my hon. Friend agree that proper democratic accountability must rest on the provision of accurate information? Will she give serious attention to the refusal of my local strategic health authority to release a document concerning the management of the Mersey regional ambulance service? How can we improve services if the NHS continues to rest on a culture of secrecy, and will not release documents concerning public bodies paid for with public money?

Ms Winterton: My hon. Friend is right: information should be released whenever possible. That is important not only in terms of accountability to patients, but in terms of transparency when it comes to the way in which public money is spent. I understand that my hon. Friend will shortly be meeting the Under-Secretary of State for Health, my hon. Friend the Member for Welwyn Hatfield (Miss Johnson). Perhaps she will raise the matter then.

Mr. Andrew Lansley (South Cambridgeshire) (Con): The Minister will recall that during the progress of the Health and Social Care (Community Health and Standards) Bill, Conservative Members pressed for local accountability to be vested in primary care trusts. That is the obvious place to start in determining local priorities in response to local people. The Secretary of State has told us that 75 per cent of NHS funds are allocated to PCTs. When will the Minister and her colleagues, having previously resisted local ownership and accountability for PCTs, do a U-turn on that as well, and offer such accountability?

Ms Winterton: We have already introduced one of the biggest shake-ups in terms of patient involvement in the NHS. Not only do we have the appropriate systems in the foundation trusts, but every PCT now has a patients forum. It is important to give them time to take root and work properly. We have also introduced patient advice and liaison systems, and an independent complaints system. This is not the time to shake all that up. We want to ensure that it beds down and that the patients forums work effectively, as they have already begun to do. We can then consider any further changes that may be necessary in the future.

Delayed Discharges (York)

6. **Hugh Bayley** (City of York) (Lab): How many York Hospitals NHS Trust beds are occupied as a result of delayed discharge of a patient to a care home; and how many were occupied a year ago for this reason.
[155723]

The Parliamentary Under-Secretary of State for Health (Dr. Stephen Ladyman): York Hospitals NHS Trust has reported 12 delayed discharges for patients awaiting a care home place, compared with 32 a year ago.

Hugh Bayley: Delayed discharge has been a persistent problem in York, affecting at its peak well over 100 people. I have raised this problem with successive Conservative and Labour Ministers, so I congratulate my hon. Friend on getting on top of it and bringing it under control, because it is distressing for the patients involved and their families. Will he continue to monitor the availability and cost of care home beds local authority by local authority, in order to ensure that there are sufficient resources for those numbers, now that they have come down, to be kept down?

Dr. Ladyman: I can assure my hon. Friend that I will keep on top of this problem, and I am delighted that we are having such success in reducing delayed discharges and providing extra capacity in the York area. That has happened not by accident, but as a result of substantial extra investment and the assistance of an expert team of change agents, all of which have been provided by this Government.

Miss Anne McIntosh (Vale of York) (Con): Will the Minister tell us to which period the figures he has just announced relate, given that the latest figures that I have show that 24 beds were in fact blocked? Can he also give us the number of care home places that have been closed in the York district, which also serves the Vale of York, in the past year? Is that figure not a source of concern to him?

Dr. Ladyman: I can assure the hon. Lady that the figures I have just given, as reported by the local trust, are accurate, and are the up-to-date figures for the number of people blocking beds in respect of a care home place. Perhaps she has a different basis for her figures. The simple fact is that across York—throughout her constituency, as well as throughout that of my hon. Friend the Member for City of York (Hugh Bayley)—care home capacity is available as a result of the building care capacity grants that we have made available. There is substantial extra funding for social services to ensure that they can manage delayed discharges; indeed, the entire delayed discharge system is working very well. If the hon. Lady wants further advice on the buoyancy of the nursing home sector, she might like to refer to her right hon. Friend the shadow Secretary of State. The annual stock market reports of the company of which he is chairman describe how buoyant the industry currently is.

Mr. Speaker: Order. These matters are out of order. I expect better from the Minister.

NHS Dentistry

7. **Mr. Desmond Swayne** (New Forest, West) (Con): What plans he has to improve access to NHS dentistry.
[155724]

The Minister of State, Department of Health (Ms Rosie Winterton): In the past year, we have announced £90 million of investment to improve access to NHS dentistry. In the short term, we are providing support to primary care trusts where there are acute shortages of dentists, and in the long term we are radically overhauling the system so that the commissioning of dentists takes place at local level.

Mr. Swayne: It is now virtually impossible for an adult to secure NHS dental treatment in my constituency, and those who are fortunate enough to be registered are being deregistered as dentists abandon the NHS. Will the Minister consider providing patients with the subsidy that would have been paid had the procedure been available on the NHS, so that they can at least defray the bills that they will incur through having to secure such treatment in the private sector?

Ms Winterton: The hon. Gentleman is right, in that there are particular problems in his constituency, and as he may be aware, we have set up specialist support for areas such as his. The support team has had two meetings with his local PCT, and a follow-up meeting is planned for March. The PCT has been asked to produce a dental action plan to ensure that it is taking steps to rectify the situation. I also undertake to discuss NHS dentistry provision in the hon. Gentleman's area with the strategic health authority chief executive, whom I shall meet next week.

Lawrie Quinn (Scarborough and Whitby) (Lab): I thank the Minister for recognising the acute problems of oral hygiene in my constituency of Scarborough and Whitby. However, all my constituents recognise that the problem lies in the wreckage of the NHS dental service that was the legacy of the previous Conservative Government. What more can she do to recognise the strategic problem of the number of new dentists emerging from our dental schools and ensure that people have smiles on their faces because they have a sustainable dental service not only in Scarborough, but in the rest of the country, too?

Ms Winterton: My hon. Friend is right to say that we are suffering from the problems arising from the closure of two dental schools under the previous Administration. We have conducted a dental work force review to ascertain where the shortages are, and we will publish the results in the near future. We are also looking at how, in the short term, we can secure international recruitment and get some dentists to return to work. We have 12 advisers to examine how we can best encourage people, particularly women, who have taken time out from dentistry, to come back to it. That amounts to a whole series of measures to ensure that we can deal with the issues. I pay tribute to my hon. Friend's hard work in drawing to my attention and that

of the strategic health authority the problems in his constituency, and I am glad that we have been able to help put some of them right.

Mr. Paul Burstow (Sutton and Cheam) (LD): More than half the population of England is not registered with an NHS dentist, and the position has not improved since 1999. The Government tell us that they are keen to promote dental treatment centres as the answer to the problem, so can the Minister tell us just how far people will have to travel to such centres? Currently, people have to travel many miles to do so. Indeed, we heard earlier that 70-mile journeys are sometimes required for people to get access to NHS dental treatment. Will the Minister tell us the maximum travel distance that an NHS patient should expect to reach a dental treatment centre?

Ms Winterton: We have more dentists than ever before, having increased the number by about 2,000 since we came to power in 1997. The hon. Gentleman mentions dental treatment centres. We have tried to assess where there are particular problems and to provide facilities for emergency treatment. However, we are well aware that that is not the long-term solution, which is to take steps radically to overhaul the system so that the money held centrally is sent down to local level, so that local commissioning can take place. We certainly want to increase the number of dentists in training and international recruitment. As to the specific mileage, guidelines are laid down and I will write to the hon. Gentleman about them.

Mr. Mark Todd (South Derbyshire) (Lab): While the opening of a new NHS dentistry in Swadlincote did not attract quite the queues that newspapers revealed in Scarborough, it still produced many dissatisfied residents who could not register. Even when the list was expanded, some people remained unable to register. Is not the long-term solution to review the contractual relationship between the NHS and dentists to make it more attractive to retain them within the NHS? Currently, temporary fixes are available, but a permanent arrangement surely lies within our grasp.

Ms Winterton: My hon. Friend is right. One of the basic causes of the problem was the new contract introduced by the previous Government, which was followed by a 7 per cent. cut in fees to dentists. That is when dentists started walking away from the NHS. The problem is not the number of dentists in training, but the number who are prepared to commit to the NHS. We need to change the contract, which is exactly what we are doing. Instead of being paid in the current item per fee way, they will be paid on a per patient basis. As I said, that will be combined with commissioning dentistry at local level, so that the money remains at that level and does not return to the centre, as happens at present when an NHS dentist withdraws from NHS activity.

Mr. Tim Yeo (South Suffolk) (Con): In 1999, the Prime Minister turned up at the Labour party conference and promised that everyone would have the chance to see an NHS dentist. In 2000, the Government published the NHS plan, which stated that NHS dentistry would be available to everyone by 2001. Both those promises have been spectacularly and shamelessly broken. Will the Minister apologise to those patients who cannot see an NHS dentist and admit that, when it comes to dentistry, people cannot believe a word that the Prime Minister, or any other Minister, says?

Ms Winterton: We certainly know that there is a problem, but we also know its cause. As I said, the previous Tory Government closed two dental schools, imposed a new contract on dentists, and cut their fees by 7 per cent. That was bitterly resented, and it started the trend for dentists to walk away from the NHS. It is no good the Opposition pretending that they have no responsibility for the problem. This Government have increased fees by 26 per cent. We have also increased the number of dentists by nearly 2,000, and next year we will introduce a radical overhaul of the way that dental health is delivered in this country. The Opposition cannot deny their responsibility for starting the problem: we are having to put it right.

Mr. Yeo: Is the Minister aware that, seven years after Labour came to power, the numbers of adults and children registered with NHS dentists have fallen? Is she aware that the British Dental Association has confirmed that the number of dentists in training has remained static throughout the period in which Labour has been in power, and that dentists are moving from the NHS into the private sector at the rate of 1,000 whole-time equivalents every year? Do not all those trends show not only that the Government have broken their promises shamelessly, but that they never intended to keep them in the first place?

Ms Winterton: There are more dentists than ever before. We have increased the number in training from something like 630 in 1997 to 710 last year. We have undertaken a review of the dental work force, and will publish the results soon. However, we know that the situation at present is a direct result of the actions taken by the previous Government, who drove dentists out of the NHS. The problem now is that, even though there are more dentists, more of them are undertaking private work. We have been working with the BDA to change that by introducing a new contract that will overhaul radically the way that dentistry is delivered. However, it is breathtaking arrogance for the Opposition to pretend that somehow they have no responsibility in this matter.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): Most people in Britain understand very well that the Government inherited an NHS dentistry system that was in crisis. However, is the Minister reviewing the effectiveness of the NHS walk-in centres, such as the one at Westcroft in my constituency? Might not the added flexibility that those centres give offer a way forward in the current crisis, until we manage to redraw the contracts and tempt dentists back into the NHS from the private sector?

Ms Winterton: With the dental access centres, we have made sure that emergency treatment is available. We recognise that, in areas where there are acute shortages, it is important that people who need emergency treatment can get it as quickly as possible. In almost all

cases, they can get such treatment on the same day. Of course, we keep under review all the different provision that exists at the moment, from dental access centres and from personal and community dental services.

Small Acute Hospitals (Anaesthetic Provision)

8. **Andrew George** (St. Ives) (LD): What recent assessment he has made of anaesthetic provision in small acute hospitals. [155725]

The Minister of State, Department of Health (Mr. John Hutton): There are 1,250 more consultant anaesthetists working in the national health service than was the case in 1997—an increase of 45 per cent. The figures do not distinguish between anaesthetists working in small or large acute hospitals.

Andrew George: Although I am grateful to the Minister for his support in planning for a new model for the delivery of acute care at the small West Cornwall hospital in my constituency, and while that good work is continuing, anaesthetic cover is being withdrawn in the evening and at night. As such cover is a cornerstone in the maintenance of acute and emergency care, can he help me to ensure that West Cornwall hospital's acute status can be sustained by providing anaesthetic care, so that my constituents are not dangerously exposed—particularly in the evening and at night—and that the NHS is kept local?

Mr. Hutton: I am grateful to the hon. Gentleman for his appreciation of my work. The problem at West Cornwall hospital has been caused by the long-term sickness of two anaesthetic operating assistants and it is difficult for Richmond house in Whitehall to legislate for that type of eventuality. I understand that that difficulty, which is for local managers to address, is being dealt with effectively. The new NHS terms and conditions package, "Agenda for Change", will make it more likely than not that we will be able to offer attractive recruitment and retention premiums for hospitals such as West Cornwall where there might be difficulties recruiting specialist staff. There is no magic solution to the particular problem at West Cornwall but I am looking at the situation carefully to ensure that we meet our commitment to the widest possible access to services locally.

Rev. Martin Smyth (Belfast, South) (UUP): While I understand the Minister's explanation in respect of West Cornwall hospital, is he satisfied that enough people are coming forward to train as anaesthetists? How will that affect the overall provision of health care throughout the kingdom?

Mr. Hutton: We would like as many additional anaesthetists as possible for the NHS and are rapidly expanding training opportunities for precisely that reason. That aim is particularly important in the context of the European working time directive, as anaesthesia is a specialism that presents particular difficulties. We are working closely with the medical royal colleges, including the Academy of Medical Royal Colleges, to find effective solutions.

Mid Yorkshire Hospitals NHS Trust

9. **Mr. Bill O'Brien** (Normanton) (Lab): What role the West Yorkshire strategic health authority plays in securing the new hospital development in the Mid Yorkshire Hospitals NHS Trust; and if he will make a statement. [155726]

The Parliamentary Under-Secretary of State for Health (Miss Melanie Johnson): West Yorkshire strategic health authority is working closely with Mid Yorkshire Hospitals NHS Trust and local primary care trusts on plans to redevelop Pinderfields general hospital in Wakefield and Pontefract general infirmary to the maximum benefit of patients.

Mr. O'Brien: The Mid Yorkshire trust provides services at three sites—Dewsbury, Pinderfields general hospital in my constituency and Pontefract general infirmary. There are extenuating circumstances affecting funding and, as the primary care trusts are limited in the contributions that they can make, the strategic health authority should contribute substantially to safeguard the business plan put in place following an assurance by a Labour Minister that new facilities would be provided at Pinderfields and Pontefract. Will my hon. Friend give an assurance that the strategic health authority will provide the resources to ensure that plan goes ahead?

Miss Johnson: I can assure my hon. Friend that the trust's private finance initiative remains on schedule and will provide an improved physical environment and better health services. The strategic health authority is closely involved in resolving the financial difficulties of which he is aware. A recovery plan is being put in place and a fundamental financial stocktake has been undertaken. I further assure him that the Government, together with the SHA, will keep in close touch with the progress of those plans.

Jon Trickett (Hemsworth) (Lab): May I say that the recovery plan was explained to hon. Members with constituencies in the Wakefield area just the other day? The population is particularly ill as a result of the area's mineworking history, and it is impatient to see the investment that we desperately need and the fruition of the plan, which has been wisely and patiently constructed under the chairmanship of Lord Lofthouse of Pontefract in partnership with the strategic health authority and the Department.

Miss Johnson: I assure my hon. Friend, as I have already assured my hon. Friend the Member for Normanton (Mr. O'Brien), that we take a close interest in the matter. I understand the deprivation in the communities that he represents and the issues that arise. Forward work on the PFI and the regeneration of services at primary care level are crucial in substantially improving the health of the local population.

Mr. David Hinchliffe (Wakefield) (Lab): As a child in the 1950s—I hasten to add that I was a very young child—I remember visiting a family member at Pinderfields hospital, Wakefield, who was accommodated in a hut built to hold casualties of the

second world war. Two weeks ago, I was in the same hut visiting another family member. The hut—a temporary building constructed during the second world war—is still in use. The third-world conditions at Pinderfields hospital are totally unacceptable, and I want to reinforce the points made by my hon. Friends the Members for Normanton (Mr. O'Brien) and for Hemsworth (Jon Trickett) about the urgent need for the capital scheme. I welcome the Government's support, but can we have further support to ensure that the scheme moves ahead as rapidly as possible?

Miss Johnson: Indeed. I reassure my hon. Friend that the scheme is on schedule, and I expect the strategic health authority to approve the full business case in September with the aim of starting work during 2005. I appreciate his points, which highlight the lack of investment in the NHS for many years under the previous Government. We are radically increasing investment, and I point out to him the massive decrease of almost one quarter in heart disease and strokes in his constituency during the past few years of the Labour Government. The investment is already making a difference on health issues in his community.

HIV/AIDS

10. **Sir Teddy Taylor** (Rochford and Southend, East) (Con): What the change has been in the incidence of HIV/AIDS over the last 12 months; and what the reasons are for the change. [155727]

The Parliamentary Under-Secretary of State for Health (Miss Melanie Johnson): There have been 5,047 new cases of HIV infection reported in the United Kingdom so far in 2003. That is a 20 per cent. increase on the 4,204 cases reported at the same time last year. The main contributory factors are more people getting tested and the ongoing transmission of HIV infection in the UK, particularly among gay men.

Sir Teddy Taylor: There are wide regional variations in the incidence of the disease, which imposes an enormous burden on health service provision. Will the Minister take account of the incidence of HIV/AIDS in assessing health service funding?

Miss Johnson: That is reflected in a variety of ways. Unless the hon. Gentleman has some new evidence, there is no indication that there is a problem with funding for treatment or diagnosis. All the evidence shows that the funding of treatment for HIV is working well.

Tony Lloyd (Manchester, Central) (Lab): Will my hon. Friend accept that those who are HIV-positive or AIDS sufferers almost inevitably tend to congregate in certain large cities or towns, where the incidence of HIV/AIDS is greater than that in the general population? Is she certain that funding properly meets both the health needs of those people and the general requirement to fund health authorities in the wider community?

Miss Johnson: We always try to ensure that distribution reflects need. Obviously, the formulae that are used help us to do that in terms of the resources that are made available at primary care trust level. There is separate funding for work with African communities, for example, and for work being done with the Terence Higgins Trust, which reflects some of needs of the south-east and one or two other centres in the UK.

Tim Loughton (East Worthing and Shoreham) (Con): The Minister is being unduly conservative because, while the total figures are not in yet, it is estimated that HIV cases for last year will be more than 7,000, which is well above a 20 per cent. increase on 2002. Is she happy that today there are 208 genito-urinary medicine clinics, exactly the same number as in 1997? Despite the herculean efforts of greatly pressured staff, services are deteriorating and waiting times have doubled since 2000. Why is there still no national service framework for sexual health and why has she not taken up our idea of appointing a public health commissioner with a brief to tackle the crisis?

In the midst of all that, last Christmas, the Department of Health spent £60,000 on a website carol entitled, "The 12 STIs of Christmas", with a chorus of dancing stick figures graphically suffering assorted sexually transmitted infections and displaying their inflamed genitals, with such lines as:

"On the fourth day of Christmas my true love gave to me . . . genital herpes, syphilis, chlamydia, and a discharge that is hourly."

It does not even scan. Is that the best that the Government can do?

Miss Johnson: To start with, we believe in acting on facts. The facts are important. The hon. Gentleman tries to make a point about investment. One of the points that he makes is about targets, but the Conservatives have complained repeatedly about targets—*[Interruption.]* He mentioned an NSF, which involves the use of standards and targets. In terms of the national strategy—*[Interruption.]*

Mr. Speaker: Order. Mr. Loughton should allow the Minister to reply.

Miss Johnson: Thank you, Mr. Speaker.

For the first time, there is a national strategy to improve sexual health and to modernise services. We have backed the strategy with initial investment of £47.5 million, plus a further £40 million over the next two years. In addition, a further £11.4 million was announced in response to concerns raised by the Health Committee and stakeholders, and a further £15 million of capital has been provided to modernise GUM premises. That is the record on which the Government will fight. The hon. Gentleman fights on a record of disinvestment in health services and would do well to bear that in mind in his questioning.

Hospital Infections (Greater London)

11. **Simon Hughes** (Southwark, North and Bermondsey) (LD): What the *(a)* figures for and *(b)* rates of hospital infections in Greater London were for the years (i) 2000–01, (ii) 2001–02 and (iii) 2002–03; and if he will make a statement. [155728]

The Parliamentary Under-Secretary of State for Health (Dr. Stephen Ladyman): In 2001–02, there were 1,571 reports of methicillin-resistant Staphylococcus aureus bloodstream infections in the London region and 1,655 reports in 2002–03. The rates for those years are 0.23 and 0.25 cases per 1,000 beds respectively. Earlier data and data for other infections are not available.

Simon Hughes: Can the Minister tell us what that means in crude terms in London, which is the region with the highest rate of infection, in deaths and other illnesses caused by hospital-based infections? A commission will be set up in April. Will it provide an annual report, region by region, on deaths and illness from hospital-based infections?

Dr. Ladyman: It is not possible to give precise information about how many deaths result from hospital-acquired infections, because they are acquired by people in a weakened condition as a result of other illnesses and death usually results from the other illness. I cannot give the hon. Gentleman the figures that he requests, but I can assure him that the chief medical officer is leading our campaign to drive down the rates of hospital-acquired infections and that is as applicable in London as anywhere else.

Urgent Referral Guidelines

13. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What guidelines are given to primary care trusts about acceptable levels of general practitioner patient urgent referrals to acute hospitals; and if he will make a statement. [155730]

The Minister of State, Department of Health (Mr. John Hutton): It is the responsibility of primary care trusts to put in place their own arrangements for reviewing levels of referrals, taking into account the requirements of national and local policies.

David Taylor: Last month, a widely respected, well-loved general practitioner, in a practice covering my home village, committed suicide during the lengthy investigations by the local primary care trust into his rate of urgent referrals of patients to acute hospitals. Does the Minister agree that public organisations that exercise an overview of primary care should ensure that that role is undertaken with sensitivity, and that holistic, clinical judgment is never overridden by spreadsheet-driven targets?

Mr. Hutton: Yes, I agree with both the points that my hon. Friend made. The death of Dr. Farley was a terrible tragedy for his family, as well as an enormous loss to the community that he served for more than 25 years—I know that my hon. Friend knew Dr. Farley. In the light of Dr. Farley's death, I think that the PCT has taken the right course of action. An independent inquiry team is being assembled as we speak, to be chaired led by Dr. Paul Cosford. The inquiry will look into all the relevant events leading up to the death of Dr. Farley. I hope that it will be able to conclude its work by the end of May and publish its findings as soon as possible thereafter. In the light of that ongoing work, it is probably best that I say no more about it at the moment.

British Detainees (Guantanamo Bay)

12.31 pm

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): With permission, Mr Speaker, I should like to make a statement about the British citizens detained at Guantanamo Bay.

Agreement with the United States Government on the return of five of the nine UK detainees was reached on Thursday last, 19 February. Although the House was in recess, I judged that it was only fair to the families of all nine detainees that they should be informed immediately. We therefore made every effort to contact the families and their parliamentary representatives, and I made a public announcement late on Thursday afternoon. I could not report to the House yesterday, as I had to attend a European Union General Affairs Council in Brussels.

The attacks of 11 September 2001 were the most appalling terrorist atrocity the world has ever seen. The terrorists killed more than 3,000 people, including 67 British citizens. In response to those attacks, a coalition of countries came together to launch a military campaign against al-Qaeda and its Taliban supporters to remove them from their strongholds in Afghanistan.

In those operations, thousands of individuals believed to be al-Qaeda or Taliban fighters, or their supporters, were detained by coalition forces. The vast majority of those individuals were released, but those who were deemed to pose a substantial risk of returning to the conflict—to date about 800—were sent by the United States to its naval base in Guantanamo Bay, there to be detained and to be questioned about their knowledge of al-Qaeda's activities. As a result, valuable information has been gained, which has helped to protect the international community from further al-Qaeda and related terrorist attacks.

The Government have been in frequent and regular contact with the United States authorities concerning the British detainees at Guantanamo Bay. From the outset, the British Government have sought to ensure their welfare and have actively encouraged the US Government to resolve the position of the British detainees. British officials have visited Guantanamo Bay six times. We have kept the detainees' families and Parliament informed of their circumstances and of other related developments.

In July 2003, two of the British detainees were designated by the United States authorities as eligible to stand trial by the United States military commissions established to prosecute the detainees. The British Government made it clear straight away that we had concerns about the military commission process. Consequently, the Prime Minister asked the Attorney-General to discuss with the United States authorities how the detainees, if prosecuted, could be assured of fair trials that met international standards.

The Attorney-General therefore held a number of discussions with the United States authorities about the future of the detainees. In parallel, the Prime Minister has talked to President Bush; I have discussed the matter on many occasions with US Secretary of State Colin Powell; and extensive discussions have been held between British and United States Government lawyers and officials.

Those discussions have involved many complex issues of law and security, which both Governments have had to consider carefully. Although the discussions have made significant progress, the Attorney-General's view was that the military commissions as presently constituted would not provide the process that we would afford British nationals.

Our discussions with the United States authorities are continuing. In the meantime, as I announced last Thursday, we agreed that five of the British detainees would return to the United Kingdom. The five are Rhuhel Ahmed, Tarek Dergoul, Jamal al-Harith, Asif Iqbal and Shafiq Rasul. Those men will be flown home to the United Kingdom in the next few weeks. The House will understand that it would not be right to disclose the operational details at this stage. The police have, however, established links with the families so that they can be informed of developments.

The police have confirmed that, once the detainees are back in the United Kingdom, where there are grounds under the provisions of the legislation, the five men may be arrested under the Terrorism Act 2000 for questioning in connection with possible terrorist activity. Any subsequent action will be a matter for the police and the Crown Prosecution Service. It would therefore not be appropriate to comment further on their particular cases, but I should like to emphasise two points.

First, the police have said that they are investigating all the detainees thoroughly and individually, in the normal way, which includes considering the circumstances that led to the men's detention. Every necessary step, including prosecution if appropriate, will be taken to protect national security. Secondly, the detainees will be treated in the same way as anyone else suspected of committing a criminal offence and, obviously, in accordance with UK law. Our processes have built-in safeguards and are subject to independent scrutiny to ensure that all individuals are treated fairly and properly. Those processes include access to lawyers.

We shall continue our discussions with the United States authorities on the situation of the other four British detainees. They are Feroz Abbasi, Moazzam Begg, Richard Belmar and Martin Mubanga. There are a range of security and other issues that we and the Americans are considering in respect of those four men. As a result of our talks, US legal proceedings against Mr. Abbasi and Mr. Begg were suspended in July and the US said that the men would not be subject to the death penalty. That remains the case.

Our overall position remains that the detainees should be either tried in accordance with international standards or returned to the United Kingdom. We shall continue to work to resolve their positions, and I will, of course, keep the House informed.

The Government remain determined to work with our allies around the world to defeat the scourge of global terrorism. Terrorism seeks to deny the most basic of human rights—to life, to security and the right to go about our daily business free from threat and harm. We will continue resolutely to defend those rights through a

robust and determined approach to combating terrorism and its networks of support wherever they are to be found.

Mr. Gary Streeter (South-West Devon) (Con): May I start by thanking the Foreign Secretary for his statement and for early sight of it?

The Conservative party welcomes the fact that some progress has now been made—after two years—in resolving the prolonged incarceration of five of the nine British detainees held at Guantanamo Bay, but does the Foreign Secretary accept that his statement today raises as many questions as it answers?

Although we recognise the uniqueness of their interim status as unlawful combatants, we have consistently called for the British detainees to be subjected to due process, rather than being held in a legal limbo land. They should be either brought back to this country to face a fair trial, or if there is no evidence of wrongdoing against them, set free. Although we obviously assert that national security has the highest priority, we do not believe that to be inconsistent with a proper and timely assessment of each case and a consequent decision to prosecute or release.

Given the strength of the relationship between the British and US Governments, can the Foreign Secretary explain why it has taken nearly two years to get this far? Does he now accept that one of the reasons why that stalemate has taken so long to overcome has been the failure of the British Government to make a clear decision on how to treat the detainees in this country on their return? Can he tell us what the difference is between those who are to be released and those who are not? Does he believe that the four who will remain constitute a threat to national security, and how much longer is it likely to take until their future is resolved? Is it now likely that they will face trial before one of the military commissions that the US seems to favour? Given what the Foreign Secretary said about the advice that the Attorney-General has given, what will be the Government's response if that is the case?

The Home Secretary, in one of his now infamous pre-emptive judgments on innocence and guilt, informed the world's media that none of the five who are to be released

"represents a security threat to the British people."

Does the Foreign Secretary agree? Given that we are talking about individuals who more than two years ago left this country to go to Pakistan or Afghanistan—allegedly to explore the possibility of fighting alongside the Taliban and/or al-Qaeda against British interests—how does the Home Secretary know that they will now pose no such threat? If proceedings are to be brought against one or more of the released detainees in this country, how will the Home Secretary's comments help them to obtain a fair trial?

The Foreign Secretary said that on the detainees' return, the police and the Crown Prosecution Service would look at each case dispassionately to decide whether there was sufficient evidence to place a person on trial in this country. Will he confirm that evidence obtained from the detainees during their time in Camp Delta will be made available to the police and the CPS to help them to assess the case for a fair trial? Has he received any legal advice on admissibility and, if so, will he place a copy in the House of Commons Library? Will he confirm whether the Attorney-General has actively considered whether, if the evidence so provides, an action for treason could be brought against any of the released detainees? Will the Foreign Secretary say a little more about the circumstances in which the five will be held in the UK on their return? Will they be at liberty to return to their homes, or will they be held in custody—if so, on what basis?

We strongly support all measures to protect our national security, but this country rightly prides itself as a true champion of the rule of law and the rights of the individual. In the Government's continued handling of the nine Britons currently in Guantanamo Bay, the whole nation will rightly expect them to uphold those enduring British principles.

Mr. Straw: I rather got the impression that the hon. Gentleman was agreeing with the position taken by the British Government, but that he then had to invent several differences to nuance his position compared with ours. The context of the detentions was well illustrated by one word that he used: he said that the detainees' position was "unique". Let us be clear that 11 September 2001 was not only absolutely terrifying, but unique due to the nature of the threat that it posed and because it exposed western democracies and the whole of the civilised world to threats of a kind that we had never previously had or properly anticipated. That creates the context in which those people and the other detainees at Guantanamo Bay have been held.

The hon. Gentleman asks about the difference between those who are to be released and those who will remain in Guantanamo Bay. I do not wish to prejudice in any way the positions of either, except to say that there have been fewer difficulties with negotiations in respect of those who are to be released than of those who will be detained.

The hon. Gentleman asks whether the individuals will pose a security threat. That is a matter for the police, in the first instance, acting under powers that they have generally and also under powers that the House recently gave them through the Terrorism Act 2000, as amended. As I made clear in my statement, the police have it open to them to detain and interview the individuals when they arrive. There is a short time for which they may be detained at the behest of the police, and a longer period—up to a total of 14 days—if that is approved by the court on application. Any further question of proceedings will be a matter for the Crown Prosecution Service.

The hon. Gentleman asks about the admissibility of evidence. One does not need advice from the Attorney-General about rules on evidence in the British courts because they are available to anyone who cares to read them, and well understood. I did not ask for that advice, and neither did I receive it, because I did not need it.

The hon. Gentleman asked me about the hare that has been running about charges of treason against these individuals. As with any other charge against them, that is a matter for the Crown Prosecution Service, and I think in respect of treason it is also a matter for the Attorney-General. I merely place on record that I think

[Mr. Straw]

the last time there was a successful prosecution for treason was getting on for 60 years ago, against Lord Haw Haw.

Sir Menzies Campbell (North-East Fife) (LD): The Foreign Secretary is entitled to claim that his announcements today and last week are evidence of progress, but not a solution. So far, the Government have, with some success, put their trust in patient diplomacy, but I hope that the Foreign Secretary will not rule out rightful indignation if that becomes necessary, because if the situations were reversed and the United Kingdom proposed to deal with American citizens by way of military commissions, without due process, the outcry from the White House and from Capitol Hill would be prolonged and deafening, and rightly so.

The Foreign Secretary says that it is not appropriate to comment on individual cases, and as a matter of principle, of course he is correct. When the Home Secretary said that the five being released were no threat, did that represent the considered view of the Government? Even if the Foreign Secretary is unwilling—or perhaps, more correctly, unable—to answer that, does he accept that it raises very sharply this question: if they are no threat, why have they been incarcerated for so long?

Finally, if the United States Government persist in putting United Kingdom citizens on trial in circumstances unacceptable to the Foreign Secretary, the Prime Minister, the Attorney-General, Parliament and the British public, what then is the Government's solution?

Mr. Straw: First, I accept that we have made progress but have not resolved this matter. As I made clear, and as my right hon. Friend the Prime Minister has repeatedly made clear, we want those individuals to be subject to a trial that meets internationally accepted norms and standards, or we want them brought home. That applies to all nine, regardless of the allegations against them, and not just to the five.

The right hon. and learned Gentleman commented on patient diplomacy. I believe that that is the way to resolve these matters. The House is very alert, as it should be, to our standards of justice, as I have to say generally the Americans are, too, but we have to take account of the context in which the detentions took place. That context was that a terrorist organisation of a sophistication and ruthlessness never previously seen in our history, and without any political programme with which one could negotiate, decided effectively to start a war, not just against the United States, but against the whole of the civilised world. Although colleagues may not necessarily agree with the approach of the United States, it is understandable that it has taken the action that it has. Our discussions with the United States Government have borne fruit so far with progress, but not with a solution.

The right hon. and learned Gentleman asked about the remarks of my right hon. Friend the Home Secretary. I think that my right hon. Friend sought to clarify those remarks on the radio this morning, when he pointed out that he was talking about what in his judgment had been assessed so far as regards the past, and that he was not seeking to make a judgment about decisions by the prosecuting authorities or the police on the arrival of those concerned.

Finally, the right hon. and learned Gentleman asked what would happen if those people were put on trial under unacceptable conditions. I hope that we do not come to those circumstances, because we have made it clear that we believe that any British citizen—we believe this generally, but I am speaking now of our immediate responsibilities—should be tried only by internationally accepted standards and norms.

Geraint Davies (Croydon, Central) (Lab): I very much welcome my right hon. Friend's statement and his previous statement, and the efforts of the Attorney-General and the Prime Minister to ensure both a fair trial for, and the return of, British detainees, while guarding our national security.

My constituent, Feroz Abbasi, will not be sent home. Can my right hon. Friend confirm that the reason is perceived risks to the public interest, based on intelligence reports? If that is the case, does my right hon. Friend accept that new powers available to the Government to protect people under the Terrorism Act 2000 and, indeed, the Anti-terrorism, Crime and Security Act 2001, mean that if Feroz Abbasi were on the street and put a foot wrong by association or sympathy, whether direct or indirect, with future or past terrorist acts through, for instance, a phone call or wearing a badge, he could immediately be arrested, charged and imprisoned? If he were released, he would be better off, as would the other detainees, writing his memoirs of Guantanamo Bay. That would be much more in his interest and that of al-Qaeda than posing a future risk to the British public.

Mr. Straw: I should like to applaud the assiduous way in which my hon. Friend has sought to represent the interests of his constituent and his family, who are understandably concerned about Mr. Abbasi's future. As I have already told the House, I am not going to offer views about the perceived risks posed by any of the individuals concerned because, by definition, that could have the effect of prejudicing future proceedings. As for new powers under terrorism legislation, the Terrorism Act 2000, which I introduced as Home Secretary, strengthened police powers, and legislation passed in 2001 by the Commons and the House of Lords has strengthened them further. However, to make a general point to my hon. Friend without specific reference to the detainees, those powers apply only where the police have evidence against individuals. It is the nature of terrorists, even more than ordinary criminals, to go to the most extensive lengths to avoid detection, not just at the point of committing acts of terrorism but prior to that by avoiding coming to the notice of the intelligence community. That is a basic challenge that the intelligence community and the police face in fighting terrorism.

Sarah Teather (Brent, East) (LD): My constituent, Martin Mubanga, is one of the four remaining detainees in Guantanomo Bay, and I met his family last night. Is the Minister aware of their distress? They have had no

information about why he was detained, they have received very few letters, and those that they have received have been censored. Indeed, they have received no information at all about his basic well-being since the Foreign Office visited in September, and their pain has been compounded by the welcome homecoming of the initial five. Most damningly, perhaps, they told me that they find it easier to get information about their son's well-being and his case from the newspapers than from the Foreign Office, which is worrying. What are the Government doing to ensure that families such as Mr. Mubanga's receive basic information about their relatives' well-being? Can letters be transmitted to the family, and can basic information about why Mr. Mubanga was detained be made available to the family ahead of the newspapers?

Mr. Straw: Of course I understand the families' distress. As negotiations reached a final stage last Wednesday and Thursday, I was all too conscious of the fact that five sets of families and a wider group of relatives and friends would be very pleased about the announcement, but that four sets would be distressed. It was for that reason, among many others, that I ensured, as far as was humanly possible, that the families and the Members representing them were contacted before I made a public announcement.

I entirely resist the criticism that the hon. Lady made at the end of her remarks, when she sought to criticise either me, as the person responsible, or my officials. Foreign Office staff have made every effort to pass on in detail information to the families as soon as it arrives, and we will continue to do so. It has not been sufficient, but we have had more contact with our detainees than, as I understand it, any other Governments have had with their nationals who are detained.

The issue of letters is one of concern, and we will continue to take it up through the International Committee of the Red Cross. I am happy to meet the hon. Lady to discuss further what other measures we can take.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): May I reiterate our thanks to the Foreign Secretary for his efforts to secure the release of the five detainees, three of whom are from my constituency? I thank him, too, for informing the families beforehand, as that was very much appreciated.

I welcome my right hon. Friend's comments that on their return the detainees will undergo a thorough police investigation and that any subsequent trial will conform with internationally accepted standards of justice. That is necessary both to reassure the public in this country and to give the detainees an opportunity to answer properly any charges against them.

My right hon. Friend will be aware, however, of the acute anxiety that the families have experienced over the past two years. They are obviously desperate to see their relatives again. Can he assure me that every effort will be made to keep the families informed at every stage of the proceedings, and that they will have the earliest possible access to their relatives, commensurate with national security?

Mr. Straw: I commend my hon. Friend for all his efforts on behalf of Mr. Ahmed, Mr. Iqbal and Mr. Rasul, who were resident in his constituency. He, too, has been careful and assiduous in his representation of those individuals, who are three of the five to be released. As I told the hon. Member for Brent, East (Sarah Teather), of course I understand the distress and anxiety of the families. It would be astonishing if they were not distressed and anxious about their loved ones in the circumstances. That is why we have made every effort to maintain welfare visits to the individuals and keep the families informed.

As for the future, there will be a period before the releases. I am sorry, but I cannot say exactly when they will take place. I said on Thursday, and it remains the case, that they will take place within a few weeks. Within that time scale, I hope that it is sooner rather than later. As information becomes available and we can release it, we will make it available to the families first.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): I am sure that the right hon. Gentleman will accept that I am a long-term friend and admirer of the United States, a country with which I have close family ties. However, I regard the detention and treatment of the detainees in the Guantanamo Bay camp as a lamentable departure from the rule of law and wholly inconsistent with the fine traditions of the United States. Does the right hon. Gentleman accept that that view is widely shared in this country and, if he does, will he ensure that the United States Administration understand that and recognise the damage that they are doing to their reputation?

Mr. Straw: The right hon. and learned Gentleman's opinions on this matter are well known, and although such feelings are not unanimous—opinions differ greatly—I assure him that the United States Government are fully aware of the strength of opinion on the issue.

Tony Lloyd (Manchester, Central) (Lab): May I, too, pass on my thanks to the Foreign Secretary for the keen attention that he has given the matter over the past two years and his courtesy last week in making sure that the families and their Members of Parliament were informed? As he is aware, my constituent, Jamal al-Harith, is one of those who, happily, will be released, but I share concerns expressed by Members on both sides of the House about the events of the past two years and, indeed, the future facing the four who will not be released. Such action may be understandable in emotional terms, but it is not acceptable in terms of legal propriety. My constituent experienced a form of kidnap, and naturally the family were extremely unhappy about that.

I know that my right hon. Friend will not want to go into great detail, but there are issues about, for example, access to legal representatives, to the families, which is important, and perhaps to qualified medical staff. Can he assure me that those will be immediately available to individuals on their return to the United Kingdom?

Mr. Straw: I am grateful to my hon. Friend for his remarks about the way in which the matter has been handled. It is a difficult situation, and again I would like to put on record my appreciation for the way in which he has performed his duty in representing his constituent and his family.

[Mr. Straw]

My hon. Friend asked me about access to legal representation, the availability of qualified medical assistance and—a point that was also raised by my hon. Friend the Member for West Bromwich, West (Mr. Bailey)—access by families when they arrive here. The Terrorism Act 2000, as amended, provides powers to the police, where they have grounds for doing so, to detain terrorist suspects and to interview them for an initial period of two days, which can be extended, through successive applications to a court, to 14 days. However, as is absolutely right, subject to what is laid down in law, individuals have access to lawyers, as well as to their families. There are constraints on that, but they are the normal constraints for suspects who are suspected of any terrorist-related activity under the Terrorism Act, as amended.

On medical assistance, we shall make sure that that is available.

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): I am sure that the Foreign Secretary is aware that there is also concern in American legal circles about the treatment of people in Guantanamo Bay. Some feel a sense of rage that within great democracies that generally obey the rule of law, individuals can be locked up for two years, during which time the authorities have been unable to formulate charges or the basis of a trial that would sustain itself in front of what we recognise as proper legal process.

Mr. Straw: I understand the hon. Gentleman. We must appreciate, however, that the United States saw itself as literally in a war situation—as, indeed, did the rest of the civilised world. In such situations, people are detained without trial. We did that ourselves during the last world war. These matters are difficult and uncomfortable, but they occur where civilisations and countries feel themselves to be under great threat. That is simply a reality.

That said, we have made progress in respect of the detainees, five of whom are being transferred to the United Kingdom to be dealt with in accordance with the normal processes of the law. I can promise the hon. Gentleman and the House that we will continue our efforts satisfactorily to resolve the position of the other four, although I cannot say when that will happen.

Mr. Gerald Kaufman (Manchester, Gorton) (Lab): While I welcome the extremely belated forthcoming release of these men, is it not a fact that the United States has no jurisdiction whatever by which to have detained them, or anybody else, in Guantanamo Bay; that it is utterly characteristic of the Bush regime to behave in any manner that suits it, regardless of international law; and that my right hon. Friends must not allow this Government to be tainted by association with such conduct?

Mr. Straw: I understand my right hon. Friend's remarks, but he will forgive me if, in the interests of what the right hon. and learned Member for North-East Fife (Sir Menzies Campbell) described as patient diplomacy, I do not fully subscribe to them.

Mr. Henry Bellingham (North-West Norfolk) (Con): As the Foreign Secretary rightly pointed out, nearly all the detainees were apprehended in the war zone, some were with armed groups, and some were actually putting at risk allied coalition soldiers. However, as the main coalition partner of the United States, surely this country could have been trusted to have the nine British detainees brought here in the first place. After all, in 1945 all French citizens fighting in German uniform, particularly those in SS units, were processed in France, not in Britain or America. There must be a lesson to be learned from that.

Mr. Straw: The hon. Gentleman echoes my point about war situations. However, what happened in France in 1945 took place after a war had finished. Let us be clear that so far as the United States is concerned—and us, too—this has been verging on a war situation with al-Qaeda and its related terrorist organisations. Let it not be forgotten that less than three months ago, at the end of November, both the British consulate general and the HSBC bank in Istanbul were bombed, with a severe loss of life among British citizens and representatives, as well as Turkish citizens and others. That was a result of terrorism by al-Qaeda and its related organisations.

We are therefore in this very difficult, unique situation, and in such circumstances new measures are likely to be used. Our view is clear, and we have made it clear all the way through—it is that of course people should be detained in accordance with international law. The United States Government are clear in their own mind that there is a legal base for the detentions at Guantanamo Bay. Our position is also clear in that any trials that take place must take place in accordance with internationally accepted standards and norms.

Mr. Kevin McNamara (Hull, North) (Lab): Is my right hon. Friend aware that although the United States accepts that there is a legal position for these people to be in Guantanamo Bay, no other country in the world accepts that situation? It has created a new class of people captured on the battlefield—unlawful combatants—that is not recognised in any of the international agreements.

Does my right hon. Friend accept that while he may find the attitude of the United States understandable, many of us find it, if understandable, unacceptable? The Government must vigorously pursue this important matter. Although I welcome the release of the five prisoners, it has taken us two years to free people who have been held with no legal status, contrary to all the rules of international behaviour.

Mr. Straw: Of course I understand, to use the same verb, the very strong feelings of my hon. Friend on this issue and the fact that he does not accept the position as described by the United States Government. There is a great debate about the international legal basis for the detentions at Guantanamo Bay. I simply remind the House that the situation was not unusual: it was unique. Therefore, it is not surprising if the conventions and treaties that are the basis of much international law did not anticipate such circumstances.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): I very much welcome the forthcoming repatriation of the five detainees in the next few weeks, which I suspect is

to do with the possible involvement of the police and the Crown Prosecution Service. One has to say, however, that if they did have any relevant information or evidence, surely it would have been elicited from them by now. Will the Foreign Secretary redouble his efforts to ensure that the United States is aware of the concern on this side of the pond about the other four detainees and the need for them either to be charged, to be put before a properly constituted court recognising international standards of law, or to be released? It is a disgraceful situation, because these men have already served the equivalent of a four-year sentence without trial.

Mr. Straw: The United States Government are very well aware of the strength of feeling of the British people—although that varies—and of the different strains and strands of that opinion. I have discussed the matter on numerous occasions with United States Secretary of State Colin Powell and with many others inside the United States system. My right hon. Friend the Prime Minister has discussed the matter on several occasions with President Bush and the United States Government. It has been discussed at every level between Governments. The United States Government are aware of the feeling that exists, and I am sure that they will become more aware of it when the contents of this statement and my answers are drawn to their attention.

David Winnick (Walsall, North) (Lab): In order to keep a sense of balance, does my right hon. Friend agree that we should always bear in mind the shock that was felt throughout the whole of the United States—it was certainly not confined to President Bush and his circle—over the outrage on 9/11? On the Friday of that terrible week, I went to a huge demonstration in Philadelphia, where political views of all kinds were expressed over the terrible and wicked events that had occurred.

In welcoming what my right hon. Friend has said about the four detainees, is it not important for the United States to appreciate that those of us who do not minimise the dangers of terrorism, and who understand only too well the constant danger to all the democracies, remain very uneasy over the way in which these detainees, not only those who are British, are being held; and that domestic and international law should always be applied, even when it is dealing with those who are responsible for the most terrifying crimes against humanity?

Mr. Straw: My hon. Friend puts his view in a balanced and measured way.

Mr. Edward Davey (Kingston and Surbiton) (LD): The Foreign Secretary should know from correspondence with me about the case of my constituent Mr. Bisher Al-Rawi, who is detained in Guantanamo Bay. He had lived in the United Kingdom for 19 years, from when he was a child. His family are all British citizens but he holds an Iraqi passport. So far, the Foreign Office has refused to make any representations for Mr. Al-Rawi. Will the Foreign Secretary reconsider that? Does he recall that Mr. Al-Rawi was not arrested as a combatant but detained while on a business trip to the Gambia? Given the unusual circumstances, is the Foreign Secretary prepared to meet me and the Al-Rawi family to ascertain how the UK Government could assist my constituent?

Mr. Straw: I am happy to see the hon. Gentleman. There are five individuals in Guantanamo Bay who are not British citizens but were British residents before their detention, and his constituent is one of them. Their legal position is difficult. We simply do not have a right in international law to make representations on behalf of those who are not British citizens. That is standard and accepted practice. *[Interruption.]* Well, that is the case. Although I understand the point that is being shouted at me from a sedentary position, I have outlined what happens to be the case. That standard is accepted in all diplomatic relations. However, some organisations, including the International Committee of the Red Cross and the United Nations High Commissioner for Refugees, may be able to help. I am willing to meet the hon. Gentleman and, following that meeting, to decide what further action we can take.

Mr. Clive Soley (Ealing, Acton and Shepherd's Bush) (Lab): Extreme forms of terrorism pose a serious and complex problem to democratic societies. To impress on the United States the dangers of its Guantanamo Bay policy, will my right hon. Friend remind that country that, in the 1970s, as a good friend of this country, it warned us of the dangers of internment in Northern Ireland? It was right to warn us then and we are right to warn it now.

Mr. Straw: My hon. Friend makes an interesting and nice point.

Mr. Andrew Tyrie (Chichester) (Con): A moment ago, the Foreign Secretary prayed in aid the internments that took place at the beginning of the second world war. They were subsequently widely held to have been a mistake both in the United States, where Japanese were detained, and the United Kingdom. I hope that the right hon. Gentleman keeps that point in mind when he talks to his American counterparts.

Have the Government assessed the effect of Guantanamo Bay on global public opinion and the damage that it does to the values that we are seeking to export? Will the Foreign Secretary state unequivocally that the Government consider Guantanamo Bay to be contrary to international law? What representations to that effect has he made to the United States Administration?

Mr. Straw: I made the point about internments in the second world war to remind the House that in war situations—and quasi-war situations—otherwise unacceptable and uncomfortable measures sometimes have to be taken. It is all very well for the hon. Gentleman to say that the internments in the second world war were later regarded as a mistake. That is true of their scale but not necessarily of everybody who was detained. However, I put that to one side. I simply wanted to bring out the point that we must better understand why the United States felt it necessary to take such action.

[Mr. Straw]

Let us be clear: the information that has been obtained from a good many detainees in Guantanamo Bay has helped to make the world a safer place—safer for us and our constituents as well as for the United States and those in other countries. That is the position.

Mr. Mohammad Sarwar (Glasgow, Govan) (Lab): Does my right hon. Friend agree that the detention of 2,000 prisoners for two years without trial cannot be justified or condoned in any circumstances? Does he also agree that the imprisonment for 14 months of three Afghan children, who were afterwards given one football each as a gesture, is a blatant violation of international law?

Mr. Straw: I am afraid that I have not had sight of the case of the detention of the three Afghan children. I am happy to follow it up with my hon. Friend.

On the wider question, it is obvious that the sentiment of the House is as stated. It is similar to that of the Government: individuals who are detained should either be brought to trial in accordance with internationally accepted standards or returned, in this case to the United Kingdom. We shall continue to follow that policy.

Ross Cranston (Dudley, North) (Lab): I congratulate my right hon. Friend and the Attorney-General on all their efforts behind the scenes to achieve the result so far. However, there is considerable disquiet about the four young lads from Tipton and separate arrests in my constituency under the Terrorism Act 2000. The majority sentiment—a view that I share—is that when offences have been committed, people have to account for them. However, given the disquiet, will my right hon. Friend talk to colleagues so that decisions can be made and resources allocated to enable the police and the prosecution authorities to fast-track those cases if there are to be proceedings under the Terrorism Act against the returnees and more generally?

Mr. Straw: I am grateful to my hon. and learned Friend for his thanks and I shall ensure that they are drawn to the attention of the Attorney-General, who has played an important part.

Of course, there will always be concern among those who are arrested under the Terrorism Act 2000 and their families about their nature of their arrests, but the Act was approved in the House four years ago on an all-party basis because of the emerging threat that we assessed. Prevention of terrorism legislation at the time was defective because it was only effective in protecting our communities against Irish terrorism, not the new forms of international terrorism. Individuals suspected of terrorism correctly have clear rights under the legislation.

I accept my hon. and learned Friend's point about resources. If the individuals come back and are subject to prosecution, it would be reasonable for their cases to be fast-tracked, given the lengthy detention that they have already had to endure. I will draw that suggestion to the Attorney-General's attention.

Schools (Vending Machines)

1.17 pm

Mr. Jon Owen Jones (Cardiff, Central) (Lab/Co-op): I beg to move,

That leave be given to bring in a Bill to prohibit the sale of high fat and high sugar content food in vending machines in schools.

I appreciate that I am not the only parliamentarian who is this week seeking to curb children's consumption in schools, but I hope to persuade the House that my proposals are well researched, evidence based and have widespread support. Indeed, the Bill has the support of the National Union of Teachers, the British Heart Foundation and the Royal College of Physicians and is the product of my conducting a lengthy investigation into obesity with the Select Committee on Health. Other countries have tried similar measures or variants on it.

Only last week, a joint working party of the Royal College of Physicians, the Royal College of Paediatrics and Child Health and the Faculty of Public Health called for the

"replacement of sugar drinks and high-calorie snacks with healthy alternatives in schools",

and warned that

"failure to act now will have severe consequences for millions of individuals, for the nation's health and for the health service."

The can that I am now displaying is familiar to everyone since it is the most famous brand in the world. I am sure that all Members of Parliament know that its contents are carbonated water which contains sugar. However, I doubt whether hon. Members realise just how much sugar is in that can. Depending on whether we use American or British teaspoons, it contains seven to 10 teaspoons of sugar. We know that many children drink three or four such cans in the course of a day. What responsible parent would permit their child to take 28 teaspoonfuls of sugar in one day? Yet in our schools, children are given the means, the opportunity and the time to do just that.

There is evidence that parents are worried about this. An ICM poll in *The Guardian* last year showed that 70 per cent. would support the banning of fizzy drink vending machines in schools. In an era in which parents and health professionals are increasingly worried about obesity and nutrition, junk food in schools is rapidly becoming an anachronism.

The past 20 years have seen a startling rise in the proportion of children who are overweight or obese. Since 1982, the number of such children has more than doubled, and 10 per cent. of today's six-year-olds are obese. The chief medical officer for England has called childhood obesity a "public health time bomb". If present trends continue, at least one fifth of boys and one third of girls will be obese by 2020. According to experts, that is the conservative estimate.

Children who are overweight or obese tend to become overweight or obese adults, leading in the long run to high blood pressure and other health problems. Obese children are far more likely to develop type 2 diabetes. An American survey has shown that severely obese children have a 93 times greater chance than average of developing diabetes. A long-term study of 51 Canadians who were diagnosed with that type of diabetes before the age of 17 showed that by the age of 33, seven of them

had died, three were on dialysis, one was blind, one had had a toe amputated and out of 56 pregnancies in those people, only 35 had resulted in live births. Those statistics should be sufficient to show that childhood obesity must be taken very seriously.

I do not claim that vending machines in schools are the only, or even the primary, cause of the problem. The rise in childhood obesity clearly reflects broader changes in lifestyle and diet in our society. However, vending machines whose primary products are fizzy, sugary drinks, crisps and chocolate—which the Americans describe with the term "foodstuffs of no nutritional value"—are a clear example of how schools, and by extension the state, allow the problem to go unchecked and are seen to promote and encourage those products. The fact that we cannot do everything to solve the problem at once does not mean that we should do nothing.

I have just mentioned America. Several US states and school districts have proposed or passed legislation similar to this Bill. I hope that the problem of childhood obesity in Britain will not have to reach US proportions before we take such measures here. All over the world, people are considering such proposals. In Canada, from September this year Coca-Cola and Pepsi will remove all their fizzy drinks from vending machines in schools and replace them with healthier products. I am sure that they are doing that to pre-empt legislation. In this country, Coca-Cola has just announced that it will remove all advertising on its vending machines in schools. It is clearly worried about what the Government might do, and I hope that it has good reason to be.

The food and drink industry does not make sizeable profits from vending machines in schools, but those machines raise the profile and familiarity of the industry's products with children and adolescents. Children are already disproportionately targeted by advertisers of fatty, sugary and unhealthy foods. Indeed, 40 per cent. of all adverts shown to children on television are for those products. Whether such adverts should be banned is a matter for another day, but to allow those brands into our schools—to allow the work done in the classroom to be undone in the corridor—is to take a desire to avoid accusations of nanny statehood to a ridiculous extreme.

Banning junk food in school vending machines will not turn us overnight into a nation of superhuman children, bursting at the chance to win Olympic golds; if only things were so simple. However, it is a step that we can take. When I was at school, I was exposed to much old-style Welsh nonconformism. To paraphrase what I was told then, just because we have junk food sellers does not mean that we have to have junk food sellers in the temple. It is time to throw them out.

Question put and agreed to.

Bill ordered to be brought in by Mr. Jon Owen Jones, Mr. David Amess, Paul Flynn, John Austin, Ms Debra Shipley, Dr. Richard Taylor, Mr. Win Griffiths, Mr. Bob Blizzard, Mrs. Jackie Lawrence, David Taylor and Chris Ruane.

SCHOOLS (VENDING MACHINES)

Mr. Jon Owen Jones accordingly presented a Bill to prohibit the sale of high fat and high sugar content food in vending machines in schools: And the same was read the First time; and ordered to be read a Second time on Friday 30 April, and to be printed [Bill 58].

Social Security and Pensions

1.26 pm

The Secretary of State for Work and Pensions (Mr. Andrew Smith): I beg to move,

That the draft Social Security Benefits Up-rating Order 2004, which was laid before this House on 4th February, be approved.

Mr. Speaker: With this it will be convenient to discuss the following motion:

That the draft Guaranteed Minimum Pensions Increase Order 2004, which was laid before this House on 22nd January, be approved.

Mr. Smith: I am satisfied that the orders are compatible with the European convention on human rights.

On uprating, I can confirm that national insurance benefits will rise in line with the retail prices index, which is 2.8 per cent. Most income-related benefits will rise by the Rossi index—1.8 per cent.—in the normal way. That will add more than £2 billion of extra Government spending to help those in most need and to tackle poverty. Of the £1.2 billion extra for pensioners, £140 million is above price inflation, as is £180 million of the extra for children.

In 1997, we said that we would cut the costs of economic and social failure—and we have. Despite the downturn in the world economy, employment in the United Kingdom has continued to grow. We have more people in jobs than ever before and, for the first time in nearly half a century, the highest employment rate and lowest unemployment rate of the major industrialised countries.

Through our investment in the new deal and Jobcentre Plus, we have tackled the legacy of mass unemployment that we inherited from the Conservative Government, whose leader, when masterminding their employment strategy, increased unemployment by more than 1 million. Since 1997, we have increased the number of people in jobs by more than 1.5 million, and we have invested to tackle poverty the £5 billion that has been saved from the cost of unemployment.

Combining that amount with the savings from tackling benefit fraud and error—overpayments alone now cost £400 million less a year than was the case in 1997—we can ensure that more money is available to invest in services. Staff working for the Pension Service, the first ever dedicated service for pensioners in this country, have made more than 300,000 home visits and held more than 220,000 community-based surgeries. Our investment in Jobcentre Plus is helping to deliver the lowest unemployment in the G7. Each day, our offices receive 13,000 vacancies, conduct 36,000 work-focused interviews and help 4,700 people into jobs, including more than 400 lone parents and more than 120 incapacity benefit clients. So we are not only uprating benefits but upgrading the service that we are able to give to our clients.

Our tax and benefit measures, combined with our successful employment policies, are helping to get more parents into work. We have reversed the generation-long trend of rising child poverty, which more than doubled during the 18 years when the Conservatives were in power. Since 1997, we have reduced the number of children living in low-income households by more than 500,000, and we are determined to do more. From April, the child element of the child tax credit will rise by £180 to £1,625 a year, equivalent to a weekly increase of £3.50. That will benefit 7.2 million children, including all families on income support and jobseeker's allowance.

Building on these measures, I announced in December how we would judge longer-term progress towards our ambition to eliminate child poverty altogether. The new measure recognises that poverty is about more than money. We will strive to eliminate material deprivation entirely, but we are also firmly committed to keeping up the drive to increase the incomes of the poorest children right through to 2020. Let us remember that in 1997, the Tories left us bottom of the European child poverty league table. As a result of the measures this Government have introduced, the UK has already moved four places up that table, and we are committed to go further so that we move beyond the EU average to be among the very best in Europe.

What of the Conservatives? We need to know whether they share our ambition that no child should be left behind, or whether they plan to repeat their performance of the 18 long years during which child poverty more than doubled.

On pensions, we are taking action to tackle pensioner poverty, boost security and provide people with more choice about when they retire. This year the basic state pension—the foundation of pensioners' incomes—will rise by a further £2.15 a week. That is £111.80 a year, which more than meets our guarantee that future rises will be at least £100 a year for single pensioners.

Mr. Jim Cunningham (Coventry, South) (Lab): On pension increases, can my right hon. Friend make a comparison in monetary terms and percentage-wise between 1997 and now, so that the House can get a good idea of the increases since then? How do they compare with the record of the previous Conservative Government?

Mr. Smith: The truth is that the Conservatives increased the real value of the state pension only once. That was at the time when they put VAT on fuel. If ever there was a case of giving with one hand while taking away with the other, that was it. In total, the real increase in the state pension since we came to office is now more than £5 a week for a single pensioner and more than £8 a week for a couple.

Mr. Steve Webb (Northavon) (LD): The Minister has moved on from his laudable aim of ending child poverty by 2020 to talk about pensioners. Is it his aim to end pensioner poverty, and if so, by when?

Mr. Smith: We have already set out our ambition to erode and remove those aspects of pensioner poverty that we inherited from the Conservatives, and we are making enormous progress in that endeavour, thanks to increases in the real value of the basic state pension and to the introduction of pension credit, the impact of which I shall come to in a moment. The hon. Gentleman will know from the statistics that we have already cut the pensioner poverty that we inherited by some 60 per cent. in absolute terms. Even in relative terms, at a time when

median incomes have been growing quite rapidly—so this is quite a demanding test—more than 500,000 pensioners have moved out of relative poverty. Of course we are committed to driving that forward.

Mr. Patrick McLoughlin (West Derbyshire) (Con): The Secretary of State is telling us how the Government wish to treat pensioners and about their laudable aim in that regard. Can he tell us how many pensioners were threatened with prison sentences under the previous Government—[HON. MEMBERS: " Hundreds."] How many does he anticipate being threatened with prison sentences for not paying their council tax under this Government?

Mr. Smith: My hon. Friends suggest that hundreds, if not thousands, of pensioners were threatened with prison when the hon. Gentleman's party imposed the poll tax on them. If he is alluding to recent reports in the press, I am sure that he will understand that I am not at liberty to go into the individual circumstances of any recipient of pensions or benefits, no matter how much publicity those circumstances have received. I can assure him, however, that in that particular case, as in others, every endeavour is being made to ensure that the pensioner in question receives in full the entitlements that are her due. If some reports are to be believed, that has clearly not yet happened, for whatever reason. I am sure that the hon. Gentleman would agree with me—I see him nodding—that pensioners should gain their pension credit, their council tax benefit and their housing benefit whenever they are entitled to do so.

Mr. Nigel Waterson (Eastbourne) (Con): Without my going into that individual case in any more depth than the Minister for Local and Regional Government already has, if it is right, as has been suggested, that that pensioner would not have had to pay any council tax, or would have had help with it, through council tax benefit, does not that underline the massive failure of council tax benefit having the lowest take-up of any means-tested benefit, and the underlying problem of the growth in mean-tested benefits under this Government?

Mr. Smith: I have already said how important it is that all pensioners and others get the help to which they are entitled. This time last year, Opposition Front Benchers questioned us about the work of the local Pension Service, asking whether people who needed a home visit would be able to get one. They have gone quiet on that now. There have been 300,000 home visits, and more than 220,000 surgeries. Never has so much effort gone in to raising the take-up of people's entitlements. When the Conservatives were in Government, they seemed to operate an effective target of keeping take-up as low as possible. There is a big contrast between that and the efforts that we are putting in and the impact that they are having.

We have recognised that more needs to be done to improve the take-up of council tax benefit. That is why an information and advertising campaign is due to start shortly, as well as the extra advice being given through the local Pension Service. Thanks to the introduction of pension credit, 1.9 million pensioners are receiving help with housing benefit and council tax benefit for the first time, or getting significantly more than they were before. We recognise that more needs to be done, but we are making good progress.

Mr. Clive Soley (Ealing, Acton and Shepherd's Bush) (Lab): The case to which my right hon. Friend referred, which has received so much publicity, needs to be spelled out in a bit more detail so as to alert people to the need to read more carefully what is in their newspapers. The story sounded largely untrue when I saw the figures involved, and it transpires that the lady involved is withholding her council tax because of an objection to certain aspects of the European Union. She has been supported in that by the United Kingdom Independence party, which has involved Max Clifford in handling the publicity. She is also receiving £10,000 from the *Daily Mail* for her story. Had the story in the press that she was receiving only £312 a month been true, she would clearly have been receiving less pension than she was entitled to, and would also not have had to pay any council tax anyway. So nearly all that story was untrue—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The hon. Gentleman is an experienced Member of the House. This is becoming a statement rather than a question.

Mr. Smith: I, like the rest of the House, got the thrust of what my hon. Friend was saying. I am not in a position to comment on some of the alleged aspects of the circumstances that he has drawn to our attention, but what I said previously still stands. Notwithstanding all that, and whoever is representing or supporting that pensioner, she is entitled—like anyone else—to the entitlements that are properly her due.

Mr. David Willetts (Havant) (Con): The Secretary of State said that he would not comment in detail on that case. We have just heard the hon. Member for Ealing, Acton and Shepherd's Bush (Mr. Soley) claim that that woman has received £10,000 from the *Daily Mail* and that she is employing Max Clifford. The hon. Gentleman made a variety of allegations about an individual pensioner facing a problem with her council tax. Does the Secretary of State agree that it is most regrettable that those remarks have been made about an individual who, as far as we understand it, is wrestling with council tax demands that she finds it difficult to meet?

Mr. Smith: I wonder whether it is wise for the hon. Gentleman to repeat the circumstances that he said should not be aired in the House, and whether the deputy Chief Whip of the Conservative party should have raised the matter in the first place. It would be best to get back to pension credit and its uprating.

Mr. Soley: On a point of order, Mr. Deputy Speaker. I am sorry to intervene, but I must make it clear that what I said was not in any way a criticism of the

[Mr. Soley]

pensioner, because she wanted it to be known that her objection was to paying towards an aspect of the European Union. That is the issue.

Mr. Deputy Speaker: That is not sufficiently a point of order for me to comment on the matter. The hon. Gentleman has put his point on the record.

Mr. McLoughlin: Further to that point of order, Mr. Deputy Speaker. I ask you to invite the Secretary of State to reflect on the words that he has just used, and on the fact that I talked about pensioners in general. I never mentioned a specific pensioner. It was the Secretary of State who referred to individuals.

Mr. Deputy Speaker: That was no more a point of order than that of the hon. Member for Ealing, Acton and Shepherd's Bush (Mr. Soley). It is on the record, however.

Mr. Smith: I have taken careful note of what the hon. Gentleman has said, Mr. Deputy Speaker, and I am confirmed even more in my judgment that it would be wise to get on with the more general subject of the uprating of pension credit.

In April, in keeping with the Government's earnings link for poorer pensioners, the guarantee will rise again by more than £3 a week so that no pensioner need live on less than £105 a week and no couple on less than £160 a week. Already, more than 2.6 million people receive pension credit, with an average household award of £43.50 a week. That number is growing with every passing day. It is worth reminding the House that the poorest pensioners were expected to live on just £68.80 a week in 1997, and under this Government they will get an extra £36 every week. From April, the Government will spend £9 billion extra on pensioners as a result of measures introduced since 1997. That is almost £6 billion more than if we had just linked the basic state pension to earnings.

Our policies have not only been more generous than the earnings link, but also more progressive—£7 of every £10 of pension credit goes to helping women, many of whom have been penalised by a basic pension that short-changed them on the time taken out of work to bring up children. With the introduction of pension credit, almost 1.9 million pensioner households will qualify for more help, or qualify for help for the first time, with their council tax or rent.

The poorest are gaining more under our plans. Those who urge us to scrap pension credit and use the funds to increase the basic pension must realise that their plans would cut the incomes of poorer pensioners by £30 every week. The progress that we are making stands in stark contrast to the Opposition's approach. Our approach is fair and fiscally prudent. Theirs is unaffordable, unsustainable and, above all, unfair.

We will also give people more choice about when they retire, by giving a much better deal to those who choose to take their state pension late. For the first time, people will be given the chance to build up a lump sum by deferring their state pension. I can tell the House today that that will be calculated using an interest rate at least two percentage points above base rate, which would mean 6 per cent. today. Therefore, from next year, a woman with just the basic state pension of £77 a week could start building up a lump sum worth £8,500 if she kept working at 60 and drew her pension just two years later, or a lump sum of £23,000 if she put off retiring until 65.

Most people have higher state pensions than that thanks to the state earnings-related pension scheme and the state second pension, and could therefore build up even bigger sums. On average, men retire with £100 in state pensions, which would allow a man working until 70 to build up a lump sum of more than £30,000, or for a couple, a lump sum of more than £48,000. In the past, lump sums have been the preserve of the fortunate minority with good occupational pensions. These proposals make them an option for everyone. As well as the lump sum, our reforms will offer those who take their pensions late the alternative of a pension for life that is very significantly higher. Someone working an extra five years with typical weekly state pension entitlement of £100 will be able to increase that to £152, with inflation additions on top. The whole thrust of the proposals is therefore to give people new and attractive options to work beyond 65 when they want to.

Mr. Willetts: Will the Secretary of State clarify whether the lump sums that he has just described will be taken into account if pensioners claim means-tested benefits, or whether they will be wholly disregarded?

Mr. Smith: As we have made clear, the principle behind the policy is that people will not be disadvantaged through taking the lump sum rather than the increment. The detail by which we will do that on pension credit will be set out in due course, just as the detail of how we will meet the goal on taxation will be set out by my right hon. Friend the Chancellor of the Exchequer. I hope that the hon. Gentleman and his party, and other parties in the House, will see the merit of these proposals in extending the opportunity of genuine, worthwhile choice to people, and in giving a much fairer deal to those who choose to defer taking their state pension. I emphasise choice—that is what this must be about. Together with our plans to stamp out age discrimination and to allow people to work part time while drawing a pension, these initiatives will encourage many people to work into later life, and all of us will benefit from their contribution.

I stress, however, that working beyond 65 must remain a matter of choice. It is not something that can be forced on the least well off. We therefore reject calls to put up the state pension age. Instead, we want to give everyone the choice to boost their pension by working for longer when it suits them to do so.

The measures before the House will benefit a large number of children, parents and pensioners. They carry forward our reform of the welfare state and our mission to tackle all forms of poverty. Through investment and reform, getting record numbers into jobs and tackling fraud, we are able to target extra resources for children and pensioners who need help most. The orders help us build a Britain that fulfils potential, opens up opportunity and tackles poverty, and I commend them to the House.

1.48 pm

Mr. David Willetts (Havant) (Con): I am sorry to take away some of the drama from this potentially very significant debate, but let me begin by assuring the Secretary of State that it is not the Opposition's intention to vote against the proposed uprating of benefits. We all still remember the year when the Liberal Democrats did that, trying to deprive their constituents of any increase in their benefits, and we will not make that mistake. Of course, we welcome the uprating that is being proposed, but I want to ask the Secretary of State some specific questions about what he has just said.

First, the Secretary of State talked about poverty and the Government's proposals on child poverty. Is he at all embarrassed, however, by the evidence from the Government's own report, "Opportunity for all: fifth annual report", of the incredible stability in the number of people facing persistent low incomes? Between 1994 and 1997, 16 per cent. of children in low-income families faced persistent low incomes, defined as being below 60 per cent. of median income in three of the past four years. Between 1998 and 2001, the figure was also 16 per cent.

Sadly, there is similar evidence relating to people of working age. Between 1994 and 1997, 7 per cent. of working-age people living in low-income households faced persistent low incomes; the figure was also 7 per cent. in 1998 to 2001.

Why do the much-vaunted increases in benefit expenditure, and all the other measures described by the Secretary of State, seem to be having no impact on one of the things that the right hon. Gentleman says that he cares about, and which the Government have set as one of their objectives—the elimination of the persistent poverty in which people are currently trapped? This is the fifth annual report on poverty, but as yet there is no sign of any movement whatever. Conservative Members would like to hear from Ministers—instead of the usual propaganda—an honest explanation of why they are apparently not moving out of persistent poverty those who have been stuck in that position for far too long.

I can offer the Secretary of State a possible explanation. Many of the benefits for families have been lost to his budget, and are now part of the Chancellor's tax credits. We find ourselves in an odd position: the structure of the tax credits for families does not match the measurement of poverty that the Secretary of State's Department used for the purposes of this document.

Paul Flynn (Newport, West) (Lab): Given the definition of poverty with which we are saddled, if everyone in the country became a millionaire tomorrow the proportion of people in poverty would be the same as it is now. Can the hon. Gentleman exercise one of his many brains and suggest a better definition that would reflect the real situation?

Mr. Willetts: I am not sure whether that follows, but I agree that if everyone had an extra £1 million, the proportion of people with below 60 per cent. of median income would remain the same. I am happy to accept the general, conventional assumption that that is the relevant measurement. There are many others—there are relative measures, absolute measures, measures that change over time and measures that do not—but the central measurement that the Government set when they first identified their child poverty target was 60 per cent. of median income. We will not allow Ministers to get away with changing the target: they should be judged in terms of that 60 per cent. measurement.

In what was perhaps a fruitless endeavour, I was trying to take the House through the finer points of equivalence scales in the measurement of poverty. This, in my view, is one of the problems faced by the Secretary of State. I am pleased to observe Ministers' rapt attention. The measurement of poverty used in the document reflects changes in family structure. If, for example, a household contains two adults rather than one, the income that it will need to achieve a given standard of living will be greater than that of a household containing one adult. Similarly, a household containing three children will need a greater income than a household containing only one. Equivalence scales are needed for the measurement of poverty. However, the structure of the child tax credit introduced by the Chancellor does not match the pattern of equivalent scales used by the DWP to measure poverty. The Chancellor is not using instruments that can tackle poverty as the Government measure it in their annual report.

Mr. Andrew Smith: I hesitate to interrupt the hon. Gentleman's lecture, but as he will have noted from our December publication on the measurement of child poverty, it has been proposed that we move to the OECD's basis for the equivalent scale. Does he agree with that, and what does he expect its impact to be?

Mr. Willetts: I am happy for the Government to adjust their equivalence scales in line with international standards, provided that the Secretary of State undertakes to urge on the Chancellor that the structure of child tax credit, and the other tax credits he has introduced, also reflect more clearly the way in which all Members understand poverty and its effects on households with different structures.

One of the main reasons for the failure of the Chancellor's measures to reduce poverty is the fact that the Chancellor takes no account, in his structure of child tax credit, of the second adult in a household that contains a couple. Two adults receive no more child tax credit than one. When the Secretary of State for Work and Pensions measures poverty, he naturally expects a family containing two adults to need a higher gross income in order to achieve a given living standard than a family containing only one adult. Will he tell the Chancellor that his tax credit should reflect more accurately the way in which all of us here measure poverty? I should welcome an intervention from him if he wishes to respond.

If that change is not made, the Chancellor will not be able to meet his own child poverty objectives because he will be using instruments that do not reflect the way in which the Secretary of State's Department measures poverty. I should have thought that the Secretary of State would be able to stand up for the measurement that he has deployed for the past five years.

Mr. Waterson: Get on with it!

Mr. Willetts: I hope that the Secretary of State will indeed get on with it, and offer us some assurance. If he

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does not, he will not be able to abolish child poverty and the Chancellor's instruments will not achieve his objective.

The fact that the Secretary of State does not wish to intervene suggests to me that he knows there is a problem, but is not willing to assure the House that he will raise it with the Treasury and the Chancellor so that something can be done.

Mr. Webb *rose—*

Mr. Willetts: We are fortunate enough to have with us the author of a valuable book on the whole subject of poverty and the measurement of child poverty. I should welcome an intervention from him.

Mr. Webb: I shall scrap the rather partisan intervention that I had planned and suddenly become statesmanlike.

The English translation of what the hon. Gentleman has just said is that the war on lone parents is back on. He says that the tax credit system does not provide extra money for the second adult in a two-parent family, and that the Chancellor should give more to two-parent families than to one-parent families; but he has also made an important point about persistent child poverty. I genuinely do not know the answer to this question: is persistent child poverty, which is the most worrying sort, more concentrated among one-parent families? If so, would not his proposed system give less priority to the severe and persistent poverty faced by children in one-parent families?

Mr. Willetts: It is true that the problem of persistent poverty is more concentrated among lone-parent households. But it is also true that although lone parents are more likely to be poor, in absolute terms a majority of the 3 million-plus poor families are headed by couples. One of the Chancellor's problems is that his child tax credit is extremely harsh on families headed by couples. That is why he is making so little progress with his child poverty target.

Mr. Andrew Smith: May I return the discussion from its present academic level to a level that actually means something to people in communities? If the hon. Gentleman accepts, as he did in replying to the hon. Member for Northavon (Mr. Webb), that the problems for lone parents are more severe, how can he imagine for a moment that the Conservative party's commitment to abolishing the new deal for lone parents can do anything other than make that poverty worse?

Mr. Willetts: I am pleased that the Secretary of State has mentioned that, because it gives me an opportunity to move from the measurement of child poverty to a second subject that I wanted to raise with him: the performance of the new deal and, more widely, the problem of economic inactivity. This is one of the paradoxes of the current Government. We remember all the arguments about the problem of worklessness when they were in opposition; there has been very little progress in reducing the number of workless households since 1997. We remember being accused of taking people off unemployment benefits and putting them on to disability benefits—but what do we see now? We see an increasing number of people on disability benefits and an increasing number claiming incapacity benefit. I have seen the figures.

Mr. Smith: The hon. Gentleman should check his figures. If he does so, he will find that the inflow of people receiving incapacity benefit has fallen by a quarter since 1997.

Mr. Willetts: The Secretary of State has made a serious mistake in raising this issue. The big problem that we face is people being trapped on incapacity benefit for longer and longer periods, and that is happening because the Secretary of State changed the rules in order to means-test incapacity benefit. As a result, if someone leaves incapacity benefit under the old rules, holds down a job for a while and goes back on to incapacity benefit, they do so on the new, means-tested basis. His changes have created a new obstacle to people leaving incapacity benefit because they are afraid that they will return to it on that new basis. We warned about that at the time, and I am afraid that the figures have borne out that warning.

Miss Anne Begg (Aberdeen, South) (Lab): How will the Conservatives' plan to abolish all new deals help people on incapacity benefit to get back into work?

Mr. Willetts: I regard the new deal for disabled people as one of the more effective new deals. We have not said that we will abolish the new deal for disabled people. However, the Government's welfare-to-work programmes simply have not delivered what the rhetoric claims. Indeed, as recently as a few days ago, yet another report showed exactly how ineffective they are. The Policy Studies Institute's evaluation of work-focused interviews for lone parents showed that less than 1 per cent. of lone parents taking part in that scheme had exited income support as a result of doing so. Page 12 of the report states that

"the introduction of Lone Parent Work Focused Interviews brought about no detectable change in exit rates from IS"—

income support—

"for eligible new or repeat claimants".

The Department for Work and Pensions' evaluations of new deal projects and compulsory interviews regularly show that many such interventions have minuscule, and occasionally even negative, effects. However, instead of learning the lessons and redesigning his policies, the Secretary of State endlessly repeats the same rhetoric. He ought to discuss with the House why, for example, many of these compulsory interview processes are simply not getting lone parents into work and improving their performance. That would be a valuable debate, in which we would be very happy to participate.

Perhaps I might ask the Secretary of State about a third issue—housing benefit. I have some sympathy with the aim of reforming housing benefit. I shall watch with interest the results of the pilot projects that have already been launched. However, it is a pity that we have heard so little from Ministers about how those pilots are

going, and I should be very grateful if the Minister for Work could say something in his wind-up about the envisaged future shape of housing benefit reform. I also wonder whether he has anything to add to what we have heard, for at least the past two years, about the piloting of schemes for standard payments. Housing benefit is crying out for reform and it is time that the Government gave us a progress report on their thinking on the subject.

I invite the Minister for Work to tell us a little about the state of Child Support Agency work. We have read reports of continuing problems with the new computer system; indeed, it was even claimed—I am not sure whether the claim was based on an accurate interpretation of what the Secretary of State said to the Select Committee—that the Government had encountered such problems with it that they might have to abandon it entirely. Will the Minister say how well the system is working and whether there is any prospect of transferring the existing case load to the new computers? We need to know whether that it feasible, and whether the Government are still committed to doing so.

I also want to ask the Secretary of State about pensions and pensioners. We are proposing to increase the value of the basic state pension because we do not want to live in a country in which more than half of all pensioners are dependent on means-tested benefits. The evidence of the low take-up of means-tested benefits shows that most people remain uncomfortable about claiming such benefits, however much the Secretary of State's Department spends on advertising them. The take-up of means-tested benefits is still shockingly low. Indeed, the Secretary of State has had the honesty to admit that council tax benefit take-up is too low, and that he wants to raise it. The take-up rate for the old minimum income guarantee was just over 70 per cent. This is not good enough. It is extremely risky for the Government to put increasing weight on means-tested benefits to try to help poor people, given that the evidence shows that it is very difficult to increase take-up, despite Ministers' best efforts.

We are proposing to help take pensioners off means-tested benefits by increasing the value of the basic state pension. That would tackle a widespread grievance among pensioners and provide a solid basis for the savings industry to sell its products to future generations of pensioners. The industry says that it cannot encourage people to save because many are worried about being caught out on means-tested benefits when they retire. Our proposal would offer a better deal for pensioners, and it would provide a better way of encouraging people to save for the future.

Mr. Bob Blizzard (Waveney) (Lab): Is the hon. Gentleman therefore telling the House that he would simply take money away from the poorest pensioners in order to redistribute it to the better-off ones?

Mr. Willetts: I am happy to reassure the hon. Gentleman that I am not saying that at all. We have no wish to abolish the pension credit—I think that the Secretary of State used that expression, although he did not attribute that wish to a particular person—but we propose to replace it over time with the state pension as it increases in value. No pensioners will lose as a result of our policies, and the poorest pensioners, who are not claiming the means-tested benefits that they are entitled to, will manifestly gain from our policies. It is very important that they get the help that they are currently not receiving.

Mr. Blizzard: Is the hon. Gentleman therefore saying that under his proposal, the pension credit would be frozen, the poorest and middle-ranking pensioners would get no uprating, and that that money would be spread among those who are not getting pension credit?

Mr. Willetts: We are not proposing to make any changes to the pension credit. We are simply proposing to increase the value of the basic state pension in line with earnings, which would gradually ensure that an increasing number of pensioners became free from means-tested benefits.

There is a crucial point on which I have previously asked the Secretary of State for clarification, and the intervention of the hon. Member for Waveney (Mr. Blizzard) gives me another opportunity to do so. It would be extremely helpful, particularly for pensioners and those who represent them, if we knew whether the Secretary of State—assuming that there is a third Labour term and he is re-elected to office—intends to increase the value of the pension credit by earnings or by prices. When we know the answer to that question, we can put further flesh on our proposals for pensioners. But the Secretary of State has never told this House that he is committed to increasing the pension credit by earnings in the next Parliament. Again, I invite him to the Dispatch Box, should he wish to give that assurance today. He seems unable to give it, and our assurance in respect of an earnings link for all pensioners and the basic state pension is a manifest improvement on anything that pensioners have received through the previous proposals of either of the two main parties.

The Secretary of State has again failed to take the opportunity to tell us that he is going to increase the pension credit by earnings in the next Parliament. If he will not do so, it is absolutely clear—*[Interruption.]* A Labour Member shouts "cop-out" from a sedentary position, but the cop-out is the Secretary of State's. The cop-out is that of a Government who still will not tell us what their intentions are for the pension credit in the next Parliament. However, we have set out our proposals for the basic state pension.

Sir John Butterfill (Bournemouth, West) (Con): Does my hon. Friend agree that one of the problems—it is particularly apparent in my constituency—is that many of the people who are entitled to benefits do not claim them because they have no experience of doing so? Many of those who are in the most deprived state are widows who have no experience of claiming benefits. Not only are they intimidated by the paperwork that they must complete—it is very intimidating, as anyone who examines it will see—they are too proud to claim and feel that they should not do so. However, others who have claimed various benefits virtually throughout their lives find it much easier to do so. It is that first group who often constitute the very poorest in our society.

Mr. Willetts: My hon. Friend is absolutely right. Although I do not have the figures to hand, this is an

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important aspect of the council tax problem with which the Government are wrestling. The evidence of the take-up of council tax benefit among owner-occupiers—they have probably not been on income support or the minimum income guarantee in the past—is, from memory, about 30 per cent. I would be happy if Ministers want to intervene to correct me, but the take-up is very low among people who have not previously claimed any means-tested benefits. That is why there is such a problem with council tax at the moment.

Mr. McLoughlin: Do not the Government send out mixed messages when they say that they are trying to target help on the most vulnerable rather than give general increases, yet they have granted a general increase in heating allowances to every pensioner irrespective of income and a free TV licence to people over 75? They cannot argue both ways and claim that they are targeting help on the most vulnerable when they give out extra benefits across the board.

Mr. Willetts: My hon. Friend makes a good point. As I hear the different arguments from Ministers about why the winter fuel allowance is right for everyone; why older pensioners who tended to be poorer should be helped by a free TV licence for over-75s; and why means-tested benefits are also important, I detect completely different arguments in different contexts for different benefits.

Mr. Andrew Smith: For the sake of clarity, is the hon. Gentleman seriously proposing that a Conservative Administration would have no means-tested benefits?

Mr. Willetts: Conservatives are realists. I am a realist and I know that there will always be some means-testing. What we object to is the Chancellor of the Exchequer putting more and more people on means tests, when that should be a necessary but modest part of the benefits system. Means-testing should not be a central part of the Government's policy for tackling poverty and improving living standards. Under the present Government, what has happened—contrary to what the Chancellor said in opposition—is that we have become increasingly dependent on means-tested benefits as the Government's way of trying to help people, but they are simply not working. With more than half of all our pensioners on means-tested benefits, this is not the sort of country in which I wish to live.

Mr. Blizzard *rose—*

Kevin Brennan (Cardiff, West) (Lab) *rose—*

Mr. Willetts: I have already accepted two interventions from the hon. Member for Waveney, so I give way to the hon. Member for Cardiff, West (Kevin Brennan).

Kevin Brennan: If I understand correctly, the Conservative party proposes to reduce the proportion of gross domestic product spent by central Government, and in doing so to ring-fence the amount spent on education and health. So how will the hon. Gentleman pay for his pension funds?

Mr. Willetts: My right hon. Friend the shadow Chancellor made it clear in his authoritative statement the other day that his public expenditure proposals include our plan to increase the value of the basic state pension in line with earnings rather than prices. We have set out a very carefully costed programme to be financed by a combination of offsetting savings in means-tested benefits, which will gradually be displaced, and the abolition of the new deals, particularly for young people, which are not helping. What we are proposing is a much better system than the one it will replace.

The Minister for Work (Mr. Desmond Browne): In reminding the House of what the shadow Chancellor said, will the hon. Gentleman also remind us that he said that in order to pay for the policy, a Conservative Government would have to take some "painful" decisions. Perhaps the hon. Gentleman could tell us precisely who would suffer that pain? On the new deal, can he explain the arithmetic whereby moneys are released to pay for the policy when the independent evidence shows that the new deal for young people alone saves the Exchequer a significant amount?

Mr. Willetts: The research to which the Minister refers was an extremely sloppy piece of work. [HON. MEMBERS: "Why?"] It was sloppy because it took the receipts from the windfall tax, put them all into a bank account and counted the interest earned on the unspent windfall tax receipts as one of the ways by which the Exchequer benefited from the new deal. That was a ludicrous way of assessing whether the scheme would help young people into work. That is why it is a sloppy piece of research.

We know from the National Audit Office that about 8,000 young people have been helped into work by the new deal for young people—a tiny figure in comparison with the figures that Ministers use. The new deal for young people has not been a good use of public money because most of the young people who got into work would have got into work anyway and they were doing so before the new deal came along. The fallacy of the Labour party is the claim that everyone who got into work since the arrival of the new deal for young people did so because of it. As I said, young people were getting jobs before that: 80 per cent. of young people were leaving benefits and getting into work before the arrival of the new deal for young people. That is why it is a bad deal.

Mr. Blizzard *rose—*

Mr. Willetts: I have given way several times to the hon. Gentleman and I want to move on to my final point, which is another question for the Minister for Work to deal with when he winds up the debate.

I have read the document before us, and I was rather surprised by what has happened to the administration costs of the national insurance fund. Will the Minister explain why the accounts before us—provided by the Government Actuary's Department—reveal

"a large increase in the administration costs: the final costs for 2002–03 were almost 40 per cent. higher than the provisional estimate given to us by Inland Revenue at this time last year and the current 2003–04 provisional estimate is 40 per cent. higher than that."?

Given that we are all committed to reducing the overhead costs of Government, and that Conservative Members are serious about reducing them, can the Minister explain why the Government Actuary has been caught out by two successive 40 per cent. increases in administration costs? I greatly look forward to the Minister's response and I hope that he will tackle the points that I have made in my contribution to today's debate.

2.16 pm

Paul Flynn (Newport, West) (Lab): This is an annual ritual in which social security nerds get together and speak to each other in a language that no one else in the country understands. I feel that I have to contribute for the sake of tradition.

I have a few minor quibbles against Government policy, but I am certainly against the policy of Conservative Members, who constantly amaze us with their brass neck after years of ravaging the social security system, cutting the benefits of the poorest people and 17 continuous years of salami cuts to the basic pension. I believe that we can say to the country that the Labour Government have provided the best period ever for social security benefits and imaginative changes, and that for pensioners this has been the best period in recent history, in which benefits have increased by substantial amounts.

One of my regrets about the basic state pension—I raise the old chestnut again—is the link to earnings. If the uprating had been linked to earnings, the basic state pension for a single person would be 40 per cent. higher and for a couple 65 per cent. higher than now. It is a shame that we did not do so over a period in which the Government have engineered low interest rates and a steady economy, because we could have taken on the role of linking the basic pension to earnings with very little effect on the finances.

The hon. Member for Havant (Mr. Willetts) outlined the Conservatives' policy, which seems to be to link the basic pension to earnings. I believe that that is an admirable aim, for which many hon. Members on both sides of the House have asked over many years, but the downside is that the increase in the means-tested minimum would be at the level of prices. That is an extraordinary position, and for us old lags in the business it is so reminiscent of what happened throughout the 1980s when the link was broken. It would be a return to the Thatcher Government policy of allowing pensioners on income support to fall further behind the income levels of working people each year.

Getting people off means-tested benefits is a fine aim. We all want that to happen, but the Opposition proposals would make recipients of means-tested benefits relatively poorer, year by year. That is entirely morally indefensible. The hon. Member for Havant (Mr. Willetts) has presented a programme that would be aimed at that group of poorest pensioners. It is a cynical move: the Opposition want to grab a headline by saying that they would restore the link, but they do not make it clear that the other side of the coin is that they would cut what means-tested pensioners receive. People must not be taken in by what the Opposition say on this issue.

Another old favourite topic is the state of the national insurance fund. Its administrative costs might have increased for many reasons, but the fund is one of the Government's most successful enterprises, despite this year's seemingly disastrous news. It continues to be very profitable, even though income from contributions in the current year is expected to be £31.4 billion less than the Government Actuary estimated a year ago. That may be a surprising figure, but even so the fund's income is expected to exceed expenditure by a healthy £35 million. The balance in hand at the end of the year will be nearly £27.3 billion—three times the minimum working balance recommended by the Government Actuary.

To put it another way, the fund is supposed to operate on a pay-as-you-go basis, but it has an unneeded balance of some £18 billion—money that contributors have paid to meet the current costs of benefits, but which has not been used for that purpose. A written answer from my right hon. Friend the Paymaster General on 6 February showed that the whole of that £18 billion unneeded surplus had built up since 1997.

What will happen in the coming year, 2004–05? The Government Actuary's estimates show an increase of 5.6 per cent. in the fund's income, but an increase of only 3 per cent. in its expenditure. That produces another massive surplus of £32.4 billion. By the end of the year, the accumulated balance will be £1 billion more than the Government Actuary recommends.

It is often suggested that that is not real money, and that the fund does not really exist. It certainly does exist, however: nothing could be further from the truth than to suggest that it exists in some sort of parallel financial universe. The fund does exist, and an account of its investments is presented annually to Parliament. Those investments could be realised at any time if the money were needed for the payment of pensions or other benefits.

Although the fund exists, the Treasury treats it as an undifferentiated source of Government revenue. It is obvious that, in fixing benefit rates for the coming year, no account has been taken of the almost £20 billion needlessly held in the fund, although those who contributed the money assumed that it would be used for that purpose. Neither has any account been taken of the annual loss of £2 billion suffered by the fund as a result of reductions in employers' contributions to compensate them for the climate change levy and other "green" taxes.

That sum of money is rapidly becoming forgotten. I raised the matter in the Select Committee with one of the Treasury Ministers. I said that the climate change levy and other environmental taxes are being paid by the national insurance fund, through the reduced contributions for employers. Although those taxes are necessary and beneficial, why on earth should pensioners—the major beneficiaries of the national insurance fund—be the main payers? The fact that they are doing so is extraordinary, and a distortion of the fund's proper use.

[Paul Flynn]

In another written answer on 6 February, my right hon. Friend the Paymaster General said:

"The UK national insurance scheme operates on the "pay-as-you-go" principle so that the contributions paid by people of working age fund the benefits of people who are currently claiming benefit."—[*Official Report*, 6 February 2004; Vol. 417, c. 1082W.]

That is true, as far as it goes, but it would have been more accurate to say that part of the contribution income is used to fund the benefit, and that the rest is used to help the Chancellor meet his fiscal targets. That is a long way from the original purpose of the national insurance fund, which was introduced by the last Liberal Government—some time ago.

Introducing his pre-Budget report on 10 December, my right hon. Friend the Chancellor of the Exchequer referred to the cost of restoring the earnings link. He said that

"to revert to the pre-1980 position—an earnings link with pensions—would, by the end of the period"—

that is, by 2050—

"raise deficits by 3 per cent a year just to cover this one item, with the long-term sustainability of the public finances undermined."—[*Official Report*, 10 December 2003; Vol. 415, c. 1063.]

Few people will be neurotic about the possibility of our finances being undermined by 2050. There was no mention of the fact that the basic pension is an insurance benefit, financed by contributions to the national insurance fund. If contributors are prepared to meet the cost from year to year, the sustainability of the public finances will be entirely unaffected.

What we really need is a radical review of the financing and control of the whole national insurance system, so that contributions can be seen to be used for the traditional purposes stated throughout the fund's history. In that way, account could be taken of all the principles on which the fund was based.

A paper entitled "Better Pensions" from the think-tank, Catalyst, proposed the establishment of a national insurance commission consisting largely of representatives of contributors and pensioners. Such a commission would provide a very good starting point for reform of the system.

The question of means testing has been raised already, and will probably run throughout the debate. We are told that it is no longer the means testing of old, and that we now have a new and cuddly version. That is fine, and there is some truth in that statement. People no longer have to supply details of their income on a week-to-week basis, which is a welcome change. We should also pay tribute to the unprecedentedly energetic and resourceful work of the pension services in tracing all those people who are entitled to means-tested benefits. However, the great condemnation of such benefits is that a huge number of people do not claim them.

My right hon. Friend the Secretary of State rightly referred to the poorest pensioners, but the poorest of all are those who are entitled to means-tested benefits but do not claim them. The problem has persisted under all Governments. The Government's target is to get at least 3 million households on pension credit by 2006. That will be an enormous undertaking, given that the number of pension credit households was little more than two thirds of the target figure. Ambitious as the target is, it would still leave 1.4 million pensioners not receiving the credit to which they are entitled.

It is not true that we have solved the take-up problem. We must do a great deal better in that respect, and I look forward to what my hon. Friend the Minister for Work has to say when he responds to the debate.

I turn now to the savings disincentive. The prospect of more than half the pensioner population being entitled to pension credit, not just in the short term but for the foreseeable future, poses a more fundamental problem. Those in receipt of the credit will find that its value is reduced by 40p for every £1 of income that they receive from an occupational or stakeholder pension. What sort of message will that convey to people of working age who are wondering about saving more for their retirement?

The problem is a growing one. I wonder whether those who push pension policies acknowledge that and make it clear that that is what will happen. As long as means-tested benefits exist, it will be hard to avoid the twin problems presented by low take-up and the incentive to spend rather than to save. However, we can stop the problem from spiralling out of control by keeping the gap between universal and means-tested benefits as narrow as possible, or at least by preventing it from widening. The simplest way to achieve that is to restore the earnings link, so that the basic pension rises in line with the means-tested minimum. That is a familiar plea in the House, but it is always valid.

Mr. Willetts: I invite the hon. Gentleman, who might have more success than I did, to ask the Secretary of State whether the value of means-tested benefits for pensioners will rise in line with earnings in the next Parliament, if the Government are re-elected.

Paul Flynn: I am touched by the hon. Gentleman's faith in my ability to persuade the Government. For about five years, I got up at an ungodly hour to table early-day motion 1, urging that the link between the basic pension and earnings should be restored. Despite all my endeavours and those of the 100 or so fellow Members who signed those early-day motions, I failed so to persuade the Government. It is dishonest of the Conservatives to propose a programme that clearly would relatively reduce the income of the poorest pensioners. They suggest that the basic pension should be increased by earnings, which is fine, but increasing the means-tested pension only by prices would guarantee an increase in the disparity of incomes between better-off pensioners and the poorest pensioners.

If the Government cannot state their policy today, we must not gaze into a crystal ball but study their record, which is one of fairness, generosity and innovative policies that, as a pensioner of some four years' standing, I know people of my age greatly appreciate.

2.31 pm

Mr. Steve Webb (Northavon) (LD): This annual debate affords the House the opportunity, which the Secretary of State and the spokesperson for the Conservative party took, to examine in detail benefit rates throughout the social security system and to reflect

on Government strategy. I propose to follow them in doing so, but first I want to don my anorak—having been goaded by the hon. Member for Havant (Mr. Willetts)—and refer to article 20(3) of the regulations, which is obviously a contentious subsection:

"In regulation 16(3)(a)(k) (applicable amounts) '20 per cent.' remains unchanged."

The explanatory notes state, in the context of housing benefits for pensioners:

"Article 30(3) sets the percentage by which benefit is reduced after a period in hospital".

There is a corresponding section about council tax benefit.

Will the Minister explain the Government's thinking? Following pressure from others and us, there have been some welcome concessions on benefits for people in hospital, but are such people able to pay council tax any more than those living at home? Why should anything in the regulations cut council tax support for pensioners just because they are ill? Their other bills will continue. When will that provision cut in, and what effect will it have? Do the Government have any plans to review that arrangement? I cannot see any justification for reducing that support. I give the Minister notice of that detailed point, so that he will have a chance to respond.

The Secretary of State referred to the proposal to defer a lump sum for five years, which is an interesting notion. I have no problem with the idea of new options, but I must admit to some concerns. The hon. Member for Havant queried whether that money will be disregarded for the purposes of pension credit—one of two key questions. I was dismayed that the Secretary of State was unclear, saying that the principle is that the recipient will be no better but no worse off. What will that mean in practice? A man of 65 needs to know unambiguously whether the lump sum will count towards pension credit. If it does, that will change the entire calculation and it will become excruciatingly difficult. Although a 6 per cent. gross allowance might be achieved by deferring, which would probably be subject to tax, would the individual lose all future entitlement to pension credit, or lose it only until they had run down some of their capital stock? Some existing capital stock from another source might count, whereas new capital would not. Unless that scheme is implemented simply, pensioners might be asked to make complicated calculations. The Government's record on simple implementation is not particularly strong.

I understand that that proposal has been associated with the Pensions Bill, but I am not sure whether it requires legislation. I hope that the Government will soon be a good deal clearer on how that provision will work. Presumably the typical £100 that rolls up would be taxable, so one supposes that the lump sum also would be taxable. Would it be taxable only at the basic rate—the rate at which it would probably have been taxed when it accrued—or, because the £100 would grow into a socking great sum that would take someone way into the higher rate band, would there be some special tax rate? Would a person at the age of 65 be offered £26,000, or whatever the sum is at age 70, or £26,000 gross, which turns out to be £20,000 net? If so, the individual might have achieved the same return by putting their pension into an ISA. The Government talk about simplicity in pensions but are creating something that is not nearly as simple as has been suggested.

Although some of the Government's ideas are not bad, they have been grossly overspun. The option of going without a pension for five years is not one that the masses will go for. The people to whom the Government want the scheme to appeal will predominantly be part-time workers. I do not believe that the Government have in mind people who work full time until age 70. People in good full-time jobs and on high incomes are probably well placed to sort themselves out anyway.

The Secretary of State mentioned women. The suggestion that women on modest part-time earnings would defer their pension for two or five years is far-fetched and fanciful. I hope that the Secretary of State will not oversell the proposal. We do not have a problem with people being offered new choices, provided that they are simple and will not place them at risk of making the wrong decision. I hope that the Minister will not pretend that the proposal is some sort of revolution, because most people cannot afford to do other than take their pension as soon as it becomes available.

The main national insurance benefits for non-pensioners are linked to the retail prices index, excluding housing costs—and because of real increases in rents and housing costs, the rate is lower than inflation. The money spent on schemes such as the contributory jobseeker's allowance is now pathetically small—60p per week for under-25s and 80p per week for over-25s. An unemployed 25-year-old with a good contributions record receives £55.65 a week, whereas average earnings must be approaching £400 or £500 a week. When such allowances were created, they were meant to serve as earnings-replacement benefits. If they continue to be linked to a low measure of inflation year after year, their potential for serving as earnings-replacement benefits must have disappeared long ago. Do the Government plan to permit such allowances to wither, dwindle and become an anachronism, because they cost a lot to administer—money that could be spent helping unemployed people who need support. The Government have an interest in permitting such benefits to wither, but is any systematic policy in place to re-examine the role of benefits, rather than let them die from natural causes?

The age addition for the over-80s remains at 25p. It has stayed at that level for nearly a quarter of a century. Five shillings was once a lot of money, but it is not today. There is a fundamental difference between the Government and us over the potential for using that money to reach the most needy pensioners. There is some common ground between the official Opposition and us in respect of persons who do not receive pension credit, the majority of whom are elderly pensioners. The Government have missed the opportunity to do something with the age addition, rather than let it wither. The length of the regulations is testimony to the complexity of the entire system, which contains all sorts of bits and pieces that do not do what they were originally designed to do but that nobody will sort out. One occasionally wishes that, instead of producing the same document setting the figure at 1.8 per cent. practically every year, someone would take a strategic look at the system rather than let it drift on with bits falling into disrepair. The social security system is like a house that nobody has lived in for many years—things are gathering dust because they have always been there.

[Mr. Steve Webb]

I want briefly to raise three strategic issues. First, we have not touched on the transfer responsibility for poor families with children from the social security system to the tax credits system. When I first saw the regulation, I rang the Library and asked whether there had been a typing mistake because the rate for children is £42.27, which is a strange number that looks a bit odd. It became apparent that the figure is not actually a social security rate; it is a tax credit rate per year converted into a weekly amount.

Whereas last year's transition from supporting families through the social security system to supporting them with tax credits was a mess, at least the people covered by that system were generally workers who had some other source of income. This April, people who are wholly dependent on the social security system will transfer to the Inland Revenue's clutches. Most of their money will come from tax credits rather than from social security, and it is vital that the process is right. When the Department for Work and Pensions says on day one, "You are not our responsibility any more. We will give the amount for the adult, but it is over to the Revenue", the Revenue must not say, "We will get it right in July." Such families cannot be put in that position.

I asked the Paymaster General for information on the transition, and she promised the House a statement, which we have not yet heard. It is nearly March and the transition occurs in April. What is going on? Why have we heard nothing from the Government about how the transition will happen? Are low-paid families on income support confident that support for their children will seamlessly—that adverb is not often used in the context of the tax credit system—continue the day after the DWP pulls out? I hope that the Minister for Work can reassure us that he is actively ensuring that such people, for whom his Department is currently responsible, will have their welfare protected and that the transition is already being properly planned. The people involved with the dreaded computer systems that lie behind the transition say that they are behind schedule on the testing, and one's heart sinks at the prospect of the mayhem that might arise.

Mr. Willetts: I entirely agree with the hon. Gentleman's concerns. Does he agree that although we have been told that the new system is seamless, unemployed families will find themselves dealing with two different agencies and trying to receive money from two completely different sources? It is absurd to regard the transition as simplifying the system for adults who will continue to receive benefits or for children who will need help from the Inland Revenue or tax credits.

Mr. Webb: I sympathise with that point, because I have tried to help constituents to sort out their child tax credits. The system has been running for nine or 10 months only, and my constituents raise concerns such as "My partner changed hours in July" and "I did some overtime in October". Such reporting and record keeping will be part of daily life for families across the land. Again, I am worried that the Inland Revenue is not geared up to act quickly. For all the failings of the benefit system, it was pretty good at responding quickly to emergencies. The Revenue must adopt that culture, and it must adopt it quickly. I am seriously concerned about the matter. Although it will by and large be the Treasury's problem after April, I hope that the DWP is throwing its weight around behind the scenes because I fear the worst. I am not scaremongering because last year we saw what can happen when the system goes wrong. The people affected last year had some income, but the folk whom we are discussing are wholly dependent on this money, so I hope that lessons have been learned.

Secondly, the hon. Members for Havant and for Newport, West (Paul Flynn) touched on the national insurance fund, and I want to pursue the issue of the report on the regulations. Appendix 7 compares the outturn for 2003–04 with the estimate made one year ago. The hon. Member for Havant raised the issue of administration costs, which I want to pursue. One year ago, it was forecast that it would cost about £1 billion to administer the national insurance system, but the outturn is £1.75 billion. In one year, the estimated cost of administration has gone up by £750 million, and a footnote lists two sources for that increase.

There has been a to-ing and fro-ing of funds between the national insurance system and the rest of the DWP. How can one work out how much it costs the DWP to administer its bit of the national insurance system? One must stick one's finger in the air and pick a figure, so the grey area surrounding that figure and the possible end of year adjustments is understandable.

The second reason is interesting:

"a one-off payment was made to the Welfare Modernisation Fund."

That sounds suspicious, so I tabled a written question to find out the size of the payment. The explanatory note does not state the size of the payments, which seems odd given that we are discussing £750 million. It would be reasonable to break that figure down, but that has not happened. The written answer was not helpful, apart from giving me a slight sense that the Department sees the national insurance fund as a cash cow, which is the point made by the hon. Member for Newport, West.

The DWP cannot get rid of the blessed money because it does not want to put it into national insurance benefits, but it can have £750 million for departmental running costs, which is a clever trick if one can pull it off. Once again, the House's scrutiny of the expenditure of such vast sums of money is pathetic, and I take as much responsibility for that as anyone else. I hope that the Minister will tell us more about the £750,000 in his winding-up speech because it is not small change—one could build the dome for such a sum. What is the scrutiny process? I hesitate to say that £750 million has been pilfered from the national insurance fund, but there has been sleight of hand at the very least.

Thirdly, I shall discuss take-up. The benefits are great for people who get them, but they are less great for those who do not. We have heard that council tax benefit is the least well taken-up means-tested benefit—I used to make that kind of comment at dinner parties just to keep the conversation going, but now it is received wisdom. More than 1 million pensioners are not claiming their council tax benefit.

The hon. Member for Bournemouth, West (Sir John Butterfill), who chairs the all-party group on occupational pensions, is no longer in his place, but he

pointed out a particular issue for owner-occupiers in an earlier intervention. Three quarters of the pensioners who do not take up their council tax benefit are owner-occupiers. Because they have reached the age to draw their pensions—perhaps they draw a bit of company pension as well—they are not used to claiming benefits and do not think that it has anything to do with them.

We are now seeing the political consequences of people not claiming the council tax benefit to which they are entitled. More than 1 million pensioners find it so hard to pay their council tax that the system puts something in place to support them, but they do not receive the help. The political point is that pensioners who claim their council tax benefit once are insulated from any future increase in council tax, which is slightly odd. In other words, the system works out what people can afford to chip in regardless of actual council tax—for example, the system might say that someone can contribute £5 a week regardless of increases in council tax. If council tax goes on rising at a far greater rate than inflation, all those people will be insulated. There is a huge political reward for the Government if they can get such people on council tax benefit.

Every year I ask the Government why they do not use the income information that they already collect? Hundreds of thousands of pensioners supply the Government with every single bit of information that the Government need to work out council tax benefit because they are claiming pension credit or housing benefit. That does not apply to owner-occupiers, but it still includes more than 333,000 people. Every year, I am told that there is a pilot, scheme or advertising campaign. We heard about another advertising campaign this afternoon—whoopee! The Government have not addressed the structural problem for seven years. I know that there have been pilots, but I simply cannot understand why the Government are not just doing it. What is the problem? Will the Minister tell us why the Government do not regard a claim for pension credit as a claim for council tax benefit? Why do they not regard a claim for housing benefit as a claim for council tax benefit? If they did so, at least 333,000 pensioners would get the money to which they are entitled. The matter is not difficult and I do not understand the problem.

The system is fiendishly complicated and is becoming more so with every passing year. Any hon. Member who understands the child tax credit and working tax credit systems deserves enormous credit. The people who need the system most are not being helped because it is so complicated and they do not make claims. The transition from one scheme to another could leave far too many people in the lurch. The benefits may be all very well for those who receive them, but far too many people fail to receive them.

2.49 pm

Mr. Clive Soley (Ealing, Acton and Shepherd's Bush) (Lab): I wish to make two brief points and one slightly longer one. First, I agree with my hon. Friend the Member for Newport, West (Paul Flynn), who made the point in an intervention that the definition of poverty needs to be refined. It is absurd that an increase in the number of millionaires leads to an increase in the percentage of people in poverty without anybody getting any worse off. That is a statistical problem that needs to be addressed.

My second point is addressed to the hon. Member for Havant (Mr. Willetts). The sentiment was expressed more eloquently in this House many years ago, but we do not need to look in a crystal ball to see what the Tory party would do: we need only look in the history books. Of course, the Tories cut the link with earnings for pensioners, and thus did more to keep pensioners in poverty than any other party in the 20th century. That is not anything to be proud of.

My third point concerns the fear of poverty and the presentation of it in the press, and it is related to the intervention I made earlier about the lady who was allegedly about to go to prison because she could not afford to pay the council tax. I thought that that story was wrong as soon as I saw it, because the press claimed that she received only £312 a month in pension. I do not know who her MP is and I make no criticism, because we can all let things slip by, but my immediate reaction was that if she had been my constituent I would have tried to find out why she was receiving so little when she would be entitled to at least £400 a month, if not more. In any event, she should probably not pay the council tax or should receive a significant rebate, unless she had substantial savings.

Editors and sub-editors should know, given that many junior reporters will know, that someone on such a low income would normally get benefits. In other words, someone should have recognised that the story was seriously wrong. The hon. Member for Havant appeared to misunderstand me—and if he consults *Hansard*, he will see why—when he suggested that I was criticising the lady involved. In fact, in some ways, I made her point for her. She objected to the use of her council tax to fund a part of the European Union regional government structure. I make no criticism either of the United Kingdom Independence party or of Max Clifford. All three co-operated on a legitimate campaigning point, although the lady was unwise to say that she would go to prison for the cause.

I do, however, strongly object to the press using the story to present the lady as being in poverty, and that is related to my wider point about the fear of poverty among pensioners. One result of the story was that people sent cheques to the local authority to pay the lady's council tax bill—I do not know what the local authority will do with the cheques that were paid anonymously—but she was trying to make a political point. She said that she was prepared to go to jail because she objected to one aspect—or perhaps the whole—of the European Union, but she was not making a point about poverty.

I remember that in 1997, when this Government were elected, some pensioners—especially women who had not paid any contributions during their working life—received only some £60 a week. That quickly went up to more than £90 a week and then to more than £100 a week, but—as ever with means-tested benefits—the problem was getting the message over. Some people did not receive the full amount and it was necessary to draw their entitlement to their attention. That is why I think the newspapers could have made a good story out of the lady's example. They could have said, "Look: pensioners who are getting only this amount need to put in a claim, either for council tax rebate or exemption, or for the increased pension that they are owed." The newspapers did not do that, and that was unfair of them.

[Mr. Clive Soley]

Paul Dacre, the editor of the *Daily Mail*, who was very keen on the story, awarded himself £80 million a couple of years ago and presumably does not have to worry too much about paying the council tax. He will probably also accept his state pension in the normal way. I would have been more impressed if he had used his power, knowledge, position and influence to draw to the attention of pensioners their entitlement to those allowances. That would have been a good story and one that the papers could have been proud of.

Pensioners are not a timid group as a whole, but there are some timid people among them. However, the fear of the means test is no longer the main issue. It has a terrible reputation from the period of mass unemployment in the 1930s, but it no longer holds the same terrors. I do not claim that it is easy or has no problems associated with it, because it has, but I have noticed that pensioners who are entitled to council tax rebates or exemptions do not claim them. They assume that they have to pay the council tax whatever their income. The headlines in the press said that the lady in question had to pay or go to jail, so it is not surprising that some pensioners are fooled into believing that if they do not pay they will go to jail. It is irresponsible of the press to use such stories to scare people. We should have no illusions about it: that is what they are trying to do. I do not mind the press making political points, but they should not use vulnerable people to do so.

My ministerial colleagues are doing a good job on pension and benefit issues, but we must get over to people—the hon. Member for Northavon (Mr. Webb) also made this point—the fact that council tax exemptions and benefits are available. It is important to get that across to pensioners, because they are most affected by it. The newspapers could help in doing that. If they had used the story last week to get the message over, there would be many people feeling more comfortable and being slightly better off as a result. Instead, a person who set out on a road out of principle has had it turned into something else and, at the same time, others will have been made fearful about the dangers of going to prison if they do not pay their council tax.

2.57 pm

Mr. Nigel Waterson (Eastbourne) (Con): It is a pleasure to be able to take part in this short but high-quality debate on the uprating orders. We have heard some interesting contributions—not least, the one from the hon. Member for Ealing, Acton and Shepherd's Bush (Mr. Soley). I always think of his constituency as including part of Hammersmith, having been chairman of the Hammersmith Conservatives many years ago and failing miserably to unseat him, to his no doubt considerable relief.

We started the debate with an orgy of self-congratulation from the Secretary of State about the benefits situation. As the debate has worn on, however, some of the gilt has come off the gingerbread. The Government now spend £125 billion a year on benefits and tax credits. Are they spending all that wisely, sensibly and effectively? Certainly not.

I turn first to the issue of means-tested benefits, especially council tax benefits, as that subject arises naturally from the previous speech. We know that council tax benefits have the lowest take-up rate and we know the reasons. I shall not repeat the good points that have already been made about that aspect of the debate. We also know the problems that have been caused by the recent shift in grant allocation from the south of the country to the north and midlands. We have also had endless debate about the case of the elderly lady, and I shall not dwell on it at any greater length. The hon. Member for Ealing, Acton and Shepherd's Bush has made his points.

As the Secretary of State recognised, however, there is a major problem in getting to claim that particular means-tested benefit. Within that problem is the even bigger problem of owner-occupiers; the hon. Member for Northavon (Mr. Webb) touched on that important point. All too often in recent times, retired owner-occupiers, with major difficulties in making ends meet, have been faced with gigantic increases in their council tax and are either unable or unwilling to claim council tax benefit—in many cases, simply from ignorance that it even exists or that it would apply to them if they asked for it. I welcome the Government's publicity campaign, but that very campaign underlines the immutable problem with all means-tested benefits: there will always be a lack of take-up of those benefits, no matter how much any Government spend on advertising, television or writing to people.

In my constituency last year, there was a 38 per cent. increase in the council tax element generated by Eastbourne borough council—the fourth highest in the country. The hon. Member for Northavon would be disappointed if I did not remind the House that Eastbourne is a Liberal Democrat-controlled authority. Locally, the Liberal Democrats are running their "Ax the tax" campaign, which is rather like a serial killer pleading, "Please stop me before I do it again". However, in reality, the fact remains that many vulnerable elderly people, who have limited resources and have great problems in making ends meet, do not claim their full entitlement.

I shall return to means-tested benefits in a moment, but first I want to touch on the issue of economic inactivity on which there was some dispute between the Secretary of State and my hon. Friend the Member for Havant (Mr. Willetts). There is a growing and worrying problem, which David Smith set out well in an article in *The Sunday Times* only a couple of days ago. He said that, yes, the headline figures for employment look pretty good, on the face of it. Indeed, only the other day, the Minister for Work, who will be winding up the debate, was quick to issue a press release taking credit for what seemed to be relatively rosy figures, but as the article in *The Sunday Times* says—

Mr. Browne: Will the hon. Gentleman give way?

Mr. Waterson: Yes, although I should have liked to finish my point.

Mr. Browne: I am grateful to the hon. Gentleman for giving way in mid sentence, but it is important that he inform the House of two things. First, the press release was issued in response to the monthly labour market figures published not by my Department but by the

Office for National Statistics. Every month from time immemorial, every Minister who has had my responsibilities has issued a press release on those figures, although they have not always been able to welcome the good news that I have been able to welcome so consistently. Secondly, the hon. Gentleman should have informed the House of the fact that I drew attention in that very press release to inactivity. Indeed, I have done so in almost every public statement that I have made as Minister for Work.

Mr. Waterson: That is a helpful intervention. I was certainly not criticising the Minister for putting out a press release; that is one of the things that Ministers do. On the Minister's second point, I am delighted that the penny has begun to drop for Ministers and the Department and that they realise that there is a massive hidden problem—

Mr. Browne *rose*—

Mr. Waterson: May I get to the end of this sentence? *[Interruption.]* Very well, I give way.

Mr. Browne: I do not know where the hon. Gentleman has been over the life of the Labour Government, but, if he does not already have them, I shall send him the documents we have published on the development of our policies to tackle inactivity. He must surely know about the "Pathways to Work" Green Paper, published about two years ago, and about the pilots which have already taken place, and which will be taking place shortly across 10 per cent. of the country.

Mr. Waterson: In a sense, this argument is the wrong way round. The Minister was obviously so incensed by some of the comments made by my hon. Friend the Member for Havant and endorsed by *The Sunday Times* that he took the trouble of writing to my hon. Friend on 9 February to complain about the figures on which my hon. Friend has been relying, which I shall cite in a moment. The Minister cannot have it both ways. He cannot agree with what I have yet to say on the subject on the one hand while on the other violently disagreeing—albeit with his usual courtesy—with my hon. Friend in writing earlier this month. Or are there two Ministers of the same name prowling the corridors of the Department for Work and Pensions? *[Interruption.]* The Minister says that he can have it both ways. Perhaps he can—at least for the next 15 months.

May I now make the point with which the Minister so violently disagreed before I could make it? *The Sunday Times* article states:

"A record 7.85m people of working age are economically inactive, 2.1m of whom say they want a job."

David Smith draws particular attention to men aged between 25 and 35—a point that my hon. Friend the Member for Havant has made more than once. One would expect that in any given scenario that would be the age group of young men who were most likely to reach full employment, yet the article notes:

"employment in this age group has dropped by nearly a quarter of a million to 3.4m over the past two years."

There are various possible explanations for that. My hon. Friend has talked about the "lost generation" of more than 1 million young people without jobs or proper education and training. That throws into stark contrast the headline figures comparing our rates of youth unemployment with those in countries such as Germany—*[Interruption.]* I can see that the Minister is gearing himself up for another intervention.

The youth unemployment rate in Britain is actually 12.3 per cent. compared with 10 per cent. in Germany. Is this a convenient moment for me to give way to the Minister?

Mr. Browne: No, carry on.

Mr. Waterson: The Minister is rustling his papers furiously.

My hon. Friend the Member for Havant has also drawn attention—in a pamphlet—to a further issue: jobs in public administration, education and health that is, public sector employment—rose by 153,000 last year and that self-employment has risen by 294,000. There are two ways of looking at those figures. Self-employment is a good thing, because people are being entrepreneurial and running their own business; but there is also the problem of involuntary self-employment—people who have been made redundant or have lost their job and been forced to set up on their own to make ends meet.

It is, however, abundantly clear that there has been a significant drop in mainstream private sector employment. No less a person than John Humphrys put that point to the Chancellor on the "Today" programme recently, although the Chancellor flatly denied it.

At the end of David Smith's article he makes a fair judgment of the Government. He states:

"Full employment remains an ambition, not an achievement".

Mr. Browne: I am grateful to the hon. Gentleman for his generosity in giving way again. I read with interest the article to which he refers. If he quoted it all, he would be able to tell the House that the author gave the Government considerable credit for their achievements in reducing unemployment.

The issue is serious and important and we need to debate it, but the hon. Gentleman ought not to distort or misrepresent the figures. That was why I wrote to the hon. Member for Havant on 9 February. In fact, more than 1 million of the 1.7 million extra jobs in the United Kingdom today compared with 1997 are shown to be in the private sector.

Mr. Waterson: I shall not go back over the article or the pamphlet written by my hon. Friend the Member for Havant, but it seems clear that the current figures for increasing employment relate to the public sector and that the rate for the private sector is not increasing but falling back.

Another point that my hon. Friend rebutted in his response to the Minister's letter is that if we add the number of young people who are not in full-time education to the number of those who are economically inactive, the sum total is well over a million young people, which is a great worry. In fairness, the Minister has accepted that the issue is serious—*[Interruption.]*—as he repeats from a sedentary position. That is a further example to show that the headline figures on which the Government so often rely are only part of the story.

[Mr. Waterson]

I come now to the new deal, particularly the new deal for young people. The Minister may remember that, on 17 November, he described the new deal for young people as a "great success"—no, doubt, when taking a break between sending out press releases in similar terms—but recent figures show that only 35 per cent. of all those starting employment under that new deal have entered unsubsidised jobs. As I have said, there are still well over 1 million young people who are either economically inactive or unemployed. Only 17 per cent. of those starting employment under the new deal for over-25s entered sustained, unsubsidised jobs.

My hon. Friend the Member for Havant touched on the new deal for disabled people. However, there seems to be some misinformation among Labour Members, so let me take this opportunity to make it absolutely clear that abolishing that new deal is not part of our policy, nor part of our savings to restore the earnings link, because that new deal has been relatively successful. A great deal has been spent on the other new deals to much less effect, but there is still a persistent figure of 1 million or so people with disabilities who, when asked, say that they would like to gain or return to employment.

Again, we can agree that that is a serious problem, but I urge Ministers to consider the point that my hon. Friend made so eloquently in his opening speech: there are artificial barriers—we have debated them in the past—to people returning to work. Of course, one of the main barriers, if not the main one, is simply the introduction of the means-tested benefit, whereby people feel that, if they get a job which, for any number of reasons, does not work out, they will be in a more disadvantageous position than they would otherwise have been. I urge the Minister to take that point seriously.

Mr. Webb: The hon. Gentleman makes a distinction between the new deal for disabled people, to which he is broadly sympathetic, and the other new deals, which he wants to scrap. What is different about the new deal for disabled people? Why does he want to keep that new deal and get rid of the others?

Mr. Waterson: I have made the point that the new deal for disabled people has been relatively—I stress that word—more successful. Although vast amounts more are spent on the other new deals, a significant proportion of those involved in the new deal for disabled people have been helped back into work. About 6.6 per cent. of participants in that new deal have found sustained employment under the scheme. Of course, that is nothing like enough—I concede that immediately—but it is at least something. Given the fact that those people have particular disadvantages, we have concluded that we would keep that new deal in more or less its current form for the foreseeable future.

Mr. Browne: I am extremely grateful to the hon. Gentleman for giving way again. On the disincentive effect of the requirement to recalculate benefits for disabled people who move into work, I was interested to hear the hon. Member for Havant developing that thesis during his speech, but I am certain that the reality does not sustain his thesis. The reality is that, for 52 weeks or up to two years, those who enter work through the new deal for disabled people will almost always be guaranteed to return to the same rate of benefit, because of the linking rules, if they lose their job.

Mr. Waterson: If the Minister is right, perhaps this is a matter of perception, but at the end of the day, the means-tested benefit is one of a number of artificial barriers to disabled people returning to work. I have not gone away and dreamt that up in a darkened room; it has been put to me by disabled people and groups that represent them. There is a major, perceived disincentive, but if the Minister is right, perhaps he and the Department should do more to make such things clear to those groups.

I shall now move on to the final issue on the uprating of benefits that I wanted to touch on: child poverty and the Child Support Agency. The Secretary of State for Work and Pensions has conceded more than once—he certainly did so when I last raised the issue back in December, and he has not tried to tap-dance round the problem—that there is a major difficulty with the computer system, with the migration of the 1.1 million old cases to the new system and with the date at which it will work properly. This is not some anorak, techie issue. A very large proportion of the people involved in those 1.1 million cases could be significantly better off on the new formula. Many of those families have modest means and are in vulnerable situations. So there is a real injustice, not least because there is no suggestion that they should be compensated ex post facto when they finally get on to the new system. Again, those vulnerable, poorer people's cash flow is being used to subsidise the Government, which is wholly unacceptable.

The initials EDS inevitably rear their head. When the Secretary of State gave evidence on this subject, he made the point that "significant payments" due to EDS had been withheld. Clearly, there is a major problem. Among other things, he said:

> "We have been assured there is a recovery programme in place and that the system is retrievable—in other words, it can be made to work properly rather than needing to be scrapped."

However, when pressed, he also conceded that

> "it might have to be abandoned."

He went on to say:

> "When you have been through the sort of experience . . . you ask some hard questions about whether it really can be made to work."

So let me ask one of those hard questions again today, for the Minister to cover in his winding-up speech.

Are the Ministers in the Department for Work and Pensions now confident about the long-term future of EDS's involvement in that project? Do they believe that the system is retrievable, or that it needs to be scrapped? I am happy to take an intervention to deal with that point—now or later, whichever is more convenient. I gather that the Minister has wisely decided to deal with it later.

I shall just touch on child poverty because my hon. Friend the Member for Havant went into that issue in some depth in dealing with the clash with the tax credit system. We all know about the problems that our constituents faced when the system was introduced and the hon. Member for Northavon eloquently dealt with

the major unfairness involved, but there were two thunderous silences in the Secretary of State's speech. I shall come to the other in a moment, but the first occurred when he was pressed by my hon. Friend on that issue. Having reflected on that and having received inspiration from officials, the Minister may feel able to deal with that point in responding to the debate.

This is the bit where I put on my anorak—although little used—as I want to refer to the Government Actuary's Department document, Command Paper 6117, which accompanies the helpful bundle of papers on the uprating order. In my eternal attempt to be helpful, I remind the Minister of the point that has been made by my hon. Friend the Member for Havant and the hon. Member for Northavon about the apparent 40 per cent. jump in administration costs for 2002–03, and the fact that the estimate for 2003–04 is 40 per cent. higher even than that. We just want to know why.

I wish to make two other points about Command Paper 6117. First, according to the document, contribution receipts are up 5.5 per cent.—from £59 billion to £62.2 billion—but benefits, including uprating, are up only 3.9 per cent. Is that not an example of another stealth tax in operation? Finally on that document, the Government Actuary says:

"There is still uncertainly about the effect of contracting out on the financial position of the National Insurance Fund."

I think I am right in saying, although I was not in this august position last year, that that issue was raised in this very debate a year ago. The Government actuary says that he thought a year ago that we would have the information by now, but that does not seem to be the case. The last reliable data on the numbers contracting out relate to 1998–99—five years ago—and the only data on the ages of those contracted out date from 1995. Can the Minister explain that massive lacuna, and does he agree that the lack of data on contracting out means that policy making is being conducted in a vacuum?

May I touch briefly and separately on the pension uprating order? Means-testing is at the heart of all such debates—we will no doubt come on to it again in the Opposition-day debate later. The Conservative party fundamentally believes that growing means-testing is not only wrong and bad for society and the individuals involved but deters help from getting to those who most need help. We debate the roll-out of the pension credit endlessly in the House, but even after all the advertising, letters, home visits and surgeries, only about half of those who are entitled claim the credit. The Department's target—to use the word used by the Minister—means that 1.4 million people will never get round to claiming pension credit.

The second thunderous silence during the Secretary of State's speech came when he was pressed on his party's future plans to link pension credit either to earnings or to prices. The Government seem unable or unwilling to answer that enormously important question. Thus, our argument is that the only fair and sensible way of dealing with the problems, as set out by the hon. Member for Newport, West (Paul Flynn), is to restore the link with earnings. I know that we must be on strong ground because a range of older people's organisations and organisations such as the TUC support our policy.

Mr. Jim Cunningham: I must say that I find it strange that the Opposition now argue for the restoration of the link for pensions, given that they abolished it in the first place. Why the conversion?

Mr. Waterson: Talk about looking a gift horse in the mouth! The landscape in 1980 was different from that of today for all sorts of reasons. Why does the hon. Gentleman take umbrage with a proposal for which organisations have been calling for years and which is, in truth, what most Labour Members want? It can only be because it is a Conservative party policy.

Mr. Browne: May I bring the hon. Gentleman slightly more up to date? His colleague the hon. Member for Havant said only three years ago that restoring the earnings link would be

"a wild and uncosted policy"—[*Official Report*, 8 June 2000; Vol. 351, c. 440.]

Mr. Waterson: Let me then register the profound gratitude of Conservative Members to the Chancellor of the Exchequer, because no less a person than he has made the policy possible; first, by squandering, in many cases, so much money on the new deal and, secondly, by introducing the pension credit. As I have tried to explain—my hon. Friend the Member for Havant explained it better than I ever could—the answer is not to keep increasing the proportion of pensioners on means-tested benefits. We all know the horrific projections about the latter part of this century, but the proportion of pensioners on means-tested benefits is already approaching 60 per cent. That is wrong as a matter of principle, and it is also an extraordinarily inefficient way of delivering help to the poorest pensioners.

Mr. Frank Field (Birkenhead) (Lab): Why are the Opposition being so gentle on the Government on that point? The Government cannot maintain the policy. Does the hon. Gentleman recall that the introductory papers on pension credit showed that its final roll-out would put 11p on the standard rate of tax? None of us wants to go into an election with policies that advocate raising income tax by 11p, so at some stage the measure will be scrapped. It is thus proper to discuss the alternatives.

Mr. Waterson: I am grateful to the right hon. Gentleman for his measured and sensible contribution—as usual. As my hon. Friend the Member for Havant and I have explained, it is not our policy to scrap the pension credit. Our policy is that it should wither on the vine as the state retirement pension rises to a proper level that is linked with earnings. That is important not only for the purposes of this narrow debate, but for the wider debate that we will have—especially during our consideration of the Pensions Bill—on whether there is a proper and appropriate platform for people who want to make further provision of their own for their retirement.

Mr. Jim Cunningham: I was not arguing against the link in any way during my last intervention—I am

[Mr. Jim Cunningham]

probably one of the few people here who support the link. I was saying that the Opposition's U-turn after two or three years is strange, in that they have undergone a great conversion on means tests. They are suddenly against them and want to restore the pension link, yet they introduced more means tests than anyone. To get some credibility, they owe us an explanation of their alternative policy.

Mr. Waterson: I thought that I was explaining our alternative, which is to restore the earnings link. If the hon. Gentleman wants to check the figures, an excellent pamphlet published by my hon. Friend the Member for Havant sets out exactly and clearly how our policy would be financed.

Of course, the pension credit changes everything. It would have been more difficult for us to do this U-turn, as the hon. Gentleman describes it, and produce the new policy if it were not for the pension credit. The pension credit rams home the message that it is the Government's firm intention to increase inexorably, year on year, the proportion of the population, especially older people, who are reliant on handouts from the state—it is as simple as that.

There is a further side issue to the point that I made about the platform for people's retirement provision: the amount that people must save during their working lives to be sure that they will not be subject to means-tested benefits. We produced an independently researched figure of £180,000. Ministers take every opportunity to rubbish it and say that it cannot be right, but—another thunderous silence—they have consistently failed to tell us their figure. Sooner or later, they will have to tell the financial services industry because it will want to be sure that it will not mis-sell products in years to come to people who will actually end up being the losers because they will miss out on means-tested benefits.

A fundamental issue underlies those points. The Government's policies create a massive disincentive to save for retirement. Their policies on pension credit and other means-tested benefits fatally undermine anything that they are trying to achieve through the Pensions Bill and other measures.

Sir John Butterfill: Has my hon. Friend heard that it has been estimated that an individual would need a savings pot of about £180,000 to avoid going into pension credit?

Mr. Waterson: That is exactly the figure that we have put into the public domain. Before I sit down and give the Minister every opportunity to respond to all these detailed points—he will have plenty of time—I put a question to him: if he does not accept the figure of £180,000, what is the Government's figure? They must have a figure for internal planning purposes, but they are unwilling to share it with us at the moment. May we know what that figure is?

3.29 pm

The Minister for Work (Mr. Desmond Browne): I thank hon. Members who have contributed to the debate, in preparation for which, in the absence of any anorak in my wardrobe, I took the opportunity to reread the reports of the equivalent uprating debates for the last three years: I may qualify for an anorak now. Consistent with the tenor and content of those years, this has been a useful and interesting debate, and I am happy to admit that it has been educational to some degree for me, for I never fail to pick up something in debates about social security and related issues. While I do not bring the skills of an anorak to debates of this sort, I try to bring other skills to them and hope to contribute in that way.

It is my intention, so far as time permits, to answer the relevant points that have been made, but first I think I should make some key general points that set the context for the debate and which bear some repeating.

First, as my right hon. Friend the Secretary of State made clear in the early part of his opening speech, the estimated cost of uprating for 2004-05 is £2 billion. That extra Government spending means £1.2 billion for pensioners, £340 million for disabled people and carers, £360 million for people of working age and £240 million for children.

As my hon. Friend the Member for Newport, West (Paul Flynn) pointed out, this Labour Government have been able year on year to cut the costs of economic and social failure. As my right hon. Friend made clear, with record employment levels we have £5 billion of savings that can be invested to tackle poverty. We have been able to do that by a combination of sound economic management and policies to increase employment, key subjects on which the dogs did not bark among those on the Opposition Benches who are keen to point out in some detail some of the issues that those on our Front Bench did not respond to. The combination to which I referred is why we are able to reverse the legacy of pensioner poverty and why we have made significant progress towards our long-term objective of ending child poverty within a generation and halving it within 10 years. In 1997 the Tories left us at the bottom of the European child poverty league table. We have started to move up significantly, already having moved four places up that table. But we have ambitions to move further, and quickly.

I turn to some of the issues raised in the debate. I shall endeavour to answer all the relevant points, but as I may not have the detailed information to answer all of them, particularly some of the detailed points about the national insurance fund, I undertake to write to hon. Members giving detailed responses. A copy of the letters will also go to the Chair of the Work and Pensions Committee, and a copy will be put in the Library.

I listened with interest to the discussion of the hon. Member for Havant (Mr. Willetts) with himself. The hon. Member for Northavon (Mr. Webb) never ceases to stir from his chair in these circumstances. I suppose that that is the problem of the relationship of teacher and pupil on some occasions.

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Eagle): Which way round is it?

Mr. Browne: It is a sort of Protean relationship, and it changes on occasions, depending on whether they think there is a decent point or not.

In any event, I listened with interest to the discussion by the hon. Member for Havant about measures of poverty and equivalence. I am sure that we will continue

to have discussions as to whether the measure of poverty that the Department has chosen is supported by the policies emerging on tax credits. I know that we shall have debates into the future, because the hon. Member for Havant has got his teeth into the matter and he will not let go for a significant period.

The fact is that we are on course to meet or exceed our public service agreement target to reduce the number of children in low-income households by a quarter by 2004–05—of course, on a before-housing-cost basis. We could have had another discussion about that as a measure of poverty.

We are increasing the child element of child tax credit in these measures by £180 to £1,625 a year in April 2004. That is equivalent to a weekly increase of £3.50, benefiting 7.2 million children—more than half of the children in the United Kingdom. Nearly 20 million people, including 10.5 million children, are benefiting from the new tax credits. By 2004–05 total spending on financial support for children will have gone up by more than £10 billion in real terms since 1997, a rise of 72 per cent.

The national minimum wage and the working and child tax credits have made work pay, with guaranteed minimum incomes for those in employment. There are now more than 1.7 million more people in employment than there were in 1997, and around 350,000 fewer children in workless households.

There has been excellent progress on the numbers below the absolute low income threshold: around 1.8 million fewer children are below the 1996–97 measure of 60 per cent median income after housing costs threshold, held constant in real terms, and there are half a million fewer children in relative low income than in 1997, even accounting for strong income growth. That does not seem to me a bad performance for people who may well have got their measure of poverty wrong.

I turn to child support. There is understandable concern across the House about our ability to deliver the necessary reform of the system of child support. One of the great ironies is that this was one area of social policy that was consulted on extensively, and the reforms in order to improve the system attained significant support across the House and in the other place. The hon. Member for Northavon narrows his eyes at me. As long as he does not move his feet, we shall be all right. He perhaps did not agree with that; in fact, I now remember that he had another way of approaching the issue, but that is a debate for another day—or, rather, it was a debate for a past day, because the hon. Gentleman lost it. Anyway, the new scheme is simpler and will work better. The agency is now clearing thousands of cases each week.

I was asked for some information, and I shall give the information that I have. So far under the new scheme more than 100,000 cases have been cleared. Around 10,000 of the poorest families are benefiting from children maintenance premium, and maintenance has been paid in more than 17,000 cases. The poorest families are starting to benefit in real terms from the child maintenance premium: 600,000 children in the poorest families stand to gain a total of more than £150 million a year. It is certainly easier to work out liability under the new scheme, which means that more time can be spent on collecting.

Hon. Members were right to point to my right hon. Friend's candid and detailed evidence to the Select Committee on this issue less than a fortnight ago. He is entitled to credit for the fact that he answered candidly and clearly the questions put to him.

Mr. Jim Cunningham: Does my hon. Friend recall that the Opposition introduced the Child Support Agency when they were in Government? Its target was savings, and it did not necessarily go after the people it should have gone after. While we are on the Opposition's handling of pensions and payments, does my hon. Friend recall who introduced the Horizon project? We are still dealing with the aftermath of that project, which has affected our new approach to the CSA and the need to separate the wheat from the chaff.

Mr. Browne: My hon. Friend is quite right to remind the House that the motivation when the CSA was introduced was not to get benefit and support to children—the thrust of our child support policy and CSA policy—but to save money for the Exchequer. He is also right that although the system was flawed and difficult when it was introduced, part of the problem was that it changed significantly as it was developed, often in response to the demands of absent parents, who wanted it to reflect their lifestyles. It is accepted by Members on both sides of the House that the child support system that we inherited consequently allowed people, particularly absent parents, to devise a lifestyle that defeated the right of the child to be maintained. People were given advice by financial advisers about how to structure their debts or mortgage liabilities to defeat the right of their natural children to be maintained. The new method of calculation does not allow that, and it is far simpler. As I shall explain, when it works properly it will make a significant difference to the maintenance of substantial numbers of children and poor families throughout the country.

In favour of the Conservatives' introduction of child support is the fact that they moved forward significantly the debate about who had primary responsibility for maintaining natural children. I remember that when the new child support system was introduced, there was a debate about whether or not people should maintain their natural children or whether the state should pick up the cost. We no longer have such debates, and to some extent the Opposition, whatever their motives, are to be thanked for taking the issue up and moving social policy forward significantly.

To return to the functioning of the IT system, I have been asked whether I can give the House more detailed or candid information than my right hon. Friend the Secretary of State gave the Select Committee only a fortnight ago. He gave that evidence to put the record straight, and on the issue of transfer, which is the issue that, quite reasonably, exercises people, we have consistently made it clear that we will allow only those cases that are the stock of the CSA system to be transferred to the new system when we are certain that it is working properly and will not damage people's family incomes, as it would if it were not working properly. The House can rest assured that when we are satisfied that that is the case it will be told immediately, and arrangements will be made to make that transfer. If hon. Members would like more detail, I recommend that they

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read my right hon. Friend's evidence to the Select Committee when, after careful questioning, he revealed a significant amount of information. In answer to a question about whether he would contemplate cancelling the contract, he said that if things did not get any better, that would have to be considered. That is as honest as we can be—there is no point shirking our responsibilities.

Mr. Waterson: I do not want to press the Minister beyond what is appropriate in what is partly a commercial situation, but I would be grateful for clarification. Current thinking is that the migration will start in the autumn—*[Interruption.]* The Minister says that they have not said so, so I shall put it differently. Without my wishing to pursue the EDS point, does the Department have a working assumption about the date when either the migration will start or when it is minded to say that enough is enough?

Mr. Browne: I accept that the hon. Gentleman wants to get his question on the record, but he will not get an answer from me that is different from the one that he has already been given. When we are satisfied that the design and functioning of the system are robust enough to allow for migration, we will set a date for that migration. Until then, the Secretary of State, Ministers in the Department and senior officials will continue to work with the provider or contractor to ensure that they are sticking to their agreement that they will work to improve the system. I am not in a position to go into any more detail, but nothing has been kept from the House, which has been told candidly that there are difficulties with the system that are being worked on. When the work is complete and the system is robust enough to support migration, a date will be fixed for that. However, a date has not yet been fixed.

A substantial part of the speech by the hon. Member for Havant dealt with the alternative to our pensions policy—the restoration of the earnings link to pensions. It was said that he needs help to pay for that by scrapping the new deals. Indeed, it now becomes apparent that to do their sums on this policy, the Conservatives need to know whether we are committed to the uprating of pension credit by reference to wages. It is no wonder that the right hon. Member for West Dorset (Mr. Letwin) admitted that they would have to make some "painful decisions" in order to pay for their policy. I was disappointed that the hon. Member for Havant did not respond to that point. Perhaps he or the hon. Member for Eastbourne (Mr. Waterson) should do so at some time in the future, because a significant number of people out there want to know who will have to suffer the pain for that policy.

Let me deal with the reasons why we in Government think that it is the wrong policy and are not responding to the constant siren songs urging us to move in that direction. First, it is unaffordable; secondly, it is unsustainable; and thirdly, it is unfair. Although the pension credit had not yet been introduced in May 2002, the hon. Member for Havant knew full well that it was about to be. Did he have a Damascene experience in October 2003 when the pension credit appeared? It would be interesting to know why he did not anticipate that that was going to happen some time before when we discussed it in some detail and considered the White Paper and other papers that informed it.

In any event, in May 2002 the hon. Member for Havant said on "On the Record" that he opposed reintroducing the earnings link as it was "not affordable". Nothing has changed since then. Even if he took more than £200 million off pensioners in extra tax, as he would, there would be a £500 million shortfall by year 4 of a Tory Parliament.

Mr. Willetts *rose—*

Mr. Browne: Will the hon. Gentleman give me a moment? That shortfall assumes that there are savings to be made of hundreds of millions of pounds a year from scrapping the new deal programmes. I understand why he does not like the report by the National Institute of Economic and Social Research on the new deal for young people, but the evidence just from the new deal for lone parents says that it saves the Exchequer £40 million a year by getting people off benefits and into work. There are no savings to be made by scrapping the new deal, but there are significant other additional costs, as we already know from 18 years of Tory Government in which we saw growing numbers of young people in long-term unemployment.

Mr. Willetts: I am grateful to the Minister for giving way, although he did not do so as promptly as my hon. Friend the Member for Eastbourne (Mr. Waterson) did to him.

When the House debated the pension credit, I supported a reasoned amendment, which was also supported by the Liberal Democrats and by the right hon. Member for Birkenhead (Mr. Field), and which proposed that the money going into the pension credit should instead go into a higher pension for older pensioners. I continue to believe that that would have been a better way forward. We are now in a world where the pension credit has come into force, and where more than half of all pensioners will be on it. We are therefore tackling the problems of a world in which more than half of pensioners are on means-tested benefits. The question is: what is the best way forward in the world that we are now in? I think that increasing the value of the basic state pension by earnings is the best way of getting us out of the mess that has been created by the pension credit.

Mr. Browne: I am grateful to the hon. Gentleman for that, but he needs to explain why he has indulged in this significant U-turn. I have a whole page of quotations from him—[HON. MEMBERS: "Go on."] Well, I shall be persuaded, then. In 1993, he said, in relation to sustainability, that his Government had taken the crucial step of

> "Ending the link between the basic pension and earnings"

and had resisted

> "the seductive politics, but dangerous economics . . . which has bedevilled state pension arrangements in other countries."—[*Official Report*, 8 July 1993; Vol. 228, c. 516.]

No doubt those other countries did not have the pension credit at that time. He said that because, as he knows, restoring the earnings link will cost, in net terms,

£4.6 billion more by 2010; it will cost £12.4 billion more by 2020; and by 2030, the extra net cost will be £25.7 billion. That policy is unsustainable, but also unfair.

It is interesting to note that in discussing taxing pensions the hon. Gentleman does not make great play of a part of his policy, about which all pensioners should know: under the Tory plan, nothing will be done to help the poorest pensioners. They will not only fall further behind, but any increase in their basic state pension will be knocked straight off their pension credit. Not only will the poorest be worse off, but any advantage that they could anticipate will be knocked off the pension credit.

We heard today that it is the Tory party's intention to allow the pension credit to wither on the vine. That would involve another significant on-cost, and the Conservative proposal that we are considering would cost £18 billion, and £12 billion after netting off the savings from income-related benefit. It would take 14 years to achieve that. All women who are watching the policy develop should be especially afraid of it. They will fare especially badly because half of them do not get the full basic state pension. They would be seriously short-changed.

David Taylor (North-West Leicestershire) (Lab/Co-op): Does the Minister know about the recent joint campaign by the Fawcett Society and Age Concern? It points out that one in four single pensioner women already live in poverty and that methods of ameliorating that—without relinking—include reducing the lower earnings limit to allow more people access to the national insurance fund, paying pensions to all those with NI contributions, making credit for caring periods more effective and making the state second pension more useful to women. Are not they all worthwhile means of tackling pensioner poverty among the oldest women?

Mr. Browne: I am grateful for that interesting contribution. Of course, my hon. Friend knows that we have extended greater cover to women through the state second pension. We shall keep all the other matters under review.

I am conscious of the time and that some issues will be burning in the minds of those who contributed to the debate. I shall try to deal with them. If I cannot do that because of time constraints, I shall write to hon. Members, as I said earlier.

Annabelle Ewing (Perth) (SNP): Will the Minister give way?

Mr. Browne: I shall not give way to the hon. Lady, who made no contribution to the debate, although she was present for all of it. If I make some decent progress, perhaps I shall give way, but people are waiting for answers and I am happy to provide them.

The hon. Member for Northavon made the reasonable request that we should ensure continuity of payment as a priority for those who are transferring to the child tax credit. I assure him that that is our priority. He has been told that the Paymaster General will make a statement about that and its administration in due course. I assure him that there will be no withdrawal of benefits until the tax credit award is in place. All families will be informed of the transfer, and I hope that that provides sufficient reassurance.

The hon. Gentleman asked about deferring the state pension and the treatment of capital sums. He made some interesting points, but they were no more interesting than the questions that my right hon. Friend the Secretary of State was asked in an intervention when opening the debate. He said that he would make clear the way in which the sums would be treated in relation to other benefits and that the Chancellor would make a statement about the tax treatment. When a Secretary of State gives the House such information at the beginning of a debate, it is highly unlikely that a Minister of State will say anything different at the end. I therefore direct the hon. Member for Northavon to my right hon. Friend's comments.

Mr. Willetts: Consistency.

Mr. Browne: We are always consistent. Since the Government have a consistent preferential policy agenda for the poor and we consistently move older people and children out of poverty, there is a lot to be said for consistency in the context of the debate.

Let me deal with the reference to article 22(3), which relates to council tax benefits for pensioners and why the figure of 20 per cent. remains unchanged. There are two aspects to that. First, I point out to the hon. Member for Northavon that the point relates to hospital downrating. He will remember that we changed that from last October so that pensioners and others in hospital would see no reduction in pension credit, council tax benefit and other income-related benefits for a full 52 weeks.

Mr. Webb: I have already said that.

Mr. Browne: Well, some things are important to repeat. That reduction does not kick in until after that period, and the 20 per cent. level is unchanged, because that is simply the amount by which council tax benefit is reduced after 52 weeks.

Secondly—I shall have to check this and write to the hon. Gentleman on it, as I do not want to be accused of accidentally misleading the House—my understanding is that it is highly unlikely that a council tax payer could be in hospital for 52 weeks without having the opportunity to benefit from some other reduction in council tax. As I recollect them, rules relating to council tax set out that when a house is unoccupied or there is a reduction in occupation for a period, there is a right to make an application for a reduction in council tax.

Mr. Webb: Those people still have to contribute.

Mr. Browne: They might not have to contribute the whole amount, only a comparatively small amount. They might not have to contribute at all, although there probably has to be some contribution, as the 20 per cent. must relate to something, as the hon. Gentleman has pointed out. I shall check the detail.

On the housing benefit reform pilots, we are making good progress in applying local housing allowance. All nine local authorities involved have begun

[Mr. Browne]

implementation, which has been smooth to date. It is as yet too early to understand fully the response that tenants and landlords will make, and a comprehensive evaluation strategy will be put in place. Interim findings will be made early in 2005.

Several hon. Members referred to the need for the Government to encourage take-up of council tax benefit, and linked that in particular to pension credit. The Government recognise that there is more to be done. With the introduction of pension credit, almost 1.9 million pensioner households will get more help, or get help for the first time, with their council tax and rent. That is one of the significant consequential by-products of the Pension Service, which is reaching out to pensioners. As my right hon. Friend the Secretary of State said, we are launching a campaign to raise awareness of council tax benefit. As well as promotional material, we will provide guidance and advice to local authorities to help to ensure that they have procedures in place to handle inquiries about entitlement and to provide support for those making claims. The hon. Member for Northavon asked why we did not simply use the information that we have from pension credit for council tax benefit, which he said would be easy. I can assure him that it would not be easy, but would be quite complicated. That is not to suggest that the Government have not considered that possibility; we are constantly looking at ways in which we can increase take-up, and the hon. Gentleman can rest assured that we will do what we can on that.

The uprating order continues to deliver on our promises to help those who most need help. We are supporting families, and are continuing our action to tackle pensioner poverty and end child poverty. We continue to give help where it is needed most, and thanks to the increase in line with earnings of the guaranteed minimum and of pension credit from April, no single pensioner will need to live on less than £105.45 a week, or a couple on less than £160.95 a week.

Annabelle Ewing: I am grateful to the Minister for giving way, and I apologise for having missed the first 15 minutes of this interesting debate. The Minister is surely concerned about the current take-up of pension credit. Would it not be appropriate to consider putting back the October deadline for the backdating of claims, so that all those currently entitled to receive pension credit receive their full entitlement at some point?

Mr. Browne: I am grateful for the hon. Lady's contribution, although it comes late in the debate. However, I should point out to her that we are not disappointed with take-up. The take-up process is moving very well. As we have not yet written to all pensioners who are entitled, it is premature to be discussing whether the October date is appropriate.

These orders confirm our conviction that it is essential to provide support, respectively, for those who cannot work or who are retired, while promoting the principle of work for those who can. I commend the orders to the House.

Question put and agreed to.

Resolved,

That the draft Social Security Benefits Up-rating Order 2004, which was laid before this House on 4th February, be approved.

PENSIONS

Resolved,

That the draft Guaranteed Minimum Pensions Increase Order 2004, which was laid before this House on 22nd January, be approved.—*[Mr. Andrew Smith.]*

Opposition Day

[5TH ALLOTED DAY—SECOND PART]

Pension Scheme Wind-ups

Madam Deputy Speaker (Sylvia Heal): We now come *to the debate on the Opposition motion.* Mr. Speaker has selected the amendment in the name of the Prime Minister.

4 pm

Mr. David Willetts (Havant) (Con): I beg to move,

That this House condemns the Government's inaction in the face of the crisis in occupational pensions; regrets that the Pensions Bill will do nothing to encourage people to save for their retirement or companies to keep open existing defined benefit schemes, let alone start new ones; recognises with regret that the Pensions Bill will do nothing to help the estimated 60,000 members of schemes who have lost all or most of their pension entitlement; notes that the Government has twice reduced the minimum funding requirement as well as removing £35 billion in extra taxes from pension funds and has conspicuously failed to amend the priority order on wind-up, despite offers of co-operation from the Official Opposition; expresses its surprise that the Government has refused calls to instigate an independent inquiry into the extent of the problem; and calls upon the Government to take urgent action to tackle the current crisis in pensions and to mitigate the unfairness caused to thousands of current and future pensioners across the United Kingdom.

I draw the House's attention to the interests that appear in the Register of Members' Interests.

This is our first opportunity in Opposition time to debate pensions since the publication of the Pensions Bill the other day. We look forward—the expression to use is "with relish"—to ranging widely on Second Reading over the many issues covered in that Bill. Today, however, we want to focus on one serious omission from the Bill, which it ought to have tackled. I refer, of course, to the problem facing the tens of thousands of victims of the winding-up of pension schemes. Those are the people whose houses have burned down, and to whom the Government are saying that the solution is fire insurance for the future. However desirable a fire insurance scheme might be, it is of no comfort to someone who has already suffered the losses that these people have suffered.

Mr. Edward Garnier (Harborough) (Con): Are there not two other related omissions from the Pensions Bill: first, a date set for the publication of the Penrose report; and secondly, a commitment from the Government to do away with the compulsory annuities rule? Both of those are extremely worrying matters for future and existing pensioners.

Mr. Willetts: My hon. and learned Friend is correct. It is a great pity that the House has not yet had an opportunity to see the Penrose report, although we know that it has arrived in the Treasury. With regard to annuities, we continue to fight for the abolition of the pernicious rule that people are obliged to purchase an annuity at the age of 75. We hope that there may be a private Member's Bill before the House through which we can once more address that issue.

Kevin Brennan (Cardiff, West) (Lab): Does the hon. Gentleman accept that the Penrose report is nothing to do with this motion and this debate? It muddies the water because the difference between the Equitable Life issue and this issue is that in this case people were often compelled to join occupational pension schemes and were given no health warning whatever that the schemes could go bust, particularly when the Pensions Act 1995 was passed.

Mr. Willetts: Both Penrose and pension wind-ups involve serious financial distress for people, and I hope that Members on both sides of the House can cover both cases with sensitivity, recognising that we have constituents facing significant financial problems in both cases.

Mrs. Gillian Shephard (South-West Norfolk) (Con): I listened with care to the intervention of the hon. Member for Cardiff, West (Kevin Brennan), and of course there is a distinction, academically, between the appearance of the Penrose report and other sorts of distress for pensioners. The fact is that for a pensioner who is affected not only by the wind-up of a pension scheme but by the delay in the Penrose report, that distinction is indeed academic. We should be looking at the distress caused to the individual.

Mr. Willetts: My right hon. Friend is absolutely right. The reason why we have called this debate, and why our hon. Friends are pressing vigorously on Penrose, is that in both cases there is serious financial distress under this Government and people are facing financial insecurity of a sort for which they did not bargain.

Sir John Butterfill (Bournemouth, West) (Con): With regard to the point made by the hon. Member for Cardiff, West (Kevin Brennan), is not it correct that in 1986 the then Government abolished the compulsion for people to join pension schemes and that anybody who had been compelled previously to enter into a company scheme was free then to leave that scheme?

Mr. Willetts: My hon. Friend is right. The provision was changed in 1986.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Does my hon. Friend recall that the Allied Steel and Wire workers suffered a double blow, because the additional voluntary contribution scheme was with Equitable Life? Is there not a link between the two in respect of the hon. Gentleman's constituents?

Mr. Willetts: At least one person whom I have met had the misfortune both to lose his final salary pension as a result of the winding up of a pension scheme and to have put extra pension savings into an AVC scheme with Equitable Life. He suffered a double whammy—an appalling blow.

Members on both sides of the House share the concern about pension wind-ups. It is reflected in two early-day motions, our motion 66 and motion 200, tabled by the hon. Member for Cardiff, West (Kevin Brennan). Between them, the two motions have been supported by almost half the total number of Members, which also reflects the extent of the concern that is felt. Motion 200 goes further than motion 66, which was

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signed by me and by many of my hon. Friends. It implies that the Government should offer full compensation to victims of wind-ups.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): Does my hon. Friend understand the reservations of people like me who strongly support the proposition that compensation should be given for loss if that loss was caused by the negligence, misconduct or other culpable fault of Government or Government agencies, but would find it difficult to support compensation in respect of loss that was not the fault of Government or those for whom Government are vicariously liable?

Mr. Willetts: That is an important point, on which I intend to press the Minister later. We need much clearer information than we have had from Ministers so far about what they think their legal liabilities might be. We hear a variety of reports on the Government's legal position.

Rob Marris (Wolverhampton, South-West) (Lab): The Opposition motion refers to 60,000 people. Can the hon. Gentleman give us an idea of the cost of compensation? If possible, will he break his answer into two parts and tell us how much it would be when there has been culpable error and when there has been no such error?

Mr. Willetts: These interventions have raised interesting points with which I hope to deal later.

Mr. Jim Cunningham (Coventry, South) (Lab): Will the hon. Gentleman give way?

Mr. Willetts: I should like to make some progress now.

I want to explain to the hon. Member for Cardiff, West that we did not feel that, as a responsible Opposition, we could support an early-day motion that involved unqualified and uncosted obligations to pay compensation to all victims of the pension wind-up crisis. However, the fact that we did not feel able to go as far as he did does not mean that we agree with the Government that nothing can be done. Motion 200 calls for everything to be done; the Secretary of State and other Ministers are doing nothing. Conservative Members believe that something can and should be done, and I intend to set out what I consider to be a genuine and constructive approach to the problem affecting so many victims of the crisis.

Unless the problem is tackled, the Government will not achieve their stated objective of restoring trust and confidence in our pension arrangements. It is impossible to envisage a world in which people once more have confidence in funded pensions when there are so many distressing stories of individuals facing financial disaster because they had funded occupational pension schemes. Conservative Members, who are strongly committed to the strength and vigour of funded occupational pensions, believe that the problem must be tackled. First, I want to provide a little of the history, because it is important to all this.

Mr. Cunningham: On the question of the history, the hon. Gentleman will doubtless remember that under the previous Conservative Government, and particularly during the 1980s, companies such as Rolls-Royce encouraged people to opt out of the state earnings-related pension scheme; in fact, they spent thousands of pounds doing so. If he wants to have an honest debate on this issue, will he not accept that the origins of the problem lie in the 1980s, under the Thatcher Government?

Mr. Willetts: No. I regret that intervention because it is not accurate. I shall take the hon. Gentleman through the history, which will show why.

The Pensions Act 1995, which is sometimes blamed for this problem, actually improved the degree of security available to members of occupational pension schemes through the introduction of the minimum funding requirement. It set out to strengthen the protection available to members of such schemes, and the formula on which the MFR was based was full protection for pensioners, and protection for at least the transfer values that would be available for workers who had yet to reach pension age.

For a time, the MFR worked. When we lost office in 1997, the position was as follows. Actuaries advise me that the MFR would have provided 78 per cent. of the value of the pension that a 40-year-old man working for a company with an occupational pension scheme would have hoped to receive. Of course, back then company pension schemes were healthy and many companies had funds available that were in excess of that figure. Then along comes the current Chancellor, with his notorious £5 billion a year tax on pension funds that significantly weakened the finances of many company pensions. What was the Government's response to that weakening? They cut the value of the MFR to reflect the fact that companies were now distributing smaller dividends.

I shall quote how Mercers, a senior and respected firm of actuaries, described the Government's 10 per cent. reduction in the MFR at that time:

> "The change is a consequence of pension schemes losing the benefit of advance corporation tax (ACT) tax credits in the July 1997 Budget, following which the gross dividend yield was no longer appropriate for pension funds."

So the value of the MFR was cut by 10 per cent. in June 1998 in response to the change in the tax regime that the Chancellor imposed.

Mr. Steve Webb (Northavon) (LD): The hon. Gentleman has brought some new information to the House. In 1997, three quarters of a worker's pension would have been protected had the scheme been funded according to the MFR, but can he clarify what would happen when such a scheme winds up? Let us say that half the members are retired and half are still workers. Would the retired members get 100 per cent. and the workers 50 per cent., because the average is 75 per cent., and does he consider 50 per cent. protection to be adequate? Is that what the hon. Gentleman meant?

Mr. Willetts: No, that is not what I meant. I meant that pensioners got 100 per cent. and people of working

age got 78 per cent. The basis on which the MFR operated was explained very clearly by my right hon. Friend the Member for Richmond, Yorks (Mr. Hague) in a debate on this subject. He said:

"In broad terms, the aim of the MFR test is to ensure a scheme has sufficient funds to keep paying benefits for members whose benefits are in payment, and to pay minimum transfer values for other members."—[*Official Report, Standing Committee A*, 25 May 1995; c. 1.]

That was the philosophy and the basis on which the scheme worked—and it was indeed working—until 1997.

Since 1997, there have been two reductions in the value of the MFR. There was the 10 per cent. reduction in June 1998 to which I referred, and a subsequent 8 per cent. reduction. The effect of that has been to lower the value of the protection that members of company pension schemes now enjoy. Indeed, the actuaries to whom I have referred advise me that a 40-year-old who works for a company that is compliant with the MFR will now find that the funds that so comply would secure him only 20 per cent. of the pension that he would otherwise hope to receive. So there has been a decline from 78 per cent. to 20 per cent. since 1997.

Kevin Brennan: Does the hon. Gentleman acknowledge that, even if he were right about the reduction being the result of Government policy, the minimum funding requirement set out in the Pensions Act 1995 was wholly inadequate because the workers would still have received only a tiny proportion of their expected pension as a result of the MFR? Is that not correct?

Mr. Willetts: I am not saying that the minimum funding requirement was perfect. A proper balance always has to be struck, but it seems to me that the significant changes that have exposed so many of our constituents to the risks and concerns arising from the wind-up of pension schemes have occurred since 1997. That is the period in which the finances of company pension schemes deteriorated and in which Ministers twice deliberately cut the value of the protection provided by the MFR.

As a result of a well-intentioned proposal to introduce insurance, I believe that we now face a further risk. Ministers intend to introduce insurance initially—we do not know how long the initial period will be—at a flat rate. Hitherto, many good employers tried to do better than the MFR. The danger of the current proposals is that they pose the question why any employer should now attempt to do better than the MFR. Why should an employer put more money into pension schemes than the minimum necessary? He might improve the position of his own employees, but with an insurance scheme in place with the same insurance premium for everyone, an employer could cut contributions to the bare minimum necessary to meet the MFR and still access the Government's insurance scheme. A new risk is therefore being introduced as employers will in future see no need to bother paying more than the statutory minimum because of the flat-rate insurance scheme. It makes no provision whatever for employers who are doing better than the MFR.

We are told that at some point in the future we will move to a variable rate that reflects the quality of the funding of the company, but we have no information about when or how that will be achieved. For a time, therefore, we will be in an extremely dangerous position in which companies do the bare minimum and rely on the insurance scheme to fall back on in the event of difficulties.

The evidence is clear that in the past few years the world has become less secure for many members of company pension schemes, and hon. Members on both sides of the House are well aware of the consequences. We are aware that many of our constituents have been affected by a roll call of companies that have wound up their pension schemes. There is the example of ASW, of course, but also Blyth & Blyth in Edinburgh, Bradstock's, Dexion, Kalamazoo, Ravenhead Glass, Richards, United Engineering Forgings and many other companies have wound up without being able to offer anything like the full pension to their employees.

One of my constituents who visited my surgery recently had been employed by Ballast UK. He will be 61 in April and had worked for his firm for 27 years. He had been hoping for a company pension of approximately £17,000 per annum, but was told that he was likely to receive perhaps 17 per cent. We are all aware of such cases and no hon. Member on either side of the House can look such a constituent in the eye and say, "Tough luck, but there is nothing we can do." We all have an obligation to think constructively about what can be done to help people in those appalling circumstances.

Mr. Garnier: My hon. Friend mentioned a constituent who visited his surgery, and I, too, have had constituents visiting me for the same reason. One of my constituents, aged 60, used to work for British United Shoe Machinery and is now wholly dependent on what the state can provide. Throughout his 40-year working life he saved through the pension scheme but is now left effectively destitute—or, if not destitute, has to live a vastly reduced standard of life. Other British United Shoe Machinery employees will face the same, if not identical, difficulties.

Mr. Willetts: My hon. and learned Friend is correct, and all hon. Members know of such examples. That is why it is reasonable for us to ask Ministers what they propose to do about the problem, as our early-day motion and early-day motion 200 both state.

What do Ministers reply when they are pressed on this matter? The Secretary of State said:

"I am sure that my hon. Friend will accept that it would be wrong for me to raise false hopes."—[*Official Report*, 11 June 2003; Vol. 406, c. 694.]

Last October, he said that

"it would be quite wrong for us to raise false hopes that those people can get extra help unless and until we know that that is the position."—[*Official Report*, 20 October 2003; Vol. 371, c. 411.]

In January this year, he said that

"the Government are carefully considering the plight of those affected while taking care not to raise false hope."—[*Official Report*, 12 January 2004; Vol. 416, c. 511.]

In February, he said that the Government

"have been examining whether anything might be done, without wanting to raise false hope, and as soon as I am able to report further to the House, I will do so."—[*Official Report*, 9 February 2004; Vol. 417, c. 1104.]

[Mr. Willetts]

Moreover, the right hon. Gentleman was reported on the "Today" programme as saying that while the Government were sympathetic to the plight of the pensioners hit by the problem, he did not want to raise false hope that they could give assistance.

I assure the Secretary of State that he has not been raising any false hopes. In fact, he has not raised any hopes at all among the many people affected by the crisis.

The Opposition invite the Secretary of State today to look forward and to do better than tell us that he will not raise false hopes. Instead, he should make some constructive proposals. It may not be possible to do everything, but it ought to be possible to do something. I shall suggest, to the right hon. Gentleman and the House, what those proposals might be.

First, as an absolute minimum, we need reliable estimates of the numbers of people affected by the crisis. It is shocking to discover how feeble and inadequate are the answers given to parliamentary questions or other inquires about how many people are affected. Ros Altmann, for whom many hon. Members have the greatest respect, is an expert in this field. She has produced estimates, as have other people. The figure of 60,000 people affected by the problem is in circulation, but we do not know whether it is correct.

Ministers have all the resources of government at their disposal, and they should know the true figure. As a matter of urgency, they should compile reliable data. At the moment, the best list of companies affected by the crisis has been provided by *The Mail on Sunday*. I pay tribute to that newspaper for the work that it has done, but Ministers should be able to provide reliable information and answer a series of questions. How many schemes have been wound up, or are in the process of being wound up, that have not been able to offer full pensions to their employees? How many people are affected? How many pensioners worked for companies that have gone through the winding-up process? How many people who have not yet retired face the prospect of losing some or all of their pension? What scale of financial loss will they face?

One reason why the Opposition did not feel able to support early-day motion 200 was that we did not know the amount of compensation that would be involved. I have heard estimates that the total cost will be £1 billion, or £5 billion, and I have even heard a claim that it could be as much as £50 billion. Ministers must come to the House and give hon. Members of all parties that essential information; otherwise, we will all be trying to make policy in the dark. Therefore, my first request echoes the request that has come from hon. Members on all sides of the House—that Ministers give out reliable information as a matter of urgency.

Secondly, Ministers must give us their authoritative understanding of the legal position that we face. Many of us are being told that the ASW workers who are taking their case to Brussels have high hopes, on the basis of legal advice, of securing a victory and of defeating the Government. They are basing their hopes on the solvency directive, on the provisions of the Human Rights Act 1998, on contract law, and on the fact that they were compelled, at some point in the past, to join the scheme.

The Government are being taken to court on the matter. Ministers say that they are confident of winning the case, but why are they so confident? Would not it be better to take an initiative to tackle the problem now, rather than risk a humiliating legal defeat in the future? The Government have never offered the House any reliable information as to why they are so confident that they will face down the legal challenges ranged against them.

Thirdly, after years of endless consultations on various aspects of pensions security, Ministers should act. I tabled a written question asking Ministers how many consultation exercises they have conducted on pensions. The reply came that that as there had been so many such exercises that a full answer

"could be provided only at disproportionate cost",

which revealed the scale of the consultation. The Government have been consulting on replacing the minimum funding requirement for more than five years, which may be a record even for this indecisive Government.

The Government have been consulting also on their proposals for the full fund on wind-up. When the original proposals were produced in June 2003, the Government said that they aimed at laying those regulations during the summer so that they would come into force as soon as practicable. Miraculously, a few days ago—after we announced the subject of this debate—and with snow falling, the Government finally produced their regulations on pension wind-ups. They nearly did something about the problem, announcing at one point that trustees may utilise the regulations so that they applied to schemes that wind up on, or start to wind up after, the date on which the draft regulations were issued.

If the regulations had applied to schemes that were winding up last June, they would have had a significant impact. In practice, the Government rushed out a corrigendum stating that the provision was a printing error and that the regulations did not apply to schemes that were currently winding up, but only to those that started to wind up after the date on which the draft regulations were issued. The Government announced a policy, then withdrew it on the basis that it was a printing error for which they could not take responsibility. The terrible thing is, that was probably true—but if the Secretary of State is to be believed when he announces that Government policy has been abandoned on the basis of a printing error, no wonder the right hon. Gentleman's credibility on his pensions policy is so poor.

We have also been promised amendments to the priority order facing members of pension schemes. I accept that the order in the Pensions Act 1995 needs changing. I wrote to the Secretary of State in January 2003 assuring him of our support, as a responsible Opposition, for proposals to change the priority order to dispense with the cliff edge whereby there was almost 100 per cent. protection for pensioners and little for current employees. The Secretary of State could have changed the regulations in an afternoon. That does not require primary legislation and would be simple to do. Fourteen months later, we are still waiting for the Secretary of State to do anything. The Government

promised to lay the regulations to tackle the priority order by early 2004. Perhaps the right hon. Gentleman can say when the regulations will be tabled. Practical steps could be taken that have not been taken by Ministers, despite our offer of constructive support.

Beyond that, I urge the Secretary of State to be bolder and to debate with the House—perhaps we might call it a big conversation, as that is a phrase on which the Government are rather keen—radical proposals for tackling the priority order problem. The right hon. Member for Birkenhead (Mr. Field) is occasionally a friend of Members on this side of the House because of his constructive suggestions on pensions. He has proposed using unclaimed assets as the basis for establishing a fund that could be used to tackle pension grievances. When the right hon. Gentleman submitted that imaginative idea in the form of a private Member's Bill last year, we supported its Second Reading. Practical points need addressing, but in principle that idea is worth investigating. The Government opposed that proposal when we supported it.

There was a proposal also from Ros Altmann that because of the tough terms on which companies that wind up their pension schemes must purchase an annuity, they should be offered some prospect of delaying its purchase while the problem is investigated to ascertain whether a policy can be put in place to tackle it. Have Ministers considered that approach, and if so, what is wrong with it?

Mr. Henry Bellingham (North-West Norfolk) (Con): Is my hon. Friend aware that Ros Altmann's proposal would not cost the Government anything for five years, and that it would cost £100 million a year after that? When Ros Altmann carefully costed the scheme, one problem she faced was the lack of data on the number of people.

Mr. Willetts: My hon. Friend is right that the crucial problem that she faced was lack of data. We must be careful, but those people are at least using their best endeavours to try to tackle the problem—Ministers have offered no constructive suggestions whatever. I must tell the Secretary of State that I do not believe, given the strong feelings on both sides of the House, that the current position is sustainable. He will not be able to hold his current position for much longer. A number of Government and Opposition Members have signed the two early-day motions on the subject, which is evidence of how strongly we all feel when people who have tried to do the right thing and put money into their company pension schemes find themselves facing serious financial distress.

We are willing to be realistic about the matter. We are not absolutists and we know that it may not be possible to do everything, much as we would like to be able to do so. We know that we cannot do everything, but we must do something. The Government are doing nothing, which is why I urge the House to back our motion.

4.31 pm

The Secretary of State for Work and Pensions (Mr. Andrew Smith): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"supports the Government's strategy to tackle pensioner poverty, and to deliver simplicity, security and choice in working and saving for retirement; condemns the pensions inheritance of 1997, with millions in poverty and the legacy of pension mis-selling; notes that the Government is spending £9 billion extra per year in real terms on pensioners compared with the 1997 system; condemns the unfair, unaffordable and unsustainable pensions policies of Opposition parties; expresses its sincere sympathy for those who have lost part or all of their pension as a result of their employer becoming insolvent; believes the Government should continue to look at all available options to help people affected, but that it would be cruel to raise expectations if no workable solution can be found; welcomes the publication of the Government's Pensions Bill; further believes that the Pension Protection Fund will bring real security for over 10 million defined benefit pension scheme members if their employer becomes insolvent and pensions schemes wind up in the future; further believes that firms should honour pension promises they have made; welcomes the Bill as a balanced package, with a new regulator and measures to simplify pensions legislation, making it easier for employers to run good schemes; further believes that pension reform should be a common cause; and calls on all Members of this House to support the Government's Pensions Bill.".

I am more than happy to set the record and proposals of this Labour Government against those of the Conservative party any day of the week. The motions in these debates are often not referred to and are perhaps not read as closely as they should be. The Opposition motion this evening merits attention because it reveals the utter emptiness of the posturing by Conservative Front Benchers on these vital issues. It contains not one single positive proposal about what the Conservative party would do to help those affected by pension scheme wind-ups. As usual, Conservative Members allege that £35 billion has been removed from pension funds in taxes, but do they favour either the reinstatement or the reversal of that policy? No, they do not. They feign surprise at the Government's position on an independent inquiry, but do they propose one? No, they do not. They call for urgent action, but do they say what form it should take? No, they do not. The motion and the speech by the hon. Member for Havant (Mr. Willetts) were high on rhetoric, condemnation and regret, but utterly bereft of any positive proposal whatsoever.

Mr. Garnier: The Secretary of State is reading a speech written before he listened to the speech made by my hon. Friend the Member for Havant. One disadvantage of that is that he is wholly failing to take into account what he heard. He mentioned emptiness; not far from this House, there is an empty dome wasting Government and public money. Why do the Government not sell it quickly and save the day-by-day revenue costs of keeping it open?

Madam Deputy Speaker: Order.

Mr. Garnier: They could use the money—

Madam Deputy Speaker: Order. The hon. and learned Gentleman's intervention is going on far too long.

Mr. Smith: On the hon. and learned Gentleman's first point, I was addressing the Opposition motion that we are debating, and I shall address each of the specific questions asked by the hon. Member for Havant. Conservative Members go on about these issues, but

[Mr. Smith]

their motion contains no proposal that would help the situation. Despite reports in *The Daily Telegraph* that they would call for compensation in this debate, the motion and the remarks of the hon. Member for Havant contain no such call. That is not surprising, because Conservative Back Benchers have been urged not to sign the early-day motion in the name of my hon. Friend the Member for Cardiff, West (Kevin Brennan).

Mr. Jim Cunningham: Did my right hon. Friend notice that the hon. Member for Havant (Mr. Willetts) failed to mention the fact that the mis-selling of pensions occurred under the Conservative Government? The hon. Gentleman mentioned the Pensions Act 1995, but the Conservatives took no action to address the problem, despite the fact that Labour Members were tabling early-day motions calling for compensation for the people affected. The Labour Government took action when they set up the Financial Services Authority.

Mr. Smith: My hon. Friend makes some good points and I shall come to the mis-selling issue later.

Despite the measured tones of the hon. Member for Havant and his offers of collaboration and consensus, his speech was opportunist and opposition for opposition's sake; it was not a positive contribution to the pensions challenges facing the country. It was certainly no comfort to people who are worried about the security of their pension.

Sir John Butterfill: The majority of Opposition Members have not signed the motion tabled by the hon. Member for Cardiff, West (Kevin Brennan) because it contains two fundamental inaccuracies. The first is that people were compelled to join pension schemes, whereas, as I said earlier, the previous Conservative Government abolished that compulsion in 1986. The second is that the motion asserts that the Government had guaranteed people's pensions, but neither the Labour Government nor any previous Government have given any such guarantee on private sector pensions.

Mr. Smith: Given the hon. Gentleman's expertise and experience in these matters, I take careful note of his points.

Sir Peter Tapsell (Louth and Horncastle) (Con): A few moments ago, the Secretary of State said that the Opposition fail to read the motions on the Order Paper in debates such as this, but may I draw his attention to a sentence in the Government's amendment? It states that they believe that

"firms should honour pension promises they have made".

I agree. Will the Government pass legislation to put that statement into effect?

Mr. Smith: Yes, indeed. That is why we shall debate the Second Reading of the Pensions Bill next week; it is also why we laid the full buy-out regulations before the House yesterday.

Sir Peter Tapsell: I am grateful to the Secretary of State for that reply, but I was referring not to the minimum funding requirement, which is a snare and a delusion, but to the full pensions that people in final salary schemes confidently expected to receive when they reached retirement.

Mr. Smith: I am grateful to the hon. Gentleman for his comments. I think that he is embarrassing his Front-Bench colleagues by referring to the MFR as a snare and a delusion; only a few moments ago, the hon. Member for Havant was telling us what a wonderful thing it was until the wicked Labour Government came along and made it all go wrong.

There is serious content in the comments of the hon. Member for Louth and Horncastle (Sir Peter Tapsell). Like him, I believe that a pension promise made should be a pension promise honoured. That is why we introduced the full buy-out regulations, which will require solvent companies to meet their pension obligations in full, and it is why the Pensions Bill, which will have its Second Reading next week, includes a proposal for a levy-based pension protection fund to ensure 100 per cent. of pensions in payment, with 90 per cent. for those not yet receiving their pension, which is in common with other compensation schemes. The Government are acting in the spirit of the hon. Gentleman's request and in line with what the vast majority of workers and other people want.

The hon. Member for Havant called for reliable information, but in this field that has been difficult to come by. The pensions scheme registry maintains a record of schemes in wind-up, but there can be delays in its receipt of that information and it does not necessarily know about the solvency of the reported schemes. The Opposition motion calls for an inquiry to establish the extent of the problem. Elsewhere in the motion, there is a stab at assessing the extent of the problem, which is estimated to affect 60,000 people. I must stress that data limitations make it difficult to be precise, but, on the evidence that I have seen, 60,000 seems to be the right estimate of the scale of the challenge we face.

Mr. Willetts: It is helpful to hear the Secretary of State's estimate—60,000—but will he also give the House some sense of the scale of financial loss, on average, that those people might face?

Mr. Smith: As the House will understand, that is far more difficult. I am not able to give such an estimate, which is part of the ongoing work—the close examination—that I have repeatedly told the House we are undertaking. Our officials are working on it, and when I am able to report more fully to the House, I will do so.

Mr. Hogg: The right hon. Gentleman must know when he will be able to communicate that crucial information to the House, because we cannot decide whether to pay compensation—if it is so called—until we know the sums involved. The right hon. Member for Birkenhead (Mr. Field) knows that, too. So when will we have information on the sums involved?

Mr. Smith: I should like to be able to do more and to say, "Yes, I will be able to make that statement on this date." I am not able to say when I can say that; when I can, I will. I am as anxious to resolve such things as

anyone else, not least because of the real suffering and worry that is afflicting all those affected by this dreadful crisis. No one would want to prolong that for those individuals and their families a moment longer than is necessary. I assure the right hon. and learned Gentleman that we are working to get to the bottom of this as quickly as we can.

Kevin Brennan: In an earlier intervention, the hon. Member for Bournemouth, West (Sir John Butterfill) suggested that there are two flaws in early-day motion 200, the first of which related to whether firms and Governments had said that workers' pensions were guaranteed. The people involved have leaflets from various Governments and company pension schemes on which the word "guarantee" appears. He also said that people had not been compelled, but the early-day motion says:

"in many cases having been compelled to join their scheme as a condition of employment".

If the hon. Gentleman is denying that, is it any wonder that there was a pensions mis-selling scandal at the end of the 1980s?

Mr. Smith: My hon. Friend is right: a number of members were compelled to join by their conditions of employment. The hon. Member for Bournemouth, West is also right to say that the Government changed the arrangements in 1986, which took effect in 1988. Of course it can also be argued that no one compelled the employers to include that condition. All those matters must be thought through very carefully before reaching a final judgment on these issues.

Mr. Jim Cunningham: On the issue of compulsion raised by the hon. Member for Bournemouth, West (Sir John Butterfill), is my right hon. Friend aware that many occupational pension schemes included an element of compulsion because they were part of a wage deal? In relation to the point about 1986, there might not have been compulsion, but lots of companies were given tax incentives to encourage people to leave the state earnings-related pension and join private occupational pension schemes.

Mr. Smith: My hon. Friend's points are well made and they further complicate the landscape, but no one would dispute the fact that a large proportion of those schemes' members were obliged to join under their conditions of employment. They were perhaps not even subsequently aware that they could opt out; nor, if they had sought advice at the time, would anyone necessarily have advised them to opt out. We all know that if they had had the good fortune to be in a sound scheme, rather than one that would later go under, they would have done better to stay in that scheme in any event. That gives this issue its particular poignancy, with the difficulties of identifying the challenge that we face and of being clear about what is the right thing to do.

Mr. Frank Field (Birkenhead) (Lab): I apologise for not being here at the beginning of the debate; I was involved in another debate in Westminster Hall. Is not the point that my right hon. Friend is now stressing crucial in two respects? Not only are we trying to represent our constituents, but if we are trying to make a case for the Government using other funds in compensation, the way in which we ring-fence the group involved is very important. We are talking about a group of people who had to join their occupational pension scheme as a condition of employment, so they are in a different position from me, for example. I voluntarily contributed to Equitable Life, so I could not expect the compensation that, if the Government were able to reach a decision on a compensation scheme, people in other schemes would expect to direct to his door.

Mr. Smith: I take the point that my right hon. Friend makes. He mentions Equitable Life. I should make it clear that that is something on which I have always declared my interest in the register, which is consistent with the advice of the registrar given at the beginning of 2003. The matter is no longer registrable, but it is declarable when raised within my ministerial responsibilities. I have not had any dealings on Equitable Life at the Department for Work and Pensions or the Treasury, and my hon. Friend the Minister for Pensions would have to respond to any points about that.

On the general point that my right hon. Friend makes, when issues of compensation or discretionary assistance—that is not the same thing—are raised, it is important to have a clear idea about how and where boundaries could be placed around those who would be eligible. We continue to examine such matters closely. I take the point behind the argument that he makes, but, equally, there would be those who would say that as a consequence of it, a distinction should be drawn between those who were in such schemes in 1988 and those who joined later. How fair that would seem to people who joined the schemes later and thus did not receive assistance illustrates the problem when drawing boundaries. There are also problems when considering time. Most members of the Maxwell pension scheme, thanks to the rescue plan introduced by Sir John Cuckney with the help of my right hon. Friend and other hon. Members, have received a large proportion of the pensions that they were expecting. As some schemes have not done well, it is not difficult to understand why members who had lost out would knock on the door to ask for assistance and compensation. I mention those points only because my right hon. Friend raised the valid issue of the importance of drawing a boundary and the difficulty of so doing.

Kevin Brennan: When considering that boundary, would it be appropriate to examine whether people were given anything amounting to an adequate health warning about the pension schemes that they joined? Surely it is the case that no rational human beings would bet their retirements on a single share—namely, the share of their employer. People were not told that they were required to do that.

Mr. Smith: I take my hon. Friend's point, but the whole House can appreciate how difficult it could be to establish whether people had received such advice. I am not erecting these problems as excuses for why we are

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unable to announce an assistance scheme, but citing them as serious issues that must be thought through before we can reach a final decision.

Rob Marris: At the risk of raising false hopes all over again, is my right hon. Friend saying that he does not rule out compensation and that he is still looking at the issues and statistics?

Mr. Smith: My hon. Friend urges me to repeat that we are not raising false hopes, and I shall have to underline that at some point in my speech. As I have said in the House before, given all these workers' anxieties, which we understand, we must be able to look them in the eye. They must know that we have been absolutely straight with them all along. I say again that we must not raise false hopes, but it would be wrong to close off consideration of these issues until, or unless, we are absolutely certain that nothing can be done. That is the spirit in which I respond to my hon. Friend's point.

Sir John Butterfill *rose—*

Mr. Smith: I shall give way to the hon. Gentleman one last time.

Sir John Butterfill: I was not entirely sure what the right hon. Member for Birkenhead (Mr. Field) said, and I did not want the Secretary of State to get too much comfort if he was inferring, as some of us might have thought, that the Government could have no liability arising out of Equitable Life. When they see fit to publish the Penrose report, we hope that it will be published in full. If it shows that Lord Penrose has decided that there was clear culpable behaviour by the Department of Trade and Industry and, perhaps, the Treasury, will the Government not rule out the fact that their culpability should give rise to compensation?

Mr. Smith: For reasons that I made clear in my declaration a few minutes ago, my hon. Friend the Minister for Pensions will deal with that aspect of the hon. Gentleman's points in his reply to the debate.

I return to the series of questions that the hon. Member for Havant—

Mr. Frank Field *rose—*

Mr. Smith: I shall give way one last time.

Mr. Field: If we are to try to support Ministers in introducing some sort of scheme, it is very important that they do not think that, when we achieve that, if we do, we shall then pile in with the next one. Therefore, I was trying to say that if Equitable Life has a case it will be because of the report that is to be delivered. It should not be because the Government have met what I regard as the legitimate grievance of people who were made to join pension schemes and have now lost all or most of their pensions. I was trying to say that we shall ring-fence it in that way and not use as a battering ram any advance the Government make here to try to get every other old claim through as well.

Mr. Smith: My right hon. Friend makes very succinctly the point about the importance of a firebreak and avoiding a more general read-across or some sort of domino effect. Again, the whole House will understand why the Government have to examine that very carefully.

Mr. Quentin Davies (Grantham and Stamford) (Con): Will the right hon. Gentleman give way?

Mr. Smith: No. I wish to make more progress.

The hon. Member for Havant raised the legal position. Again, the House will understand that, with the Government before the courts, there is a limit to how much I can say about this matter. He asked what made us so confident of the legal position. I can say only that it is on the basis of the advice that we have received. The claim being made against us is that we failed to implement the solvency directive. I am advised not only that we complied with it, but that the European Commissioner said that we had complied with it. That is the position in essence. The case has not progressed fully, and there may well be other dimensions of the claim yet to be made, as well as other legal aspects that the House will understand we must examine very carefully.

The hon. Gentleman asked about the full buy-out regulations applying to firms that started to wind up after 11 June. I do not think that I ever raised any expectations that it would have been appropriate or even possible to make them apply before 11 June. That would have been getting us into the area of retrospection, which I do not think we can enter.

The hon. Gentleman also raised the question of the priority order. I can confirm that we shall move forward in the very near future to rebalance the order so that the basic benefits of those in the run-up to retirement and other deferred members take precedence over the indexation of pensions in payment. That will achieve a substantial rebalancing. Many members may gain 20 per cent. of their pension, so it is a worthwhile interim change before the pension protection fund comes into effect.

I was of course aware of, and indeed shared, the enthusiasm of my right hon. Friend the Member for Birkenhead, echoed by the hon. Members for Havant and Northavon (Mr. Webb), for looking at a secondary rebalancing of the priority order among deferred members, to upgrade the rights of those deferred members with longer scheme memberships against those with shorter tenures. Those proposals had attractions, but we consult on regulations, and one of the things the consultation revealed was that that approach was impracticable, as many schemes do not keep the data needed to impose it. They do not hold the information on how long people have been members; they cannot tell the difference between someone who has been a member for a short time with a high rate of contributions and someone who has been a member for a longer time with a lower rate of contributions.

It is worth reminding the House that all that the proposals to rebalance the priority order can ever achieve is some redistribution of losses, lessening them for some scheme members, but increasing pain for others. The real aim must be to cut, not redistribute, losses for members of schemes in wind-up. That is what the PPF is all about. Conservative Members need to decide whether they are in favour of the fund or against it.

The final point made by the hon. Member for Havant was about unclaimed assets. The fact that assets are unclaimed does not mean that they do not belong to somebody. With electronic methods, it is becoming easier to trace assets and more people are doing so. Even if appropriating assets for public, Government or even charitable purposes, as happens in Ireland, were deemed appropriate, what gives that particular group of people who have been hard done by a prior claim to those assets compared with all the others who, I am sure, also want to make a claim? Again, it is a seductive idea, but I doubt whether it is right or practicable.

Mr. Heald: I am grateful to the right hon. Gentleman for giving way, particularly as I attended the House every week that the Pensions (Winding-up) Bill introduced by the right hon. Member for Birkenhead (Mr. Field) was blocked. On the question of unclaimed assets, is it not right that there could be no higher public interest than to protect the public's confidence in pension saving? Surely, that is so important to the future of our country that using the unclaimed assets for such a purpose could not be said by anybody to be anything other than a sensible ordering of priorities.

Mr. Smith: The hon. Gentleman makes a persuasive argument. As the Secretary of State for Work and Pensions, I cannot say that I would not be tempted by such an argument to get more resources to help with an intractable problem in pensions. However, I do not believe that he is so naive as to imagine that if suddenly there were a fund containing millions or tens of millions of pounds there would not be a long queue of deserving causes knocking at the door. Indeed, to develop his point about the importance of confidence in pensions, there is another argument that would add to the weight of evidence—if the matter is so important, is there not a proper claim on public funds anyway? In other words, the case for using unclaimed assets could apply equally powerfully to the use of public funds, if that were feasible and if and when we had explored all the issues.

The hon. Member for Havant also spoke in detail about the minimum funding requirement. As he said, the MFR was set out in the Pensions Act 1995, and the secondary legislation that subsequently took effect in April 1997 requires MFR valuations to be carried out in accordance with a guidance note issued by the Faculty and Institute of Actuaries. Revisions to the actuaries' guidance note reflected professional judgments on a range of relevant variables that change over time, including some mentioned by the hon. Gentleman such as interest rates, annuity prices and demographic trends.

Mr. Willetts: Was the Chancellor's change in the tax treatment of pensions one of those factors?

Mr. Smith: To be honest, I do not know, but I shall go away and check. If the change had the impact claimed by the hon. Gentleman on any of the factors that I have listed, clearly that would be reflected. However, I do not subscribe to his argument, which treats the tax change in isolation. Whenever the Opposition raise that change, they fail to take account of the fact that it was part of a more comprehensive restructuring of corporate taxation, which cut the rate of corporation tax from 33 per cent. to 30 per cent., with great benefit for businesses large and small. We would have to factor in the effect on pension funds as well.

When the MFR revisions were carried out in June 1998 and March 2002, I do not recall any Conservative Members lobbying the Government or making representations to override the professional advice that we were given at the time. It is easy for the hon. Member for Havant to say now that different decisions should have been taken. Ministers took those decisions on the basis of professional advice and in line with the secondary legislation specified by the Pensions Act 1995, which was passed by the Conservative Government.

Sir John Butterfill: I suggest that if the right hon. Gentleman looks back over a series of debates taking place at that time, he will see not only that I was an original critic of MFR, but that I consistently said that its composition needed to be reviewed because it was not working in the best interests of scheme members.

Mr. Smith: I acknowledge the hon. Gentleman's remarks about his contribution to those debates, but I cannot recall the Opposition in general arguing that what was being done was wrong.

I have dealt as thoroughly as I can with the points made by the hon. Member for Havant, by his colleagues and by my hon. Friends.

Mr. David Watts (St. Helens, North) (Lab): All Labour Members welcome my right hon. Friend's suggestion that he will carry out a full assessment of the cost of any compensation package. Will he net off any savings that might be derived from benefits? When the figures are published, we should like to be able to see the cost to the Exchequer, and we need to know what the likely savings would be in benefit terms.

Mr. Smith: It always makes sense to take as rounded and comprehensive a view as possible of the relevant factors in cost-benefit analysis, but I would not want to set off another complicated exchange with Conservative Members about the assumptions that we are making about pension credit in 20 years' time.

Mr. Willetts: The Secretary of State is doing a brilliant job of not raising any false hopes. As he has been speaking for half an hour and is coming to an end, may I invite him to say something constructive about what the Government will do about this problem?

Mr. Smith: I have been saying a great deal that is constructive about the careful and principled way in which we are approaching this very difficult challenge. We owe it to those affected to do that without raising false hopes. If it is not possible to do anything, as might ultimately be the case, they need to know that that has been the position all along. At the same time, we should not prematurely close off the opportunity of assistance if we can identify a proper basis on which it can be done.

I stress the distinction that I made a few minutes ago between the possibility of assistance and the question of compensation. I am not a lawyer, but I take the point that was made by the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg):

[Mr. Smith]

compensation has implications of legal liability, which, for reasons that I explained, I do not accept. There is no doubt, however, that these workers and their families have a compelling case on human grounds. That is why it would be wrong to close off the possibility of assistance while there is any chance that that might be made available through their existing deemed buy-back rights, improved procedures or other means.

Looking to the future, the lesson that we should all draw from this is that a pension promise made should be a pension promise honoured. That is why it is right that we have implemented the full buy-out regulations. That is why it is right to introduce the Pensions Bill, which establishes the pension protection fund. It will ensure that such a position cannot arise again and I therefore hope that hon. Members of all parties, whatever their other reservations about Government policy, the state pension system and so on, will support the Bill and get the pension protection fund in place so that scheme members have the protection that they deserve.

5.4 pm

Mr. Steve Webb (Northavon) (LD): I must confess that when I found that we had a debate on winding up occupational pension schemes approximately a week after the publication of the Pensions Bill and a week before Second Reading, I was slightly bewildered. I tried to work out why we were holding a separate debate about issues that we shall discuss again next Tuesday and, I suspect, for the next happy couple of months.

I admit that an unworthy thought crossed my mind. The Conservative motion contains a great deal that is sympathetic, but it does not take us any further—indeed, it more or less says, "something must be done." It

"calls upon the Government to take urgent action"

but does not define the "urgent action." I was concerned that the debate essentially represented the Conservative party covering its back. The shadow Chancellor's statement about public spending identified health, education and state retirement pensions as priorities, but also suggested that no other spending commitments were permissible. I was therefore concerned that the Conservative party was trying to sound sympathetic to the 60,000 workers while not wanting to spend any money on them. I believe that it is important to unite on this issue and I shall therefore assume that I was wrong to draw that conclusion.

The discussion between the Front Bench spokesmen has revealed some interesting developments. I want to ascertain the extent to which we can find consensus. We want the Pensions Bill to be amended to provide assistance, compensation or simply some money. I strongly suspect that the 60,000 people who have lost out do not give a fig whether the provision is called compensation or assistance; they simply want the money that they were expecting to live on. I should be happy if, at the end of his deliberations, the Secretary of State decided that although the Government saw no case for compensation, they were prepared to provide assistance on a discretionary basis that effectively tackled the injustice. I am prepared to swallow such phraseology if it provides legal cover for the Government. My main concern, like that of many other hon. Members, is to ensure that the injustice that such a large number of people have suffered is tackled. It is therefore welcome that the Secretary of State is giving himself some room. If pressing for assistance rather than compensation helps, I can live with that.

The motion does not mention compensation and the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg) highlighted that by tabling an amendment that referred to it. The Government's response so far has tended to be, "We can't have retrospection or an insurance scheme that applies retrospectively to people who suffered their loss before the insurance was introduced." I am not calling for that. I am not suggesting that we should have an insurance scheme that insures people who had not paid any premiums when they suffered their loss. The argument that we cannot have retrospection does not stack up. All sorts of people suffer losses, and all sorts of Governments compensate them for or assist them with the consequences. Nobody says, "You can't do that because it's retrospective." People cannot be compensated until they have suffered a loss. Compensation must always happen after the event, and there is no great issue of principle at stake.

Mr. Frank Field: At least some of us who propose that there should be some compensation or payment for those who have lost their pension do not argue that that should be part of the new scheme. Indeed, the last thing that we want to do is weigh down a new scheme with such considerable debt. Compensation or payment should be totally separate from the scheme.

Mr. Webb: That has always been my view but Ministers appeared on the main evening news bulletins on the day the Bill was published and argued that we could not help people retrospectively. The straw man of retrospection was put up only to be knocked down. I am grateful for the right hon. Gentleman's confirmation of my view. However, compensation or payment is a matter of natural justice, leaving the aside the legal niceties of the insolvency directive and so on.

Adam Price (East Carmarthen and Dinefwr) (PC): Just to back up the hon. Gentleman's point, retrospection has always been part of a tradition in civil law. The War Damage Act 1965, passed by a Labour Government, provided retrospective compensation for injury suffered during the second world war. That is just one example.

Mr. Webb: My general point is that Governments often take action after the event to compensate or help people who have lost out. That is not my understanding of retrospection, which is applying a law to people who acted before that law came into force. This issue is different because it is about compensation, or assistance—call it what we will. I therefore hope that the Government will stop saying on the radio and television that they cannot take this action because it would be retrospective. It would not be retrospective action, because it is about compensation or assistance.

Kevin Brennan: Is not a further point that the Government have a responsibility always to act in the

public interest? To restore confidence in occupational pensions, it is very important that after the establishment of the pension protection fund—which is very welcome—there are not tens of thousands of people around saying, "Don't join an occupational pension scheme; look what happened to me."

Mr. Webb: That is right. One problem with pension reform is that there is always a lot of history. Just as pension mis-selling has done real damage to the private pension sector, so tens of thousands of people who had lost their occupational pensions could do damage to the future of occupational pensions. That has to be true.

Another important thing to come out of this debate is the Secretary of State's confirmation that the estimate of 60,000 workers is in the right ball park. I think that that faithfully reflects the tenor of his remarks. That is an extraordinarily significant remark for him to make, given the Government's argument about blank cheques. I have to say that the Conservative party's objection to signing early-day motion 200 now goes out of the window because we know what average industrial sector workers' earnings were, so it is not beyond the wit of man to estimate the broad order of magnitude of the losses. Clearly, there will be a range of figures on that. No one knows for sure, and I shall return to information in a moment; but we now need a declaration of principle from the Conservative Opposition. Now that we know that we are not talking about a blank cheque because we have an order of magnitude, do they accept in principle that there is a natural justice case for compensation or assistance of some sort?

If we are going to move forward together, we do not need the hon. Member for Bournemouth, West (Sir John Butterfill) and the hon. Member for Cardiff, West (Kevin Brennan) to fall out with each other; we need them in the same Division Lobby. Conservative Front Benchers should be able to agree that we can have a pretty good idea of the amount involved because the Secretary of State has confirmed on the record that the rough figure of 60,000 is correct, we know what average earnings are, and we have a lot of detail from some of the schemes about typical deficits.

Only a few hours ago, we were discussing the national insurance fund, whose revenue for this year was overestimated by £1.5 billion and whose administrative costs were underestimated by £750 million. That was in just one year. We are not talking in this debate about anything like that sort of annual sum. All of us who have spoken sympathetically to ASW workers and others have a duty to say, now that we have a rough idea of the number of zeros on the figure and of the scale of the problem, whether we are in principle willing to sign up to some sort of assistance or compensation scheme.

I understand why the Conservatives were not willing to sign the early-day motion prior to today, but I hope that now they will be prepared to sign on the dotted line in principle—I am not too worried about particular early-day motions—and that all of us who have shown sympathy can make an unambiguous statement. The Government motion shows sympathy, but even they would accept that these workers need more than that. We should now go forward in as united a way as possible and say that, even if we query the compensation issues, as hon. Members have today, there is an issue of natural justice involved.

Mr. Heald: What figure does the hon. Gentleman put on the problem? What does he capitalise the cost as being?

Mr. Webb: It has been said that Ros Altmann and the pensions action group are more or less alone in coming up with figures, and I am pretty sure that the figure of 60,000 workers is broadly consistent with what they have come up with. A sum of £100 million per year has been mentioned as the long-term average cost. Essentially, when the pension protection fund comes in, no new liabilities will accrue under the regime. There will be a cap on the amount; it is not an open-ended commitment, because it will come to an end when the pension protection fund is introduced. In the first four or five years, there will probably be no cost to the Exchequer because the funds will already have money in them, and it is important that that money is not spent on poor value for money annuities. There are things that could be done very quickly, as the hon. Member for Havant (Mr. Willetts) has mentioned. That seems to be the order of magnitude that we are talking about.

To put this in perspective, at the start of the year, the Department for Work and Pensions had a line in its annual report for unallocated expenditure that will rise to £200 million next year. This is almost the spare cash that the Department has not yet decided what to do with.

Rob Marris: I would suggest that the hon. Gentleman looks again at the figures. If we are talking about 60,000 people, current annuity rates, and a very modest figure of £1,000 per year lost pension—although I am sure that it will be higher than that—that would result in a ball-park figure of £1.2 billion as a capital buy-out, not the few hundred that he is talking about.

Mr. Webb: The hon. Gentleman is confused on two counts. First, I am talking about the £100 million not as a one-off cost but as a recurring annual average cost over the lifetime of a scheme. Secondly, if we go for this sort of approach, we do not have to buy these grotty annuities; we can allow the capital that is left in the funds to go on appreciating. The sum does not therefore work out in the way that the hon. Gentleman suggests, but I am grateful to him for giving me the opportunity to clear up that point.

A number of us have paid tribute to the pensions action group and to Ros Altmann and the campaigners for getting this issue so high up the agenda and for being more or less the only people putting information into the public domain, perhaps until today. Is this not an issue for the Government? I am appalled to hear that we can do nothing about the injustice of long-serving workers getting next to nothing because the people who run the schemes do not even know how long the workers have been in them. Even the most basic record keeping seems not to have been carried out.

One might say that such record keeping would be another burden on the scheme, but it seems a pretty minimal burden to have to record when someone joined

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a scheme and put their money into it. We are talking about incredibly basic record keeping. We are also talking about public money; tax relief and national insurance rebates apply to these contributions, and there is tax relief on the fund. The situation is just horrifying, and I hope that the Minister will be able to tell us that there is to be better record keeping—as a minimum—in the future. The Government have been remiss in not obtaining the information on the numbers affected throughout all the time that this issue has been current. That has been a long time now. It is shocking that we cannot make good policy because of a complete lack of decent information.

The hon. Member for Havant raised the issue of the minimum funding requirement. I remember sitting on the relevant statutory instrument Committee for the second of the debates on the MFR. My initial reaction was to think, "This is undermining people's protection", but the Government said that their actuaries had advised them that the measure was appropriate. The Conservative members of the Committee then said that they did not want to put burdens on occupational schemes. That was the other argument: they did not want to overdo minimum funding requirements, because people would shut the schemes. The Conservative members of the Committee—whom I shall not name—then nodded the provision through.

I was determined not to be partisan, so I had better stop at this point. We must all stop using this issue to say, "Let's get one over on the Government" or "Let's get one over on the Tories". I hope that we are all serious about doing something about this issue, as I believe that the Secretary of State is. I am not suggesting that the Liberal Democrats have a monopoly of virtue in this regard. I wonder, however, how long it will take to achieve. Now that we have a rough idea of the orders of magnitude involved, surely we need to crack on with it, and we need to do that in as non-partisan a way as possible. I therefore hope that we can look at the Pensions Bill in a collaborative way that will enable us to put something forward that is precise and that will give real hope—rather than false hope—to the people who have been affected by these issues. The onus is on all of us to do that, and I hope that today's debate—and perhaps my contribution to it—will have taken that agenda forward.

5.21 pm

Mr. Jim Cunningham (Coventry, South) (Lab): I welcome this debate, particularly in relation to occupational pension schemes. The workers involved have been referred to, and if we recall the early 1970s, we remember that the workers always saw contributions to their occupational pension schemes as part of their wage deals. That developed in the 1980s, and from about 1986 onwards we saw a hard sell at companies such as Rolls-Royce to encourage people to opt out of SERPS—the state earnings-related pension scheme—and to get into private pension schemes. Tax incentives were introduced, and some companies obviously used the employment regulations of the time to encourage people to be part of those schemes, or to make it compulsory. One way or another, elements of coercion were used to get people—certainly those working in factories—to join those schemes. Of course, they joined those schemes in good faith, and they thought that it was a step forward, because they would ultimately gain some sort of security in old age. We now find that that security was on shifting sands.

Hon. Members will remember that I said in an intervention that one thing that the Tory Front Bench spokesmen omitted to mention was the mis-selling of pension schemes. That was a calamity, and there were no calls from the then Government to do anything about it. All sorts of reasons were given why compensation could not be paid out at that time, which led this Government, when they came into office, to set up the Financial Services Authority. Any Back Bencher who has been involved in Treasury matters will know that these issues have been raised with the FSA on a number of occasions. For the House's information, it is not generally known that the financial services people have paid out in compensation something in the region of £2 billion to £5 billion as a result of the mis-selling of some of those schemes. Those are old figures, and there are probably more up-to-date ones. The idea that the Government have not done anything over the past six or seven years is therefore an illusion. The truth is that they have stated to do something through the FSA.

Compensation has been mentioned. Because people entered those schemes in good faith way back in the 1960s and 1970s and, obviously, in the 1980s, and because there was a hard sell, on which there has been a report, I am one of those who think that we should consider some form of compensation. We can debate what the figure should be, and work it out, but a heck of a lot of people are involved.

Kevin Brennan: My hon. Friend made an important point in the early part of his speech when he said that pension schemes are, in effect, deferred wages for many workers. In paying them compensation, therefore, all that we would be doing would be paying them the wages that they were promised.

Mr. Cunningham: To elaborate on that point, I can remember that when I was involved in negotiations many years ago people would accept 3 per cent. as opposed to 5 per cent. because it was a deferred wage, and most people understood that. Although I welcome the fact that the Secretary of State has not closed the door on compensation, I hope that he will give due weight to the views expressed on both sides of the House as it is a major issue. If it is not addressed, we will have perhaps 60,000 people on benefits who should not need to be in that position. That is the difference between the poverty line and a little bit of affluence. I hope that the Secretary of State will bear that in mind.

On the whole question of pensions, we would not be having this argument if the previous Government had not started their coercion, as I call it, in 1986. It goes without saying that we would not be debating it if we had a proper old age pension fixed at a reasonable level, possibly linked to earnings, although there may be other ways of doing it. The problem with linking it to earnings is the issue of what category of earnings should be chosen or what average, which can get us involved in all sorts of arguments. In the absence of a decent pension being paid, though, the argument about the link gains credibility. At some point, future Governments will

have to address the question of what we call a decent pension. At the moment, while about 2.5 million pensioners have been taken out of poverty and given assistance, the number is not really diminished, because if we change the goalposts, we find that other people come into that category.

I was interested in the point made by the Opposition about the link. As I said in an intervention, they abolished the link when in Government, and I find it strange that they have suddenly gone populist. They must have discovered pensioners groups somewhere—they were always there, but the Tories did not know that when they were in Government. As a result of their conversion, the Opposition are formulating their policies on the Swiss concept—they consult the canton to decide what they are going to do. That is very interesting. They poked fun at us about the big conversation, but listening to what they were saying earlier, I think they have one heck of a conversation going on. I am interested that the Tories are suddenly becoming the listening party. They are having all sorts of consultations with all the pensioner groups whose existence they never acknowledged when they were in power; now that they are the Opposition, they suddenly find that those groups matter. We always knew that they did, which is why we continually raised pensioners' issues when we were in Opposition.

David Taylor (North-West Leicestershire) (Lab/Co-op): If my hon. Friend cares to walk the road between Havant and Damascus, he will find, among the discarded McDonalds wrappers, many abandoned policies that the Tories were happy to implement during their last period in office.

Mr. Cunningham: It seems to me that we entered the era of Pol Pot politics in 1997 so far as the Tory party was concerned: that was year zero, and every misdemeanour was laid at our door, but history shows that the Tories are very good at blaming others for their own shortcomings.

I see that the hon. Member for Eastbourne (Mr. Waterson) is dying to intervene.

Mr. Nigel Waterson (Eastbourne) (Con): May I lure the hon. Gentleman away from Cambodia for a moment? His main complaint seems to be that restoring the link with earnings is our policy. If it became his party's policy tomorrow, would he be happy about that?

Mr. Cunningham: Of course I would be happy about it, but I would see it as only a short-term measure. The one thing that cannot be avoided by Government or Opposition, although the Opposition tried to avoid it when they were in power, is the fact that people are entitled to a decent pension. Until that is dealt with, there will always be this to-ing and fro-ing across the Chamber.

We now have to tackle the new phenomenon of final salary pension schemes and the moving of goalposts. My right hon. Friend's proposals are a step forward, but something that has not been addressed so far—certainly not when the Conservatives were in Government—is the issue of pension holidays. Companies would take pension holidays, and after four or five years there would suddenly be a problem with pension funds. I find that strange; there should have been some form of compulsion. Another thing that went on when the Conservatives were in power was the use of pension funds to finance other businesses. Conservative Members speak of people complaining in their surgeries about pensions, but I am sure that Labour Members' surgeries have been visited by people complaining about one of those two practices. Some of the companies involved eventually folded.

As I have said, the Government's proposals are a step in the right direction and we should not be negative about them but should view them as something on which to build. We should take a leaf out of the Conservative Government's book, and do things gradually. They cannot be done overnight.

I have tried two or three times to get my Pensioner Trustees and Final Payments Bill through the House, without success. Nevertheless, although the law says that trustees must represent everyone, groups of retired people who are members of pension schemes feel that they have no voice, and are left out when decisions are made. Over the last 12 months, I have had a number of meetings with retired Rolls-Royce employees. As many as 300 or 400 people have turned up from all over the west midlands, which gives some idea of the strength of feeling—a strength of feeling that is beginning to gain momentum among the former employees, and doubtless among those of other companies.

On numerous occasions, along with my hon. Friend the Member for Coventry, North-West (Mr. Robinson), I have spoken to the Minister about the scandal of former Massey Ferguson employees who were faced with a "take it or leave it" redundancy proposal, and who, more importantly, never received from their pension scheme what they had put into it. The last I heard was that the issue had gone to the High Court, and the Secretary of State was saying that we would have to wait and see what decisions it made. Whatever the decisions, however, and even if the issue is being addressed, there remains a great deal of bad feeling among Massey Ferguson's former workers—certainly in Coventry—about what happened to them.

My hon. Friend the Member for Cardiff, West (Kevin Brennan) has, from time to time, mentioned steelworkers. He will find that the employees of Massey Ferguson were in exactly the same position. I certainly had a lot of sympathy with him when he raised those issues, because I—along with my hon. Friend the Member for Coventry, North-West—was among those making representations to the Secretary of State. It is about time that my hon. Friend and I had another meeting with the Secretary of State to talk about the future of Massey Ferguson workers. *[Interruption.]* My right hon. Friend is grinning, but as he knows, we shall certainly return to that issue.

In some ways, in a debate such as this, pension schemes are only part of the problem. In addition to the need for an adequate pension is the question of care and how to fund it. That is all part of the big equation. From time to time, social service departments are in conflict with the private sector over the cost of providing care. Thanks to a measure introduced by the previous Conservative Government, people had to find their own

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means and methods of paying for care. The cost of care varies thorough the country, which is part of the pensioners' lot. That is why, in trying to understand the plight of pensioners, we must take a number of factors into consideration. For example, it is not too long since we had the problem of bed blocking. On investigating that problem, we discovered that we did not have sufficient social workers to ensure that people returned to the accommodation and care that they needed on leaving hospital.

The issue of pensions is complex, therefore, and we cannot talk about occupational pensions in the abstract; we must consider the plight of pensioners in its entirety. Of course, in some parts of the country, such as the west midlands, pensioners get free travel, but in others they pay a 50 per cent. fare. To a certain extent, we must congratulate the Government on introducing that fare. It constitutes progress, but pensioners nevertheless feel strongly about free travel, which allows them to see friends in different parts of the country with whom, perhaps, they grew up, but who moved away. In discussing these issues, we must therefore start to think about the general needs of pensioners. In fairness, however, it must be said that this Government have done a lot for pensioners, particularly those on the poverty line.

Nobody will deny that the pension protection fund is bound to be welcomed. It has been a long time coming but it is finally here; let us hope that it goes from strength to strength. The introduction of a regulator should have happened years ago, and it will be very interesting to discover how the regulator will regulate the various pension schemes and occupational schemes. Many people will also welcome the simplification of paperwork. Pensioners often have to fill in reams of paperwork that they do not really understand. Such simplification is really a job for the regulator. Pensioners are often aggravated by the amount of form filling required when they apply to local authorities for benefits or rate reductions. We have raised this issue with Treasury Ministers from time to time to see whether such forms can be simplified.

It will be interesting to discover how the state pension lump sum develops. I should point out to the Secretary of State that we will certainly monitor that proposal, on which there is not too much detail. Nevertheless, it, too, is a step in the right direction. There is also the vexed question of informed choice in promoting pensions. The regulator should probably consider that issue, and here we come back to the mis-selling of pensions and the hard selling that occurred in the days of Conservative Government. I would certainly welcome the provision of such information.

The key measures that the Government are trying to introduce include safeguarding accruable pension rates during periods of statutory paternity and adoptive leave. If we think about it, that issue has never really been addressed before, and there will be a particular impact on women. The lack of pensions, particularly occupational pensions, for women, often forces them on to benefits. If the fact that they have to rear a family was taken into consideration, they might be in a far different situation.

The House would certainly want to monitor the capping limit in relation to price indexation. It is one thing to link a pension to the price index, and quite another to link it to average earnings. There is a difference. Overall, however, we talk about capping issues, and Secretaries of State under previous Governments always had the right to decide whether to link pensions to prices or wages and to do it through regulation; the discretion has always been there. It is up to the Secretary of State, in discussion with the Chancellor, to have a good look at that.

The trade unions and the TUC have given the proposals a cautious welcome on the basis that they are a step in the right direction. For many years, many people outside the House—it certainly continued when we came into the House—raised those issues because we all knew that we would reach pensionable age ourselves at some time in the future. That sounds a bit mercenary, but, seriously, anyone who has watched the plight of pensioners over the years and done case work or attended surgeries knows how easy it is to come across heartbreaking stories. They often happen because people do not know what benefits they are entitled to. People need to be experts to work out what benefits are available and who should get them.

Pensions are often increased in line with inflation only to be taken away by increases in council tax. That is a Catch-22 dilemma that many pensioners face, but I notice that the Government are going to take the necessary action to deal with the situation. There are a number of ways of doing it. They can cap councils and stop them increasing the tax that way, but that is a short-term measure. We know what happened when the previous Government capped councils. Programmes and revenues were capped, which meant school buildings and council houses could not be repaired, so it is only a short-term measure.

The real measure that the Government should take is to ensure that councils are properly funded. In Coventry, for example, when the Opposition were in Government, we lost something like £600 million in grant from the central Government as a result of the change from the old rates to the poll tax. That is a lot of money in Coventry's circumstances. We often find that councils are asked by successive Governments to introduce measures without the necessary funding. All in all, I note that the Secretary of State is saying that his measures will go a long way to ensure that the burden does not fall on the taxpayer. Again, that remains to be seen.

I finish by saying that I welcome the Government's proposals, and I hope that they will be introduced in the form of legislation. However, I still believe that the Secretary of State must reflect more on the question of pension holidays and the ability of companies to use pension fund money for other purposes. Mention was made earlier of the Pensions Act 1995, introduced under the Conservative Government; that was a very weak Act that did not address the fundamentals that I have raised in the House today.

I hope that the Secretary of State will take some of my points into consideration, and I remind him that I hope to have a further meeting with him, together with my hon. Friend the Member for Coventry, North-West, about the plight of the ex-employees of Massey Ferguson.

5.39 pm

Sir John Butterfill (Bournemouth, West) (Con): It is rather refreshing when a political party such as my own admits that it got some things wrong and that they need to be put right. It is right to say that we got some things wrong in the Pensions Act 1995 and that we want to sit down with the Government to work out how to improve things. That does not always happen. There is no doubt that there were faults in the 1995 Act, although some have been compounded or made a good deal worse by the present Government's subsequent actions.

It is undoubtedly true that the priority orders introduced by the 1995 Act are wholly inappropriate for the circumstances in which many pensioners, prospective pensioners or deferred pensioners find themselves today. It is wholly unfair that existing pensioners under a scheme that is being wound up continue to receive full pensions, while other scheme members on the verge of retirement get almost nothing.

There is an urgent need for change. My colleagues on the Front Bench have said that they would be happy to engage in bipartisan talks to see how such change could be achieved. I think that the Liberal Democrats would go along with that as well.

Mr. Webb *indicated assent.*

Sir John Butterfill: I see that the hon. Member for Northavon (Mr. Webb) is nodding in approval. The matter is urgent. Action needs to be taken now, and it is astonishing that it has not been taken before.

The 1995 Act was rather a hurried response to the Maxwell scandal. It attempted to patch up the holes that that affair revealed in the pensions system. Like all hurried legislation, the Act was not perfect. There have been plenty of opportunities to improve it since it was enacted almost nine years ago. The previous Conservative Government, and the present Labour Government who came to power in 1997, have had plenty of opportunity to sort out the defects. I am worried that nothing has been done, even though some of us have said repeatedly that the 1995 Act has defects that need to be resolved.

There is another considerable problem. The regulatory regime—the Occupational Pensions Regulatory Authority, and other bodies—is not dealing with the difficulties that have arisen in some of the many schemes to which the hon. Member for Cardiff, West (Kevin Brennan) referred, and in other schemes that are now in liquidation. The Government must think about how to deal with the problems that have arisen and how to alleviate the plight of the people who have been affected so severely.

I do not go along with the hon. Member for Northavon, however, whose approach was typical of the Liberal Democrats. He seemed to say that Government money should be used to bail out all the people who have been affected. Everything would then be lovely, at a cost of only a few hundred million pounds a year. However, that few hundred million would not then be available to the health service, education or any of the other things at which the hon. Gentleman's party has pledged to throw money.

Mr. Watts: Many people who are faced with a black hole in their pensions look at the very rich farmers who were compensated for losses as a result of foot and mouth disease, and other tragedies, and ask, "Why was it good enough for the farmers but not for us?"

Sir John Butterfill: The hon. Gentleman makes an interesting point. It is a matter of the existing legislation or the priorities of the Government of the day. My point is that it is not appropriate to say that we can always throw money at the problem. That is especially true in respect of private sector schemes, some of which have been the subject of pretty dirty dealing.

I make no specific allegations, even with the benefit of parliamentary privilege, but some companies have been very badly run, with directors running off with the money or using it for inappropriate purposes. In some schemes, the trustees have not properly guarded the funds that they were supposed to look after, and other schemes have not been regulated properly by the Occupational Pensions Regulatory Authority. Litigation may follow in all such cases and some of the money may be recovered. If the regulatory authority is at fault, the Government might be an appropriate compensator. However, to say that the Government should write a blank cheque to bail out any private sector scheme that is in trouble would be to encourage the misbehaviour that we want to discourage. In many ways, the Pensions Bill is a good one, and it is designed to prevent such misbehaviour in the future.

Mr. Waterson: My hon. Friend speaks from vast knowledge and experience. Does he think that there will be any effect on the behaviour of those who run pension schemes and the risks that they take, knowing that in future—if not retrospectively—there will be a safety net along the lines of that which has existed in America for some 30 years?

Sir John Butterfill: My hon. Friend makes an important point. There is the risk of moral hazard. If there is a safety net, some employers may be discouraged from behaving correctly. For that reason, there should never be a flat-rate contribution to the pensions protection fund, but it must relate to the level of risk—so that employers who do not behave correctly pay a much higher premium than employers who behave in the best interests of their work force.

I criticised the minimum funding requirement in 1995 and have done so ever since because it directs people, through actuarial advice, to specific forms of investment—overwhelmingly to index-linked, predominantly Government bonds. The more bonds that people buy in a diminishing bond market—and it has been diminishing—the lower the yield. The way that the MFR operates requires the purchase of more bonds if there is not enough income to cover the liabilities—then the yield may fall still further. It is a like a black hole that spirals ever downwards, sucking in money from a lower and lower yield. That is not necessarily always the fault of the Government, but perhaps of the actuarial profession in being terribly short-sighted in the way that it has viewed liabilities—thinking that the only way to match a future liability to pay pensions is to buy a bond that will provide an income in the future. If the yield keeps falling, the bond will not even achieve its primary objective. Successive Governments—including

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those of my own party and the present Government—have failed to address that fundamental flaw in the MFR mechanism.

David Taylor: Is it not the case that MFR directions of the kind to which the hon. Gentleman refers have relatively little influence on the price of bonds compared with minimum strategic economic actions such as changing interest rates? One cannot attribute everything to the MFR.

Sir John Butterfill: The hon. Gentleman is entirely correct that bond values are attributable to a series of factors—including the fact that Government borrowing has decreased, so the supply of bonds has diminished. That may be a good thing, but it has nevertheless been a contributing factor, for which the Government should have compensated in the make-up of the MFR.

Another factor is that regulators are increasingly telling insurance companies that they must cover more of their potential liability by bonds rather than equities. We saw that with Standard Life, which was recently told that it must sell a chunk of equities and buy something seen as more secure. Standard Life, having done that, and to everyone's surprise, now has, through bonds, double the liability coverage required by statute—yet the yield to that company's policyholders will be substantially reduced. The fall in yields is attributable also to changing market conditions. The point that I am trying to make is that the Government and the actuarial profession must be far more sensitive to how the market has changed and examine other forms of investment.

In my capacity as chairman of the parliamentary pension fund, I recently went to a seminar held by PricewaterhouseCoopers on alternative investments. Statistics show that investments in, for example, commercial property over a 30-year period have been less volatile than bonds, which are supposed to protect against volatility, and have shown almost double the yield. Should we not ask the actuarial profession why we have not put more—not all of it—into commercial property? Why are we not investing in derivatives that protect against future changes? We should have a range of investments because there are more choices than equities versus bonds—we should have mixed portfolios. Successive Governments have, however, failed to do that, which is why the MFR is a problem today. I shall give up that particular hobby-horse, but I was challenged to say whether I objected to the MFR in the past, and I objected to its composition.

Mr. Webb: Ideologically, I imagine that the hon. Gentleman favours thrift and self-reliance. We face a situation in which people worked hard, saved hard and anticipated a good pension, but are getting next to nothing. Does he accept that there is a basic injustice there that must be addressed in a way that goes beyond legal action by those who can afford to take it? Is there not a bigger issue?

Sir John Butterfill: There may well be a bigger issue, and we must quantify the scale of the problem, how it has arisen and whether the Government have failed to regulate, which would give them a moral responsibility. The hon. Gentleman is right to raise that point. All I am saying is that there are all sorts of demands on the public purse, and compensation may mean one less hospital, somebody not getting a hip operation or education not being provided properly. We must all suffer a degree of pain if we compensate everybody. We currently live with a compensation culture where everybody must be compensated for everything and the Government bail out every lame duck. We cannot go that far, but the hon. Gentleman is right to say that it is a question of balance.

The reforms that the Government are introducing and the changes that they have made since they came to power have had a pernicious effect. The difficulty is that if we are to encourage good employers to provide good pension schemes, they must have some incentive to do so. Most of the Government's actions have provided disincentives—there was no worse disincentive than their £5 billion a year grab on all our pension schemes.

Mr. Ken Purchase (Wolverhampton, North-East) (Lab/Co-op): Oh no, not you as well.

Sir John Butterfill: The hon. Gentleman says, "Oh no", but one must keep referring to that point because the sum of money is significant—it equates to about £600 a year for every pensioner in an occupational scheme in this country.

Mr. Jim Cunningham: The hon. Gentleman refers to a money grab, but if he goes into the House of Commons Library he can find out why the Chancellor acted on pension schemes. Companies were creaming off profits and were not reinvesting; it is not a political point, and the hon. Gentleman will find it in the Library.

Sir John Butterfill: The Chancellor's explanation will not comfort many pensioners. This morning, I received some figures relating to that point from the Association of Consulting Actuaries. About one third of defined benefits schemes remain open to new members. Despite the Government's attempts to persuade people to choose other forms of pension saving, other schemes have not been frightfully successful. On group personal pensions, for example, only 44 per cent. of firms offer such arrangements, and the combined contributions of employer and employee are about 8.6 per cent., which is nothing like enough to provide an adequate pension in retirement. As for stakeholder schemes, only 37 per cent. participate in those or other stand-alone schemes and the average combined contribution is only 4.8 per cent., which will produce hardly anything and certainly will not reach the level of the Government's pension guarantees.

Only 36 per cent. of defined benefit schemes in smaller firms are open to new members. Worryingly, the fall-off in defined benefit schemes—which are the best form of pension for employees, provided that the company or scheme does not go bust—is greatest in the small schemes. That is because they cannot cope with the level of regulatory burden. However, we have increased that burden. My party did it in the Pensions Act 1995 and the Government will repeat that in the Pensions Bill, which

is in other ways an excellent Bill. The Government do not understand the cost and the impact of the burdens that are likely to be imposed.

I shall not address the entire Pensions Bill today, because we shall have another day in which to do so in rather more detail. However, I shall give an example. One of the problems with the Pensions Bill is that it inserts into our legislation, almost in toto, the draft directive from the European Union. The draft directive was created by Commissioners from countries that do not have occupational pensions in the same way that we do. Only the Netherlands and Ireland also have significant local schemes. Most of the others have only sophisticated state schemes. However, the Commissioners see fit to publish regulations that apply principally to us, even though this country has more in pension savings than any other. The Dutch have more per capita, but we have more in total.

The level of burden that the Bill will impose is huge and it will drive more and more small employers out of defined benefit schemes. Clause 200, for example, will take the requirement for knowledge for trustees to a professional level. Historically in this country, trustees have been ordinary people, including pensioner trustees or trade union-appointed trustees, who have no specialised knowledge but good common sense and sound judgment. They take advice if they do not know something. They know that they have to appoint a scheme actuary and a scheme lawyer, and consult investment advisers and fund managers. Under the Pensions Bill, the trustees will have to know all that themselves. Clause 200(4) states:

"An individual to whom this section applies must have knowledge and understanding of . . . the law relating to pensions and trusts . . . the principles relating to . . . the funding of occupational pension schemes, and . . . investment of the assets of such schemes, and . . . such other matters as may be prescribed."

I attended a seminar held by S J Berwin, also in my capacity as chairman of the parliamentary pension fund trustees, and I was told that most pension lawyers and actuaries would not fulfil those requirements.

Mr. Watts: Does the hon. Gentleman agree that part of the problem that we face is that many people who had responsibility for pension schemes did not have the knowledge that they needed to manage them? We need trustees who know what they are doing. The problem is companies that do not wish to invest in their employees. Employers are good at looking after their own pension schemes and pay, but they are less likely to want to invest in providing proper pension schemes for their employees.

Sir John Butterfill: To a degree, the hon. Gentleman is right, but there is a great advantage in having trustees who are not particularly specialist. There could be an ordinary pensioner representative, as there is in our scheme, or there could be trade union or work force representation. That is a good thing. All those people may not be experts, but they can employ experts. Perhaps there should be a minimum standard for trustees. Hon. Members' trustees, of whom I am one, are all taking the examination in essential pensions knowledge of the Pensions Management Institute, which is a good thing. I suspect, however, that we shall be among the minority of such trustees.

The Pensions Bill would place such burdens on trustees in terms of required knowledge that no ordinary trustee will be able to take them on. Firms will be able to comply with the measure only by employing professional trustees. If they do that, the input of those with an intimate relationship with the scheme will disappear and the costs will go up enormously. Only the bigger firms will be able to cope.

Mr. Jim Cunningham: I readily acknowledge that the hon. Gentleman has greater expertise on pension funds than me. I have some sympathy with his point about trustees. Trustees in the trade union movement have a degree of training, but I should not like them all to be financial experts at the expense of the people they are supposed to be representing. We need to find a balance, so I have sympathy with what the hon. Gentleman says.

Sir John Butterfill: That is absolutely right. Trustees should have a minimum standard of knowledge. I should be happy if the Government were to say that all trustees must have obtained the certificate of essential pensions knowledge from the PMI or something similar, which would limit the requirement under the Bill to something that most trustees could probably achieve. If, over six months, they did a bit of homework and spent some of their free time learning the subject, they could probably obtain that qualification, but the open-ended provisions in the Bill are ridiculous. They have been lifted straight out of the draft directive, which is madness.

In Committee, I hope that we can take such silly burdens out of the Bill and get on with the good things that it contains.

6.2 pm

Rob Marris (Wolverhampton, South-West) (Lab): I had not intended to speak in the debate, but as a member of the Select Committee on Work and Pensions I am interested in the subject.

The Secretary of State told us that about 60,000 people are affected. Constituents of mine and of my hon. Friend the Member for Wolverhampton, North-East (Mr. Purchase) were done out of their pensions by what went on at Chart Heat Exchangers Ltd., formerly IMI Marston Ltd. There are serious questions to be asked about who was, or was not, minding the shop for that scheme, but that must be for another day as there are legal considerations.

I am heartened that we have the figures, but we need to put them in perspective. Devastating as the individual stories of our constituents are, we are talking about only 0.5 per cent. of pensioners. There are 12 million pensioners in the United Kingdom; we are talking about 60,000 people—a small, albeit important, proportion.

Kevin Brennan: Will my hon. Friend clarify that point? We are not talking about 0.5 per cent. of all pensioners; we are mainly talking about deferred pensioners—people who have not yet retired.

Rob Marris: I am setting the figure of 60,000 against the 12 million total. The figure includes some prospective pensioners, as well as some people who should be receiving a pension but are not.

[Rob Marris]

I am heartened by the Secretary of State's remarks today, as, in response to a question from my hon. Friend the Member for Cardiff, West (Kevin Brennan), he did not seem entirely to close the door to assistance—the word we now use rather than "compensation". Farmers received compensation for foot and mouth; assistance is what we hope some of our constituents might receive for what went on in some of those pension schemes.

The motion refers to the "crisis in occupational pensions". That assertion has not been backed up by evidence—for example, that less money is being saved in schemes. In fact, more money is being saved in pension schemes. There may be difficulties with confidence, but there is no structural crisis in pensions in the UK.

The pension protection fund proposed under the Pensions Bill—I will not say much about that Bill, as we will shortly debate it on Second Reading—will further increase confidence. It clearly cannot be retrospective, yet the Government are criticised by some Members who wish to have it both ways. They say, "Ah, well, all the pension protection fund premiums should be risk based"—the implication being that its start should be deferred until the risk figures are available and can be taken into account when setting premiums—yet the same Members criticise the Government for not setting up the fund before next April. They should not try to have it both ways, and I welcome what the Government are trying to do to get the fund off the ground quickly and generate the information. We ought to look at pensions more broadly than we often do in the House.

Sir John Butterfill: I very much agree that it is better to get the fund up and running, but the problem is that the Government have not yet confirmed whether they will move away from the flat rate and, if so, over what time scale. The Opposition and the hon. Gentleman need to press the Government on how quickly they will move to a risk-based premium.

Rob Marris: I certainly support risk-based premiums and the hon. Gentleman is entirely right to suggest that hon. Members on both sides of the House should continue to press the Government on the time scale, but I am delighted that the April 2005 time scale has been announced because it will at least get things moving, even though flat-rate premiums will be used.

I want briefly to discuss the structure of pensions in the United Kingdom. The motion refers to encouraging savings. The cost of tax incentives for pension contributions—the forgone tax revenue—is about £14 billion a year. That is a huge amount of money, and the better-off in our society disproportionately take advantage of those arrangements. Half that benefit is received by the top 10 per cent. of taxpayers and a quarter of it by the top 2.5 per cent. of taxpayers.

Massive amounts of money are involved, but does that money change people's savings behaviour? Evidence from the Department for Work and Pensions shows that it does not. Page 289 of the evidence volume published last year by the Select Committee on Work and Pensions—of which I am a member—that accompanied its report, "The Future of UK Pensions", says:

> "The Committee asked . . . whether there is actually any evidence for tax incentives to encourage people to save for their pensions."

It was me who asked that, I say parenthetically. It continues:

> "There has been considerable academic work on the impact of tax incentives on savings behaviour. Its conclusions can be very broadly summed up as follows:
>
> — there is little evidence that tax incentives can significantly increase the overall level of saving;
>
> — but they can significantly affect its allocation."

That refers to where the money goes. Tax incentives are vastly expensive, but it is questionable whether they alter behaviour in a way that society wants.

Mr. Willetts: The hon. Gentleman is getting into dangerous territory. The crucial argument—indeed, it has been put by the hon. Member for Cardiff, West (Kevin Brennan) and other hon. Members—is that we are talking about deferred pay. As it is deferred pay, it is taxed only when it is received as pay. He argues that there is a special tax privilege. The tax-free lump sum represents tax relief, but apart from that, the money is taxed when people finally receive their deferred pay. That is a perfectly logical system; it is not a special tax privilege.

Rob Marris: It may be perfectly logical to the hon. Gentleman, but the other side of the coin is, as he says, that the sum is taxed when it is received in retirement. The Government's additional tax from that sum is estimated, from memory, at £8 billion, so the net cost—14 minus 8—is £6 billion a year, which is a considerable sum.

Kevin Brennan: Will my hon. Friend give way?

Rob Marris: I will not give way because I am limited for time and I know that another hon. Member wishes to speak. I wish to develop the point that I am making.

My hon. Friend the Member for Coventry, South (Mr. Cunningham) talked about a decent state pension. He is entirely right. I am not an actuary, but, according to the figures that I have calculated, if we got rid of the tax relief on pension contributions and put 1 per cent. on both employers' and employees' national insurance contributions, we could have a basic state pension of £150 a week for a single person and £250 a week for a couple. The Government could then get out of the pensions business in any other sense and get rid of all the regulations on private pensions. We could say, "If you want to save for your old age, save for your old age, and if you don't want to save for your old age, that's fine because the state will guarantee that you will not starve in your old age." Pensions have tax breaks to stop people starving in their old age by encouraging them to save. If the basic state pension is relatively high, the state does not need to encourage people to save for their old age, and tax breaks are not necessary. The Government amendment mentions "simplicity, security and choice". My proposal, which should be considered in a public debate, is to whack up the basic state pension massively and get rid of all layers of complex regulation—and that is covered by the amendment.

The hon. Member for Bournemouth, West (Sir John Butterfill) said that final salary schemes—defined benefit schemes—were better than money purchase, or defined contribution, schemes. There is mixed evidence of that because the situation depends on the historical snapshot that one considers and what the stock market did at that time. The attraction of a defined benefit, or final salary, scheme is that people think that what they will get out of it is certain. That is true in the public sector, but I predict that final salary schemes will wither and die in the private sector because such schemes have historically relied on a trading company topping up its scheme in bad times. We have increasingly seen over recent years that as companies go bust, they get out of such pension schemes, so the certainty of final salary schemes for private sector employees is going out of the window. Confidence has been eroded in the private sector, but not in the public sector.

Sir John Butterfill: Of course, any view of the relative attractiveness to employers of defined benefit and defined contribution schemes varies according to the investment climate of the time. When we had a boom, all employers thought that DB schemes were wonderful because they could take contribution holidays. If they had been in defined contribution schemes, they could not have done that because they would have had to pay the same amount—the attraction of a contribution holiday would have disappeared. Everything depends on the snapshot of time at which one considers the situation.

Rob Marris: The hon. Gentleman makes my point for me. Money purchase schemes can be just as attractive, or more attractive, in the long run because they do not give employers the incentive to take pension contribution holidays—they carry on paying into such schemes. Final salary schemes will wither and die, and, although it might be heresy to say it, I think that is good thing. Such schemes discriminate against the low paid and women—they are predominantly the low paid in those schemes. If people work in the same low-paid job for 30 years, they traditionally receive thirty eightieths of their pay under such schemes. People who work for 20 years in such jobs and get promoted so that they work for 10 years in higher-paid roles get the whole thirty eightieths—not just ten eightieths—of their pension paid at the higher rate. The schemes discriminate against low-paid people who do not receive promotion, and although the trade union movement traditionally defends them, we should have another look at them in the private sector because as confidence and certainty change, they will wither and die.

6.13 pm

Mr. Quentin Davies (Grantham and Stamford) (Con): If the complete lack of appreciation shown by the hon. Member for Wolverhampton, South-West (Rob Marris) of the importance of saving and having vigorous funded pension schemes, including defined contribution schemes, for the economy and the security of human lives and families is typical of the Labour party, it is not surprising that it has presided over such a disaster in pensions and savings in our country over the past six years. I accept that that was a political remark, but it was required and emerged spontaneously because of the hon. Gentleman's speech. Nevertheless, given that we are contemplating a serious problem, I hope that we can try to reach the maximum possible degree of consensus.

I hope that the House will agree on at least three points. The collapse of the pension schemes of companies that have become insolvent has been an unmitigated human disaster for many people. It emerged during the debate that the number of people affected is probably approximately 60,000—it was interesting that the Government confirmed that figure. That will inform the debate in the country as a whole.

The second point on which I hope there will be a wide measure of agreement is that the collapse is a disaster in a second sense, because it has done traumatic damage to people's confidence in pension schemes, to the credibility of our whole pension system. That can only flow through, inevitably, into a lesser inclination to contribute to pensions, which is most unfortunate.

Even though there may have been shortcomings in the 1995 Pensions Act—I have always thought that it was excessively bureaucratic—there was created in the 1980s and early 1990s a climate in which people felt that their pensions were secure. That was an enormous comfort to individuals, and it was an enormous benefit to the economy that we had a very large amount of savings generated through the pension schemes that emerged. I am afraid that we shall pay a terrible price for the blow to credibility that has resulted from the collapse of schemes and the fact that some people have been left high and dry. It follows a whole series of blows to pensioners, potential pensioners and the pensions industry.

The third point that I hope the House will agree on is that there can be no marks at all for coming here and simply expressing sympathy for the victims of a disaster and not doing anything about it. The people who have to do something about it are the Government. It is no defence for them to tell the Opposition, "You haven't come up with any practical proposals." For heaven's sake, they are the Government—though I regret that—and it is up to them to come up with a solution. They have come up with none.

The Secretary of State, who I regret is not here now, said this afternoon that he did not want to excite false hopes. One understands that. He added that he did not exclude the possibility of some compensation. If he does nothing, he will have aroused false hopes by putting things in that way. Unfortunately, he did not say that it was necessary for the Government to have more information or that certain preconditions had to be fulfilled before a decision could be made. In fact, it does not appear to me that the Government need any more facts than they have. They have simply tried to avoid the unpopularity of saying explicitly and frankly to the House this afternoon that they will not do a damn thing. I fear that that is their intention. They do not want to say that, because they know how unpopular that announcement would be, so they hope that they can get away with that kind of evasiveness, no doubt hoping that the political heat will go out of the issue.

Kevin Brennan: Would it not be helpful if the hon. Gentleman and his colleagues explicitly stated that they would support my proposal that, for example, some sort

[Kevin Brennan]

of assistance or compensation—call it what you will—should be paid to at least the worst cases among the workers concerned? Is the hon. Gentleman prepared to tell the House that now, and perhaps to support early-day motion 200?

Mr. Davies: I am not prepared to support early-day motion 200, for reasons that have already been given this afternoon, when it was very helpfully analysed. I do not want to go over them again, but I will live up to what I have just said and try to make some constructive and helpful suggestions, which I hope the Government will take on board.

The first thing that the Government have a moral responsibility to do is to make an estimate of the extent to which they have directly and explicitly contributed to this disaster through the abolition of the dividend tax credit. That must be a calculation that it is perfectly possible to make on the basis of the portfolios held over the relevant period of years since 1998 by the relevant pension funds. I am sure intuitively that substantial amounts of money are involved. It was inadequate and spurious of the Secretary of State to say that the abolition of the dividend tax credit was just part of a reorganisation of corporation tax, that the mainstream rate had been reduced and that that had to be taken into account.

The implication was that the abolition of the dividend tax credit or the so-called pensions tax was not a net tax-raising measure at all. It was part of a rearrangement of corporation tax. If the Secretary of State reads his remarks this afternoon in *Hansard* he will be thoroughly ashamed, as that was an extraordinarily disingenuous comment. We all know that the abolition of the dividend tax credit was conceived by the Chancellor as a massive net revenue-raising measure, and the inevitable consequence of that abolition were equally massive losses from gross funds.

Mr. Watts: Is the hon. Gentleman advocating a return to the previous tax system, and is he saying that that is the Opposition's position? There are a lot of crocodile tears on the issue, but no constructive ideas. The hon. Gentleman is criticising the Government but has not suggested any options himself.

Mr. Davies: I may have been hasty in accepting the hon. Gentleman's intervention, as I was about to propose a practical idea based on the dividend tax credit. We ought to start a debate about the amount of compensation that could reasonably be made by the Government from the figure that I have just asked them to produce—namely, what they have raised incrementally from the schemes that have collapsed following the abolition of the dividend tax credit. There is no doubt that that will be a significant sum. In some cases, it may have pushed into insolvency schemes that would not otherwise have become insolvent. In other cases, the deficit will be much greater than would otherwise be the case. The Government have a moral responsibility to be straight with the public and to quantify the extent to which they have deliberately contributed to that disaster. We should have a discussion about the appropriate level of compensation to be paid by the Government based on that figure.

The Government should deal right away with the disaster—I am not talking about closing the stable door after the horse has bolted and the Pensions Bill that we will debate next week—experienced by people who are suffering now. They should do something this week to change the guidance to trustees of schemes from themselves and the Occupational Pensions Regulatory Authority, which, frighteningly, has led trustees to take perverse measures. In most cases, when a company has gone broke and its pension scheme is insolvent or below full solvency it automatically winds it up and buys annuities at a disadvantageous price—as Members will know, the annuities market is entirely a seller's market and is distorted—which is a bad deal. Alternatively, the company sells the whole equity portfolio—the fall in the equity market over the past couple of years has largely contributed to the problems in these schemes—and moves it all into cash or fixed-interest securities. Again, that is the worst possible reaction, because it means that as the equity market takes an upturn, it is impossible for the schemes to recover lost ground. That does not make sense when the market—one never knows what the bottom or the top of the market is—has had an exceptionally striking fall from an historical high. It is crazy to get out of equities altogether, which is the absurd and damaging course of action that trustees have taken.

Something must therefore be done quickly about the guidance given to trustees. I suspect that they are taking such action because they have been advised that, to protect their position, they must go for the so-called lowest-risk solution—either buy final annuities or move into fixed-interest securities. As I have explained, that is the worst possible thing to do—trustees should increase their investment in the equity market, and they could increase their protection against a further fall in equity market through an appropriate derivative. As we have seen in the derivative market in the past few months, when the market is historically low, the cost of such protection is correspondingly low. The investment management strategies pursued by trustees in this situation have not been rational, and the Government should do something about that immediately. That point has not been made, and it badly needs making.

I have two more proposals, which are focused on how the Government should go forward in trying to prevent the repetition of such a disaster. When something like this happens, the legislature must try to ensure that it is less likely that the ill from which we have suffered will recur. The first thing that the Government should do is to consider making pensioners preferred creditors. The situation that we are addressing results from a combination of factors. When a company collapses, it becomes insolvent and can no longer make statutory contributions to the scheme, and the scheme can be wound up only at a considerable loss because it is itself insolvent. That unfortunate combination of circumstances is particularly likely to arise during a downturn in the economy when the stock market is at an historical low and there are a greater number of insolvencies in commerce and industry. That was the situation in 2002 and 2003. We should consider changing the law to make pensioners preferred creditors of companies that have become insolvent in those circumstances, exactly as employees are preferred

creditors at present, because a company that collapses has to pay its contractual obligations to its employees for the work that they have done.

I recognise that one has to consider the disadvantages of any such move. I am not suggesting that it could be made retrospective, because suppliers have traded with the companies concerned, or lenders have lent to them, on the basis of the existing rules, which cannot be changed retrospectively.

Sir John Butterfill: I hope that my hon. Friend would exclude from those preferred creditors the directors who may have been pumping up their own schemes just as the company was going bust.

Mr. Davies: I thoroughly agree with my hon. Friend, who makes a just comment.

As far as credit ratings are concerned, we must bear in mind that if my suggestion were to be implemented in law, there would be no significant change for the vast majority of companies where lenders or suppliers see no real prospect of their going broke. There would be a problem between creditors only where a company became insolvent.

My final point is very important. We must look again at the whole issue of pension holidays. One aspect of the fundamental lack of symmetry in the present situation is inherently suspect—namely, that if a company finds that its pension scheme has a surplus, it can take a pension holiday, but if it has a deficit it does not have to make it up immediately. That is asymmetric. Nor does it make sense in terms of accounting or economic theory, because one has a liability that one should be providing for over the years as it accumulates. There should be a ceiling up to which it is not possible for a pension surplus to result in a pension holiday. Actuaries should advise on that ceiling, taking into account the expected fluctuations in the markets.

Clearly, at a time when equity markets are at an historical high, a well-managed scheme will always be in surplus. That should not mean that companies should cease to make any contribution unless the surplus is such as to provide protection against the likely cyclical downturn in the market. There should be symmetry on both sides. We should not have a situation in which companies can be expected overnight to make up a deficit in their pension fund because there has been a sudden fall in the market, but equally, by the same token, we should not have a situation in which if the pension scheme has a surplus of £1, the company can declare a pension holiday. That is thoroughly unreasonable and needs to be looked at again.

I am afraid that since this Government took over, the pension system, which was a flowering garden in the 1980s and early 1990s, has been turned into a desert.

The figures that my hon. Friend the Member for Bournemouth, West (Sir John Butterfill) cited—I am glad that he did so because they should be known throughout the country—say it all. Only one third of defined benefit schemes remain open. Since 1997, hardly a week has gone by without the closure of a defined benefit pension scheme. The pensions system was steadily built up under various Governments, especially the Thatcher Administration of the 1980s, but we can go back to the 1950s. It was one of the glories of our country, an enormous economic asset and a great asset to individuals and their families. It has been eroded.

The rhetoric of current members of the Labour party—for example, the hon. Member for Wolverhampton, South-West—tries to rationalise the appalling position and pretend that it is thoroughly commendable that our pensions system is breaking down. I cannot imagine a more perverse or destructive policy. If this afternoon's debate has exposed the Labour party's genuine direction and goal on pensions, it has been worth while.

6.30 pm

Mr. Henry Bellingham (North-West Norfolk) (Con): Unlike some Labour Members, I enjoyed listening to my hon. Friend—and near neighbour—the Member for Grantham and Stamford (Mr. Davies), who rightly pointed out that barely a week goes by without an announcement of a company closing down a final salary scheme. Last September, the Confederation of British Industry published a survey of 551 companies. It showed that half of employers had a final salary scheme that closed last year and that only 27 per cent. of firms continue to offer a final salary scheme—the figure last year was 43 per cent. The position is therefore serious, as my hon. Friend pointed out. John Cridland, deputy director general of the CBI, said the other day:

"On pensions the dam has burst as rising costs overwhelm employers who are increasingly being forced to pull out of final salary schemes for new employees . . . We need radical proposals that will make pensions simpler and more affordable."

My hon. Friend the Member for Havant (Mr. Willetts) made an excellent and impressive opening speech. As he pointed out, our recent position was not only the envy of the world but extremely stable and exceptionally robust. Although Labour Members derided his words, he was right to point out that the Chancellor's smash-and-grab raid on pensions—£5 billion a year—started the rot. The hon. Member for Coventry, South (Mr. Cunningham) said that there were strong, logical tax reasons for the change to advance corporation tax at the time. That may be true. The stock market was booming and many companies were taking pension holidays. However, the stock market subsequently went into decline and many schemes started to lose substantial amounts of capital value. Surely that was the time to reverse the policy. What was right in the Chancellor's first Budget was wrong two, three or four years later. The policy has taken a huge amount of money out of pension funds.

My hon. Friend the Member for Havant also pointed out that minimum funding requirements were lowered by 10 per cent. in June 1998 and subsequently by a further 8 per cent. The position is therefore bleak. Today, we have heard about several companies, including Allied Steel and Wire workers and Dexion, about which *The Mail on Sunday* wrote recently. I want to bring to hon. Members' attention a company in my constituency. Its parent company went into liquidation and the subsidiary company in my constituency is called Fisher Frozen Foods.

The Albert Fisher Group went bust in May 2002. There were 1,000 employees in the scheme—many in my constituency and that of my right hon. Friend the

[Mr. Henry Bellingham]

Member for South-West Norfolk (Mrs. Shephard). Although the scheme was under some pressure, the directors took a pension holiday as recently as four years ago. At the time, the fund was in surplus, but, as some hon. Members have pointed out, the tax regime bore down on the funds that were in surplus and getting too big. There was a tax disincentive, which was another big mistake.

The scheme suffered a shortfall two and a half years ago. New trustees tried to make it up by raising contributions from 10 per cent. to 20 per cent. The parent company, Albert Fisher Group plc, then went into liquidation. The deficit on the pension scheme was £35 million, which works out at roughly £35,000 per employee.

That figure, however, is distorted. I have several constituents who were middle managers for Fisher Frozen Foods, and I spoke this afternoon to one who was with that company for about 20 years. Over that period, he invested 5 per cent. of his salary in his pension, while the company contributed 10 per cent., and his pot was in the region of £300,000. He has lost 90 per cent. of that pot. It is not surprising that, along with the employees of Allied Steel and Wire workers, Dexion and the many other companies that my hon. Friend the Member for Havant mentioned in his opening speech, my constituent and others like him are very angry indeed. As he pointed out to me, he is particularly angry and upset because a number of younger people took early retirement from Fisher Frozen Foods literally weeks before the Albert Fisher Group went into liquidation. They received their full entitlement, but those who stayed with the company, even those who were substantially older than that cohort, will receive 10 per cent. if they are lucky, as 90 per cent. of the value is being lost.

Pinguin, the Belgian company that took over Albert Fisher's Fisher Frozen Foods subsidiary, refused to honour the final salary pension scheme. That was understandable, because Pinguin bought the company from the receiver when it had many serious problems, and not surprisingly, it refused to top up the pension fund.

Kevin Brennan: Will the hon. Gentleman acknowledge two points? First, one reason why employees on the cusp of retirement cannot access their full pension fund is because of the Pension Act 1995 and the regulations that it introduced. Secondly, in most such cases, including that of the Allied Steel and Wire workers from Cardiff, we are not talking about large pensions. We are talking about people who, after working for 30 or 40 years, might expect a maximum pension of £13,000. Therefore, if there were to be compensation, it could be capped at a reasonable level.

Mr. Bellingham: The hon. Gentleman has done much work on this subject, and he and I were at the meeting of the all-party group on occupational pensions two or three months ago. I shall come back to his points in a moment when I mention retrospective compensation.

As my constituent said to me today, to lose money that the company has paid into his pension scheme is one thing, but in his view—hardly surprisingly—to lose what he himself has paid in is pretty outrageous, especially when he looks at neighbours who are receiving their full pension and enjoying a happy retirement, even though they are younger than him.

My hon. Friend the Member for Havant dealt very well with retrospective compensation. We badly need substantially more data. How can we commit ourselves to that retrospective compensation until we have those data? Can the Minister tell the House why those data are not in place? That seems extraordinary when there have been so many parliamentary questions on the issue.

Will the Minister tell the House his views on the proposals made by Ros Altmann from the London school of economics, who came to the meeting organised by the all-party group on occupational pensions four or five months ago? She made it quite clear that because of the huge cost of buying annuities, to which my hon. Friend the Member for Grantham and Stamford alluded—the market for annuities is extremely difficult for buyers at the moment—if changes were made to the regime, the ongoing cost to the Government of retrospective compensation would be about £100 million.That cost is a fraction of the cost of the dome, a fraction of the cost of the increased bureaucracy involved in running Whitehall since 1997, a fraction of the cost of an asylum system in chronic meltdown and less than the cost of the proposed devolved assemblies that no one wants.

So far as the Pensions Bill is concerned, the Government will be judged not just on their actions for people who will be affected by future schemes, and future meltdowns or wind-ups of schemes, but on what they do for people who are really suffering now. Those people have lost everything that they were looking forward to—a happy, prosperous, or even simply a bearable, retirement. That is how the Government will be judged, and I look forward to the Minister giving various answers when he winds up.

6.39 pm

Mr. Nigel Waterson (Eastbourne) (Con): This has been a very interesting debate. We have ranged far and wide, and all the enthusiasts gathered here can regard it as an aperitif to the debate next Tuesday on the Second Reading of the new Pensions Bill. The excitement in the Chamber is palpable as I remind Members of that.

I declare an interest as I have some private pension provision. We heard a good speech from the hon. Member for Coventry, South (Mr. Cunningham). I am delighted that he agrees with our policy of restoring the link. My hon. Friend the Member for Bournemouth, West (Sir John Butterfill) spoke with his usual massive authority on this subject, and I am delighted that our pensions are in his excellent and reliable hands. A fellow member of the Select Committee, the hon. Member for Wolverhampton, South-West (Rob Marris), understated the extent of the current pensions crisis, but if he returns on Tuesday, I will tell him a bit more about why I disagree with him, and vice versa. My hon. Friend the Member for Grantham and Stamford (Mr. Davies) provided an excellent analysis of many of the problems besetting pension schemes and provided some good ideas for solutions. My hon. Friend the Member for North-West Norfolk (Mr. Bellingham), who has taken a close interest not only in the specific case to which he referred of Fisher's but in the more general issues, made a welcome contribution.

The hon. Member for Northavon (Mr. Webb) spoke knowledgeably. As I understand the policies of the Liberal Democrats, they have signed early-day motion 200 and would write a cheque tomorrow, or at least the day after. That is not, of course, what my party proposes at the moment, as my hon. Friend the Member for Havant (Mr. Willetts) explained.

This problem is gathering pace, even as we debate it. I noticed only today in *The Independent* a report that the insurance broker, Jardine Lloyd Thompson, announced yesterday that it is closing its final salary pension scheme to new entrants. It has injected £50 million of its own money to try to alleviate the £157 million pension deficit in its fund. It is not alone. It believes that that is the largest injection of any FTSE company relative to the size of its pension fund. Even companies that are trying to do the decent thing are struggling in the present climate.

I want to dwell in most detail on the Secretary of State's speech. We heard the usual mantra about not wanting to raise false hopes. While I understand the logic of putting that caveat into every speech that he and his colleagues make on this subject, it must become monotonous, not least to those who have already lost their pensions. A real danger exists—I say this in sorrow rather than in anger—of the Government becoming part of the problem, not the solution. As I said, the Pensions Bill has been published, and we will debate it in detail next week. It was published to a chorus of disapproval. I have yet to find a single comment from any organisation, serious newspaper or anyone involved in the pensions industry—except possibly the TUC—that did not criticise it, often for its timidity, and, of course, for the fact that it deals with problems in the future.

It was pretty clear, as my hon. Friend the Member for Havant pointed out in an intervention, that the Secretary of State had written his speech before he had taken account of what my hon. Friend had to say. Carrying out the role of a serious official Opposition, my hon. Friend set out a range of possibilities—*[Interruption.]* It is the Secretary of State and his colleagues who are meant to be in charge of this area of policy, yet on 12 January, in this Chamber, he declined the request of the hon. Member for Sittingbourne and Sheppey (Mr. Wyatt) that he set up an independent inquiry to find out the scale of the problem.We set out not our alternatives, as the Minister says from a sedentary position, but the obvious alternatives—those put forward by other people—which are the only ones anyone can come up with to solve this problem. We remain to be convinced that the Government are doing any serious thinking about the subject.

When pressed, the Secretary of State said that 60,000—the number of members of schemes who had lost most or all of their pensions—seemed to be the "right scale". So we have managed to nail down one corner of the tent. He then said that the Government were not in a position to estimate the figures arising from that 60,000 figure. What we do not know is what he or his Department are doing to work on those figures. What work is being done, by whom, with what purpose and on what time scale—if not by the right hon. Gentleman's Department, perhaps by the Treasury? As we know, the DWP is a wholly owned subsidiary of the Treasury in this Government.

The right hon. Member for Birkenhead (Mr. Field) talked about drawing the boundaries. The Secretary of State seemed rather taken by that idea, as if it had never occurred to him before; but surely it, too, is part of the process. Throughout the debate, we have tried to tease out of the Secretary of State and his colleagues just how deeply the Government are and have been thinking about solutions to a problem that will not go away and will not be resolved by the Pensions Bill. I must say, with respect, that the Secretary of State seemed a little like a very well-meaning member of the public who had wandered in with a few thoughts about what might be the solution, rather than a Cabinet Minister with the resources of the entire civil service at his command. Surely there should be a battery of Wykehamists with double firsts working night and day on this problem. Perhaps there are; if there are, may we be told about it?

We were told that something would happen about the priority order in the near future. We have heard such expressions before—"soon", "in the near future" and the like. They could mean anything. They could mean "by the time the snow is falling next year". The point about the priority order is that it was always going to be an interim measure, applied until the Bill became an Act. What is happening, and when will it have happened?

Kevin Brennan: As we near the end of the debate, will the hon. Gentleman finally tell us whether he and his fellow Front Benchers believe there is a moral case for compensation or assistance for these workers?

Mr. Waterson: The hon. Gentleman has been the intervention king today. What we have not heard from him are his ideas about what should happen. Let me remind him that the official Opposition have taken this first opportunity since the publication of the Pensions Bill to call a debate in our Opposition time.

Although the country faces an unprecedented crisis in savings and pensions, there is nothing in the Bill to encourage saving for retirement. Although final salary schemes continue to close at an alarming rate—I have just given one example—there is nothing in the Bill to encourage an employer to keep a scheme open, let alone open a new scheme. Although some 60,000 people have lost all or most of their pension entitlement in the last few years, there is nothing in the Bill to compensate them or even give them the hope of compensation. Meanwhile the Government, who for the moment are in charge of the issue, stand by impotent while the pensions crisis rages. As my hon. Friend the Member for Havant pointed out, it is as if there had been a household fire and, rather than offering to call the fire brigade, the Government merely offered insurance to cover the next fire.

Our motion rightly accuses the Government of inaction in the face of the pensions crisis, and I commend it to the House.

6.48 pm

The Minister for Pensions (Malcolm Wicks): I agree that this has been a wide-ranging debate, and I think that it has been an important one. The pensions question is rising on all the agendas that count in our society, and rightly so. In fact, it is really a series of

[Malcolm Wicks]

questions. When I reflect on the issues that have been discussed, I conclude that part of the pensions question has been determined by the past, that we need to address the present, and that we must also have a strong regard to the future.

The incomes of today's pensioners, many of them very poor and in their 80s and 90s, are largely determined by their social circumstances, education and family and employment histories dating from the 1920s and 1930s. The position of today's elderly women, in particular, needs to be seen in that context.

I shall say something about the pension credit later, but in looking to the future we are talking about incomes that today's young people will retire on in the middle decades of this century. They will experience an economy, educational opportunities, careers and family patterns that are radically different from those experienced by their grandparents or great-grandparents. So in some respects, the task of the Government and of Parliament is to understand and respond to a social and economic history that stretches over some 120 to 130 years.

We have had some notable contributions and interventions during today's debate: from my Front-Bench colleagues; from my hon. Friends the Members for Coventry, South (Mr. Cunningham) and for Wolverhampton, South-West (Rob Marris); and from the hon. Members for Bournemouth, West (Sir John Butterfill) and for Grantham and Stamford (Mr. Davies). All were noteworthy in their own way. I always enjoy—I had better not say in particular—the contributions of the hon. Member for Bournemouth, West, who, as has been acknowledged, is a great expert on these issues. As he pointed out, he largely welcomes the Pensions Bill, contrary to what one of his Front-Bench colleagues said. That colleague may want to take note of his hon. Friend in that respect. Indeed, many others have also welcomed the Bill.

In a slightly more self-interested way, we took note of the fact that the hon. Member for Bournemouth, West, who is chairman of the parliamentary pension fund trustees, said that he and his fellow trustees are sitting a learned institute's pensions exam. We were all very impressed by that. I noticed that from a sedentary position, my hon. Friend the Member for Wolverhampton, North-East (Mr. Purchase) said that he hopes that they pass it.

I shall not discuss in detail our strategy for the future because there is not sufficient time, but let us remind ourselves of some salient points. Although the concern of Members on both sides of the House has understandably concentrated on groups of existing workers who are in difficulties, we need to look at the future and at the pension protection fund. To dismiss this as insurance tomorrow is a trivial comment, if I may say so. I have drawn on the experience of a visit to Washington. I learned from the Pension Benefit Guaranty Corporation, which has widespread political and other support in the United States—from industry and from unions—and a track record of more than 25 years. I believe that if we can establish the fund, subject to the will of this House, it will become a permanent part of our pension and social security architecture, and will be seen one day as a major social policy innovation introduced by my right hon. Friend the Secretary of State. It will offer real guarantees for the future. When company schemes go bust, existing company pensioners will have 100 per cent. of their pension guaranteed, and scheme members of working age will have 90 per cent. guaranteed.

I put it to the House that this is a policy worth supporting and worth getting right. Our deliberations in Committee will be very important in this respect, and we will consider all useful contributions. The hon. Member for Northavon (Mr. Webb) said that he will enter into such discussions in a spirit of consensus, and I welcome that. We will not have a monopoly of wisdom on the details; we need to get things right.

The policy will be funded by an annual levy and from the income of the assets that the fund takes over from company pension schemes. Although in the first year there will be flat-rate levy of only 50 per cent. of the eventual levy, within a year we will roll out the risk-based levy, which will be at least 50 per cent.—I repeat: at least 50 per cent.—of the whole levy. We are very determined to have a risk-based element, contrary to what was said in a knee-jerk press release from the Liberal Democrats, which was published the day before the Bill's publication. I was about to say that the Liberal Democrat in question was either foolish or prescient, but he cannot have been the latter because he got it wrong.

I cannot add to what my right hon. Friend said about any assistance that may or may not be forthcoming to those groups of workers who are currently affected. It is not sensible for the Opposition to mock the phrase "not holding out false hope", because I believe that it would be foolish to do so. We are in a very difficult position, in which only the most unwise voices somehow think that the state can nationalise all risk. It cannot, but we are examining sensible suggestions and much work is going on.

In common with other Members who have met groups of workers, the ministerial team, which has met a large number, cannot fail to be moved by their plight when these honest and decent people speak about the contributions that they have made, sometimes for 40 years. They often speak in a dignified and quiet way about the effect on their marriages and their health. No one can fail to be moved and the House will have welcomed our debate on those important points.

Mr. Waterson: I take the Minister's point about the "false hopes" argument— I thought that I had already dealt with it—but when he says that much work is going on, can he give the House some idea, in the dying minutes of the debate, what sort of work is going on and to what it is directed?

Malcolm Wicks: Now is not the time to go into the detail, but we are examining the problems very carefully. As my right hon. Friend said, when we reach a conclusion one way or another, we will come before the House.

I was asked about Equitable Life and the Penrose inquiry. All I can say is that Treasury Ministers have made it clear that they intend to publish the report in full as soon as possible. They will keep the House fully informed.

Although the pension protection fund has gathered much interest around it, in some respects of equal importance in the Bill are proposals for a pensions regulator. By targeting the badly run and highest risk schemes, the regulator will enable well-administered and secure schemes to continue without unnecessary regulatory burden. The hon. Member for Northavon spoke about the importance of having clear requirements on information, and we can deal further with that important matter in Committee. We have also set out proposals for full buy-out and will have an employer taskforce to set out ideas about good practice in occupational pension schemes.

One or two Members referred to another aspect of the pension question—pensioner poverty. When we came into power in 1997, the state pension system was lacking in investment and was in a state of disrepair. Many people were poor, particularly older elderly people and often women. Indeed, single pensioner women were expected in 1997 to exist on £68.80 a week. By introducing the minimum income guarantee and now the pension credit, we have increased that income in real terms by one third, which is important. We have also reduced pensioner poverty by about 60 per cent. since 1997.

The Conservative proposals to place all the emphasis on raising the basic state pension—the Conservatives are now born-again earnings linkers, rather too late in our history—represent a hole that they are digging for themselves. It will mean that the poorest pensioners on pension credit will receive less—or little more—than the better-off half of pensioners. That is the logic of their proposals. Indeed, that was admitted a year ago by no less than the then shadow Chancellor, now the leader of Her Majesty's Opposition. It was an honest remark and the current shadow Secretary of State needs to heed his leader's wise words when he said:

"Those who are entitled to the pension credit and do claim . . . will not be better off"

under the Tory proposals. That is the logic of the scheme.

Mr. Patrick McLoughlin (West Derbyshire) (Con) *rose in his place and claimed to move*, That the question be now put.

Question, That the Question be now put, *put and agreed to.*

Question put accordingly, That the original words stand part of the Question:—

The House divided: Ayes 193, Noes 319.

Division No. 56] **[6:59 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Bruce, Malcolm
Burnett, John
Burns, Simon
Burnside, David
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Calton, Mrs Patsy
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clappison, James
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Curry, rh David
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dorrell, rh Stephen
Duncan, Alan *(Rutland)*
Duncan, Peter *(Galloway)*
Evans, Nigel
Ewing, Annabelle
Fabricant, Michael
Fallon, Michael
Flight, Howard
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra
Gillan, Mrs Cheryl
Grayling, Chris
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harvey, Nick
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heath, David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Marsden, Paul *(Shrewsbury & Atcham)*
Mates, Michael
Maude, rh Francis
May, Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Murrison, Dr. Andrew
Oaten, Mark *(Winchester)*
O'Brien, Stephen *(Eddisbury)*
Öpik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Pickles, Eric
Portillo, rh Michael
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Rendel, David
Robathan, Andrew
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*

Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Weir, Michael
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Hugo Swire and
Mr. Mark Field

NOES

Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Battle, John
Beard, Nigel
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Gordon *(Dunfermline E)*
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Connarty, Michael
Cook, Frank *(Stockton N)*
Cooper, Yvette
Corbyn, Jeremy
Corston, Jean
Cousins, Jim
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Farrelly, Paul
Fisher, Mark
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foulkes, rh George
Francis, Dr. Hywel
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Hodge, Margaret
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNamara, Kevin
Mactaggart, Fiona
McWalter, Tony
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, rh Peter
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall, Jim *(Leicester S)*
Martlew, Eric
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Moffatt, Laura
Mole, Chris
Morgan, Julie
Morley, Elliot
Mountford, Kali
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pope, Greg *(Hyndburn)*
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*

Ruane, Chris
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stringer, Graham
Sutcliffe, Gerry
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(CWyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Margaret Moran and
Mr. Nick Ainger

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments):—*

The House divided: Ayes 313, Noes 187.

Division No. 57] **[7:16 pm**

AYES

Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Battle, John
Beard, Nigel
Begg, Miss Anne
Bell, Sir Stuart
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, Tony *(Northampton S)*
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Connarty, Michael
Cook, Frank *(Stockton N)*
Cooper, Yvette
Corbyn, Jeremy
Corston, Jean
Cousins, Jim
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drown, Ms Julia
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Farrelly, Paul
Fisher, Mark
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foulkes, rh George
Francis, Dr. Hywel
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Hodge, Margaret
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNamara, Kevin
Mactaggart, Fiona
McWalter, Tony
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, rh Peter
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*

Marshall, David *(Glasgow Shettleston)*
Marshall, Jim *(Leicester S)*
Martlew, Eric
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Moffatt, Laura
Mole, Chris
Morgan, Julie
Morley, Elliot
Mountford, Kali
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pope, Greg *(Hyndburn)*
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
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Reid, rh Dr. John *(Hamilton N & Bellshill)*
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Robinson, Geoffrey *(Coventry NW)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stringer, Graham
Sutcliffe, Gerry
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
Margaret Moran and Mr. Nick Ainger

NOES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Bruce, Malcolm
Burnett, John
Burns, Simon
Burnside, David
Burstow, Paul
Burt, Alistair
Cable, Dr. Vincent
Calton, Mrs Patsy
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Collins, Tim
Conway, Derek
Cotter, Brian
Curry, rh David
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dorrell, rh Stephen
Duncan, Alan *(Rutland)*
Duncan, Peter *(Galloway)*
Evans, Nigel
Ewing, Annabelle
Fabricant, Michael
Fallon, Michael
Flight, Howard
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra
Gillan, Mrs Cheryl
Grayling, Chris
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harvey, Nick
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Key, Robert *(Salisbury)*
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Maude, rh Francis
May, Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Murrison, Dr. Andrew
O'Brien, Stephen *(Eddisbury)*
Öpik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Pickles, Eric
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Rendel, David
Robathan, Andrew
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah

Thomas, Simon *(Ceredigion)*
Thurso, John
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Webb, Steve *(Northavon)*
Weir, Michael
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Mark Field and Angela Watkinson

Question accordingly agreed to.

MR. SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House supports the Government's strategy to tackle pensioner poverty, and to deliver simplicity, security and choice in working and saving for retirement; condemns the pensions inheritance of 1997, with millions in poverty and the legacy of pension mis-selling; notes that the Government is spending £9 billion extra per year in real terms on pensioners compared with the 1997 system; condemns the unfair, unaffordable and unsustainable pensions policies of Opposition parties; expresses its sincere sympathy for those who have lost part or all of their pension as a result of their employer becoming insolvent; believes the Government should continue to look at all available options to help people affected, but that it would be cruel to raise expectations if no workable solution can be found; welcomes the publication of the Government's Pensions Bill; further believes that the Pension Protection Fund will bring real security for over 10 million defined benefit pension scheme members if their employer becomes insolvent and pensions schemes wind up in the future; further believes that firms should honour pension promises they have made; welcomes the Bill as a balanced package, with a new regulator and measures to simplify pensions legislation, making it easier for employers to run good schemes; further believes that pension reform should be a common cause; and calls on all Members of this House to support the Government's Pensions Bill.

REGULATORY REFORM

Motion made, and Question put forthwith, pursuant to Standing Order No. 18(1)(a) (Consideration of draft regulatory reform orders),

SUNDAY TRADING

That the draft Regulatory Reform (Sunday Trading) Order 2004, which was laid before this House on 22nd January, be approved.—*[Paul Clark.]*

Question agreed to.

PETITIONS

Hemel Hempstead General Hospital

7.29 pm

Mr. Tony McWalter (Hemel Hempstead) (Lab/Co-op): I present a petition on behalf of 22,116 residents and workers of the Dacorum district of Hertfordshire.

The petition declares:

That the threatened downgrading of Hemel Hempstead General Hospital is unjustified given that its catchment population is the largest in the county and that it is still growing.

The Petitioners therefore request that the House of Commons urge the Secretary of State for Health to direct the Bedfordshire and Hertfordshire Strategic Health Authority to reinvestigate thoroughly the business case for selecting one option over another in relation to the future of Hemel Hempstead District General Hospital.

And the Petitioners remain, etc.

To lie upon the Table.

Gadebridge Sub-Post Office

7.30 pm

Mr. Tony McWalter (Hemel Hempstead) (Lab/Co-op): I wish to present a petition of the Gadebridge Community Association and residents of Gadebridge.

The petition

Declares that the Petitioners would be deleteriously affected by the closure of Gadebridge Sub-Post Office at Rossgate in Hemel Hempstead.

The Petitioners therefore request that the House of Commons urge the Government to take steps to secure the future of Gadebridge Sub-Post Office, and the beneficial services it provides, for the members of the Gadebridge Community.

And the Petitioners remain, etc.

To lie upon the Table.

VAT (Tourism)

Motion made, and Question proposed, That this House do now adjourn.—*[Paul Clark.]*

7.31 pm

Mr. Roy Beggs (East Antrim): As a tourist destination, the United Kingdom offers a rich and diverse holiday experience to any tourist wishing to explore our national distinctiveness, our shared traditions and our unique heritage. As an industry, British tourism has enormous potential, offering the prospects of job creation, urban and rural regeneration and real economic and social benefits for all sections of our community.

Tourism represents one of the largest industries in the United Kingdom, and makes a major contribution to the British economy. It is worth approximately £75.9 billion. In 2002, 24.2 million trips were made by overseas visitors to the United Kingdom, who spent approximately £11.7 billion, while British residents themselves made 167.3 million trips within the United Kingdom, spending more than £26.5 billion.

Our tourist industry is, however, at a distinct economic disadvantage compared with those of our European neighbours, which is a cause of serious concern. The disadvantage is that the value added tax rate applied to Britain's tourist industry is substantially higher than that applied by the majority of European Union states. In particular, the VAT rate applied to tourist accommodation in the United Kingdom is more than twice the European Union average.

With the exception of Denmark and Germany, EU states operate an average reduced rate of VAT on tourism of 8 per cent. The United Kingdom, on the other hand, continues to enforce a VAT rate of 17.5 per cent. on tourist services, including tourist accommodation. Consequently, the performance of the United Kingdom tourism industry over the past 15 years has been marked by a declining market share and a progressive deterioration in the balance of payments on tourism services. There is compelling evidence that there is a causal relationship between the two.

Only Denmark, charging 25 per cent., has a higher rate of VAT on tourism than the United Kingdom. The negative effects on the Danish economy and tourist industry are undeniable. International tourist receipts in Denmark declined during the 1990s, leading to a fall in Denmark's share of the European tourist market, from 2.4 per cent. in 1991 to 1.83 per cent. by 1994. The Danish tourist industry is currently lobbying the Government to reduce the rate of VAT to a level more in line with those of its European partners.

The Republic of Ireland provides an excellent example of the way in which extensive economic and employment benefits can be gained from the introduction of lower VAT, particularly on tourist accommodation. Following the Irish Government's decision to halve the rate of VAT applicable to visitor accommodation and restaurant meals in the mid 1980s, the number of overseas visitors to the south of Ireland increased from 1.9 million in 1986 to 3.1 million in 1990. Northern Ireland is the only part of the United Kingdom to share a land border with another European Union state, and is clearly weakened by variable levels within the EU of VAT on tourism. As it is isolated and more expensive to reach from Great Britain, it struggles to attract large numbers of UK residents. Moreover, Northern Ireland shares a land border with an EU state operating a reduced VAT of 13.5 per cent. The 4 per cent. difference has major cost implications for overseas tourists. In such circumstances, it is difficult to know how long the industry can be expected to remain attractive to visitors.

The majority of the tourism industry in Northern Ireland is in small and medium-sized enterprises, which are committed to remain there to develop the economy and increase employment. The tourism industry demands fair treatment on a level playing field so that those expectations can be met. In 2002, 1.7 million people visited Northern Ireland and contributed £274 million to our economy. Domestic tourists spent £121 million on top of that figure. The tax contribution to Her Majesty's Treasury, according to the Northern Ireland Tourist Industry Confederation, is more than £207 million in VAT and national insurance contributions. Tourism employs 49,000 full and part-time workers, with hotels and restaurants alone employing more than 38,000 full and part-time staff.

Tourism is estimated to contribute nearly 2 per cent. of Northern Ireland's gross domestic product, compared with 5.4 per cent. in the Republic of Ireland, 5 per cent. in Scotland and 7 per cent. in Wales. If Northern Ireland and, indeed, the rest of the UK are to improve their attractiveness to visitors and fully develop an internationally recognised and globally competitive tourism industry, the lowering of VAT on tourist accommodation is a vital first step. Reducing VAT on tourism, particularly on tourist accommodation such as hotels, farmhouse bed and breakfasts, guest houses and similar establishments would undoubtedly do wonders for the economy of the UK as a whole.

Price is a crucial factor for most tourists when choosing a holiday destination. By attracting more visitors with cheaper accommodation, tourists would be encouraged to spend more money in our restaurants, shops and visitor attractions and make use of our public transport and car hire facilities. As more business is generated, more jobs will be created. According to Deloitte and Touche's 1998 study of the effects of changing VAT rates on tourist services, a reduction of VAT on accommodation would create more than 50,000 new jobs. The UK's receipts from international tourism would increase by £2 billion in the first year following a reduction, rising to £3 billion in the third year. The direct loss of VAT receipts is more than made up for by gains in income and corporation tax and reductions in social security payments. According to Deloitte and Touche's simulation, the potential indirect gains to the Treasury from those sources rises from £426 million in the first year following a VAT cut to £753 million by year 10.

The potential for increased Treasury revenue and employment is further supported by more recent VAT calculations on UK in-bound tourism from VisitBritain. The international passenger survey notes that UK in-bound tourism receipts for 1992–93 totalled £11.7 billion. Expenditure on accommodation was only £3.94 billion, or 33.7 per cent. of total UK in-bound tourism receipts. The increase in in-bound tourism receipts as a result of reducing VAT on accommodation from 17.5

per cent. to 8 per cent. would produce £562 million per annum and result in a very significant increase in full-time and part-time jobs.

In the light of such significant economic and employment benefits, I ask the Minister to undertake pilot research into the real economic effects that changing VAT rates would have on the British tourism and leisure industry. The Treasury should consider reducing the rate of VAT on tourist accommodation to 8 per cent. to test whether the benefits of such a reduction in VAT could be applied with economic success across the whole of the UK. As all Northern Ireland's bed and breakfasts, guest houses and hotels are already certified and registered through the Northern Ireland Tourist Board, the region is clearly the most cost-effective part of the UK in which a pilot scheme could operate, because a reduced rate of VAT could be easily controlled and quickly administered. I urge the Minister seriously to consider the opportunity that is available in Northern Ireland and impress upon him the need urgently to address this source of competitive disadvantage with the rest of the European Union.

I want briefly to outline the legislative basis for a change in the UK VAT rate. Alongside the standard rate of VAT at 17.5 per cent., the UK operates two reduced rates: one at 5 per cent., which is applied to domestic fuel, for example; and the other zero rated for goods such as children's clothes, foodstuffs and books. At first glance, that would appear to rule out the possibility of applying a further reduced rate for tourism accommodation, because under the EC sixth directive member states are entitled to apply for up to two reduced rates of VAT. However, the zero rating is not recognised by the EC directive as a reduced rate, which leaves the way open for a potential third option brought about by a change to domestic VAT legislation to include a reduced rate for tourist accommodation.

It therefore seems possible to revise the domestic VAT legislation to include the provision of hotel and similar accommodation in the United Kingdom in a lower reduced rate, effectively reducing the VAT charge due on those services to no more than 8 per cent., thereby creating a level playing field with the rest of Europe. That would in turn allow the UK broadly to follow the VAT liability that is applied to the provision of hotel and similar accommodation throughout Europe. For example, France operates a discounted VAT rate of 5.5 per cent. on accommodation, with a standard rate of 19.6 per cent.; Portugal has a discounted rate of 5 per cent. and a standard rate of 19 per cent.; Spain has a discounted rate of 7 per cent. and a standard rate of 16 per cent.; and Luxembourg has a discounted rate of 3 per cent. and a standard rate of 15 per cent.

The Minister should know that I am certainly not alone in calling for a reduced rate of VAT on tourism. He will be aware of the early-day motion that I recently tabled on the issue. In calling on the Chancellor to reduce the rate of VAT on tourist accommodation, I attracted a significant level of support from Members of Parliament across all parties. I am encouraged to note that Welsh Members of Parliament have taken steps to meet representatives of the Wales Tourism Alliance to discuss the best way in which they can take the matter forward locally. The issue clearly extends beyond the walls of Westminster.

Before the Economic Secretary replies, he should know that several tourist organisations are backing and, in most cases, actively campaigning for the proposal. As well as the Wales Tourism Alliance, the England Tourism Alliance, the Scottish Tourism Forum, VisitBritain, the Northern Ireland Tourist Industry Confederation, the Northern Ireland Tourist Board, the Northern Ireland Hotel Federation, the Country Land and Business Association and the British Hospitality Association have extended their full support to my call for a reduction in VAT in the sector.

Since the Chancellor will no doubt be concentrating heavily on his next Budget in the coming weeks, I am grateful for the opportunity to discuss and debate the issue. The tourism industry throughout the United Kingdom clearly believes that the whole country will benefit from a reduction in VAT on tourist accommodation. Such a reduction will be especially helpful to the tens of thousands of bed-and-breakfast owners and small hoteliers in rural areas, and will encourage more people to holiday in our beautiful country. I hope that the Treasury will consider the proposal carefully.

7.46 pm

The Economic Secretary to the Treasury (John Healey): I congratulate the hon. Member for East Antrim (Mr. Beggs) on securing not only the debate but the support of 67 hon. Members who signed the early-day motion that he tabled on a reduced rate for tourism. As he said, he has significant support inside and outside the House for some his arguments.

I welcome the opportunity to discuss tourism and the Government's approach to promoting and supporting the tourism industry in Northern Ireland and the United Kingdom more generally.

The Government recognise the vital importance of the tourism industry to the UK and, as the hon. Gentleman said, the great attraction of all parts of the UK to tourists from other countries. Last year, tourism spending in the UK was £76 billion. The wider industry employs approximately one in 13 of our work force, in the UK generally and in Northern Ireland.

In recent years, there has been new investment, new services and new confidence in tourism. Last year's figures for holiday visitors in Northern Ireland show an expected increase of 15 per cent. on 2002. The Northern Ireland tourism industry earned £395 million in 2002—more than 12 per cent. up on the previous year. Of that total, £274 million came from staying visitors and £121 million from domestic holidaymakers.

The Government therefore recognise the significance of tourism in Northern Ireland and strongly support its development. The hon. Gentleman may know that Invest Northern Ireland provides support with the operating, managing and development of tourism businesses, including grants for upgrading or developing guest houses and other holiday accommodation. A new development fund has been established to promote selected new air routes, especially to and from continental Europe, through investment support for local airports in the Province to reduce landing charges for carriers.

The Northern Ireland Tourist Board has developed a "Strategic Framework for Action", which provides guidance on the development of the tourist industry in

[John Healey]

the next three years. The Department of Enterprise, Trade and Investment in Northern Ireland, in partnership with the Northern Ireland Tourist Board, and alongside public and private sector agencies, will oversee the framework's implementation.

Tourism is generally benefiting from the macro-economic reforms that we introduced since coming to office in 1997. They have helped to create a stable and steadily growing economy. Some 1.7 million new jobs have been created since the Labour Government came to power.

We have the lowest unemployment since the 1970s, and for the first time in 50 years, unemployment in Britain is lower than in the euro area, Japan and America together. This is the general picture across the UK, but it is particularly apparent in Northern Ireland, where unemployment has fallen by 27.5 per cent. since 1997, underlining the success of the Northern Ireland economy in recent years. Indeed, I heard the hon. Member for East Antrim himself say to my right hon. Friend the Chancellor in the House last month:

"We in Northern Ireland are enjoying the lowest levels of unemployment and the highest levels of employment in my lifetime". —[*Official Report*, 29 January 2004; Vol. 417, c. 381.]

So we are having this debate against the background of a strong tourism sector in a strong economy.

Lady Hermon (North Down) (UUP): Does the Minister agree that one of the main contributory factors to the increase in employment and stability in Northern Ireland is the Belfast agreement, which he has not mentioned? Since Northern Ireland is now a much more attractive destination because we have peace—by comparative standards—does he recognise that to make it even more attractive for tourists, the serious issue of VAT must be addressed?

John Healey: Northern Ireland is certainly a more attractive and secure destination for tourists than it was a few years ago, and I welcome that. I am about to come to the question of VAT that the hon. Lady urges me to address. I know that she and the hon. Member for East Antrim will wish me to treat his contribution to today's debate as a Budget representation, and I shall certainly do so. I shall also ensure that we look at the Deloitte and Touche modelling that he mentioned in his speech. He will know, however, that this is a relatively long-standing issue to which the Government have given careful consideration in the past.

The hon. Gentleman will also know that the scope of VAT reliefs—including reduced rates—is governed by long-standing agreements with our European member state partners. Those agreements would not allow the application of a blanket reduced rate to all tourism-related activities, but they do allow member states, if they choose, to apply a reduced rate of VAT for certain goods and services that tourists might use, such as hotel accommodation, food, public transport and cultural activities. In the UK, our VAT zero rates are among the most generous and wide-ranging anywhere in Europe, including on items that tourists will benefit from, such as food and public transport. After 1997, we set up a special VAT refund scheme to support free admission to national museums, including the Armagh county museum and the Ulster museum in Northern Ireland. We also exempt from VAT the admission fees to many cultural attractions such as certain zoos, museums, theatres.

The specific case for a reduced rate for hotel accommodation was considered carefully in 1998, and we decided then that a persuasive economic case did not exist for such a move. We gave the matter further careful consideration during the foot and mouth outbreak, when the tourism industry faced severe difficulties and there were many calls for such reduced rate support. However, we said then that we did not regard such a blanket measure as a well-targeted, cost-effective use of resources. Instead, we put in place a package of measures specifically targeted at those businesses affected by the outbreak, including direct help from Customs and Excise and the Inland Revenue to help those businesses to cope with their tax bills.

It may be useful if I explain why the Government still believe that a general approach is poorly targeted and that the VAT system already provides better-focused benefits for a high proportion of small and medium-sized businesses within the tourist industries. Many smaller hotels, bed and breakfasts, farm houses and guest houses, which the hon. Gentleman mentioned, already benefit from the fact that the UK has the highest VAT registration threshold anywhere in Europe. Businesses with an annual turnover of less than £56,000 do not therefore have to register for VAT and can remain outside the scope of the VAT system altogether. That means that around half of guest houses and small hotels in this country do not have to charge VAT to their customers.

As the hon. Gentleman said, the reduced rate in the Republic of Ireland is 13.5 per cent.—4 per cent. below our standard rate. The reduced rate that we apply in the UK is of course 5 per cent., and we estimate that a blanket reduced rate for all hotel accommodation would cost in the region of £650 million. Moreover, the most likely beneficiaries would be major hotel chains and luxury hotels. Some argue, as he argued, that on a pilot basis a reduced rate could be targeted to apply only in Northern Ireland. Some also argue that it could be targeted only on supplies, such as accommodation, that are made to tourists. Let me be clear, however: although it is possible to introduce a reduced rate of VAT for hotel and other accommodation, legally, such reliefs cannot be confined to particular geographical areas such as Northern Ireland. Neither can such reliefs be applied selectively according to the use of the hotel or the status of the customer.

The hon. Gentleman went on to highlight his concerns about Northern Ireland and the competition created by the fact that it has a land border with another European member state—the only part of the United Kingdom, as he said, in which that circumstance exists—*[Interruption.]* I will give way to the hon. Member for North Down (Lady Hermon), although I am keen to answer the points made by the hon. Gentleman.

Lady Hermon: With the latitude of my hon. Friend the Member for East Antrim (Mr. Beggs), I want to make a quick intervention. The Minister has just referred to the fact that the difficulty is a legal one. Is the

legal basis for our not being able to have a variable rate of VAT in Northern Ireland compared with the rest of the Untied Kingdom founded on European Community law or on British law?

John Healey: That is a legal constraint that exists for the UK within the framework of European VAT law.

The Irish Republic does indeed apply a reduced rate of VAT of 13.5 per cent. for hotel accommodation, as it is entitled to do under the long-standing agreements between all EU member states. It is equally important, however, to take into account other VAT factors that work to the advantage of the Northern Ireland and UK tourism industry. We have the highest VAT threshold in Europe at £56,000. By contrast, service sector businesses in Ireland need to register when their turnover reaches €25,500—around £17,000, which is less than a third of our registration threshold. Our standard VAT rate is 17.5 per cent. In Ireland, it is 21 per cent., so most other goods and services consumed by tourists will be subject to this higher rate.

We have a number of special schemes in place to help small and newly registered businesses reduce their VAT compliance costs, improve their cash flow and manage their entry into the VAT system. That benefits sectors such as the tourism industry in which, as the hon. Gentleman made clear, there is a high proportion of small and medium-sized enterprises. Those schemes include the flat-rate scheme, the cash accounting scheme and the annual accounting scheme. We also have a special scheme that UK tour operators can use, which is known as the tour operators margin scheme, which was designed mainly to simplify the VAT system for such businesses by relieving them of the burden of having to register for VAT in all the member states in which they provide a travel package.

Overall, of course, the Organisation for Economic Co-operation and Development figures show that the UK is a relatively lightly taxed economy. We have one of the lowest tax burdens in the European Union, far lower than the EU average. I hope the hon. Gentleman accepts that, when we take a broader view, we see that the United Kingdom is not disadvantaged in comparison with other EU states, as he argued on the particularly narrow issue of a reduced VAT rate.

The hon. Gentleman presented his arguments well. However, while we greatly value the contribution of the tourism industry to our economy, we continue to believe that a reduced VAT rate for hotel accommodation would be poorly targeted as well as expensive. We continue to believe that a reduced rate simply for accommodation for tourists, or for Northern Ireland, would not be permitted by VAT law. And we continue to believe that such a measure would not be as effective as the range of provisions that already exist in the VAT system and the economy generally to support UK tourism.

Question put and agreed to.

Adjourned accordingly at Eight o'clock.

House of Commons

Wednesday 25 February 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

PRIVATE BUSINESS

LONDON LOCAL AUTHORITIES BILL *[Lords]*

Order read for resuming adjourned debate on Question [7 January].

Ordered,

That the promoters of the London Local Authorities Bill [*Lords*] may, notwithstanding anything in the Standing Orders or practice of this House, proceed with the Bill in the present Session; and the Petition for the Bill shall be deemed to have been deposited and all Standing Orders applicable to it shall be deemed to have been complied with;

That, if the Bill is brought from the Lords in the present Session, a declaration signed by the agent shall be deposited in the Private Bill Office, stating that the Bill is the same in every respect as the Bill brought from the Lords in the last Session;

That the Clerk in the Private Bill Office shall lay upon the Table of the House a certificate, that such a declaration has been deposited;

That in the present session the Bill shall be deemed to have passed through every stage through which it passed in the last Session, and shall be recorded in the Journal of the House as having passed those stages;

That no further fees shall be charged to such stages.—*[The First Deputy Chairman of Ways and Means.]*

Oral Answers to Questions

WALES

The Secretary of State was asked—

Employment

1. **Dr. Hywel Francis** (Aberavon) (Lab): What assessment he has made of recent employment trends in Wales. [155768]

8. **Paul Flynn** (Newport, West) (Lab): If he will make a statement on the level of employment in Wales. [155775]

The Secretary of State for Wales (Mr. Peter Hain): I am sure that all hon. Members wish to join me in a tribute to John Charles, who was one of the greatest Welsh sportsmen of all time and an international football legend.

The labour market in Wales continues to perform well, and better than the average for all United Kingdom economic regions.

Dr. Francis: I thank the Secretary of State for his reply. He will know of the recent TUC report, "Full Employment: The Next Steps". It identifies one of the key factors that contribute to economic inactivity in Britain as the inability of unpaid carers to access work opportunities. He will also know that there are 350,000 carers in Wales, of whom 22,000 are in his and my local authority area. Given that 80 per cent. are of working age and that 80 per cent. of those wish to work, will he consider meeting carers' organisations, especially Carers Wales, to explore strategies to assist carers, especially parent carers, to access learning, training and work opportunities?

Mr. Hain: I shall be happy to meet such a delegation and I pay tribute to my hon. Friend's work on behalf of carers. It is especially welcome in our part of south Wales because of its long tradition of industrial illness and injury, which means that the caring role in areas such as Neath Port Talbot is vital.

Paul Flynn: The Government's employment record has been a triumph and follows the great success of the relocation over the years of civil service jobs to my constituency. We want more jobs to relocate there. Does my right hon. Friend agree that there is a major concern about the future of call-centre jobs and the possibility that they could be siphoned from Wales to the Asian subcontinent? Is that the fire in the basement of the Welsh economy?

Mr. Hain: I acknowledge the danger of call-centre jobs going, for example, to India. However, they are being replaced by higher quality call-centre jobs and other jobs so that, as my hon. Friend said, Wales has the highest employment for decades and the lowest unemployment for 28 years. Unemployment in Wales soared to 168,000 under the Conservative Government; it is now only 41,000 and falling. The programmes that have helped to make unemployment fall will continue under our Labour Government.

Mr. Nigel Evans (Ribble Valley) (Con): Yes, unemployment is down, but, as I am sure hon. Members know, manufacturing employment is also down. There is also a skills shortage. Will the Secretary of State do two things? First, will he ensure that those who lose their manufacturing jobs have the opportunity to retrain for jobs where there are skills shortages? Secondly, I have heard a rumour that the Government are considering allowing 14 to 18-year-olds to leave school and do vocational training for part of the week. Will he ensure that such a provision is rolled out to Wales so that our youngsters have the opportunity for proper vocational education?

Mr. Hain: I welcome the hon. Gentleman's conversion to examining the facts for a change. He acknowledges that unemployment is falling and employment is increasing. Economic inactivity is declining in Wales as a result of the excellent Labour policies that the Government and the Welsh Assembly

Government are pursuing. However, the hon. Gentleman is right that a skills shortage persists and that it must be tackled. I would welcome any ideas that he has about that. Encouraging youngsters to spend at least part of their week in vocational work is a good idea, because it means that we will have more trained plumbers, tradesmen, bricklayers and electricians. That is part of the Government's programme. However, the £1 billion of cuts that the Tories are planning are not part of our programme. They would massacre tens of thousands of jobs in Wales.

Hywel Williams (Caernarfon) (PC): Is the Secretary of State familiar with the report, "Not gone but forgotten", produced by Sheffield Hallam university on real unemployment in rural and north-west Wales? It shows that the average claimant count in Wales is 2.6 per cent. and that the figure for real unemployment is 11 per cent. The claimant count in Gwynedd is 2.7 per cent. and the real unemployment rate is 7.6 per cent. Conwy has a real unemployment rate 9.7 per cent., while Anglesey has a whopping real unemployment rate of 12.1 per cent. When will the Government be honest about the statistics, and when will they do something about those shocking and disgraceful unemployment figures?

Mr. Hain: I am sure that the hon. Gentleman will want to salute the fact that his constituency has experienced the tenth biggest fall in unemployment in Britain as a result of this Labour Government's excellent policies. He correctly identifies the still troubling amount of economic inactivity, which historically has been high in west Wales and the valleys. It is, however, starting to decrease for the first time in many years, and the programmes that we are introducing will continue that trend. I am sure that he wants to join us in driving that process forward.

Denzil Davies (Llanelli) (Lab): My right hon. Friend may not have heard this yet, but in the past 24 hours a car component factory in my constituency, which is traditionally known as Camford Pressings, has announced about 90 redundancies. Many of those jobs will, in the vogue jargon, be "outsourced" to what have been described as low-cost economies in eastern Europe. Should the request be made, will he meet a small deputation from unions and management to see whether we can alleviate the consequences of that decision?

Mr. Hain: I would be happy to meet such a delegation. I know that my right hon. Friend fights very hard, and I will join him in fighting for every job in his constituency and, indeed, throughout Wales. The difference between the current situation and that of the 1980s and 1990s is that if people are unfortunate enough to face losing their jobs there are now more opportunities to find alternative employment. We can at least look forward to that prospect, but we shall seek to safeguard those jobs and any others that he brings to my attention.

Richard Commission

2. **David Burnside** (South Antrim) (UUP): If he will make a statement on the Richard commission on devolution in Wales. [155769]

The Secretary of State for Wales (Mr. Peter Hain): The Richard commission was established by the Welsh Assembly Government and I understand that it is expected to report to them at the end of March.

David Burnside: I know that the Secretary of State agrees with me that lessons learned from devolution should apply to the whole of the United Kingdom and that the lessons learned in Wales are particularly important. Does he agree that administrative devolution based on the Government of Wales Act 1998 has moved from the corporate local government model to an accountable committee system combined with a voluntary coalition with collective responsibility? Does he expect the Richard commission to recommend that approach as an improvement to the operation of the Welsh Assembly? Can my part of the United Kingdom and, indeed, any other part of the United Kingdom learn lessons from that? If the approach works and is accountable, it should be applied to all parts of the United Kingdom.

Mr. Hain: If there is a lesson for his part of the United Kingdom—Northern Ireland—it is that people should work together to make devolution and the Northern Ireland Executive work, and the hon. Gentleman's party should encourage that process. Developments in Wales are interesting and worth studying. The settlement has evolved under Rhodri Morgan's Government, who have established Cabinet government that differs from the original corporate design, but it would take constitutional change to complete that process.

Mr. Martin Caton (Gower) (Lab): Will my right hon. Friend confirm his previously stated position that the recommendations of the Richard commission should be judged by their impact on the governance of Wales and on service delivery in Wales, and not by other factors?

Mr. Hain: I will favour change if a persuasive case is made for it. In particular, changing the arrangements governing the Assembly must produce a better quality of life for people in Wales. I am not in favour of constitutional "anoraking" and the chattering classes in Wales pushing forward constitutional change for its own sake. If there are changes that offer a better deal, we should adopt them.

Mr. Bill Wiggin (Leominster) (Con): I join the Secretary of State in paying tribute to John Charles, who led Wales to its only appearance in the World cup finals.

Mr. Simon Thomas (Ceredigion) (PC): So far.

Mr. Wiggin: Indeed. Among his many achievements, John Charles played for Hereford United, where he scored more than 100 goals. His widow, Glenda, survives him, and our thoughts are with his family.

Did the Secretary of State agree with the First Minister, Rhodri Morgan, when he said that further powers for the Welsh Assembly need not necessarily be approved in a referendum, because that does not tally with the Secretary of State's words on 5 November, when he said:

"If we had an entirely different settlement proposed, say on the lines of the Scottish model with its own separate legal system and virtually everything except reserve matters devolved, I cannot see how that can be introduced by anything other than a referendum."?

Mr. Hain: It is clear to me that if a full-blown Scottish solution—with a separate legal system, tax-varying powers and all the other accompanying powers—is proposed for Wales, it would require a referendum. However, there is much difference between that situation and the existing one, which would allow change to be introduced without necessarily requiring a referendum. That is the point and that is the position that Rhodri Morgan has endorsed.

Mr. Wiggin: I am grateful to the Secretary of State for that reply, because his remarks on Scotland have been a little confusing. On 13 January, he said:

"I do not favour a Scottish solution. I will be absolutely frank about that. So in my mind that is ruled out."

But on 27 January he said:

"What about the Scots devolution settlement? It is not necessarily the right one for Wales which, unlike Scotland, has no separate legal system. On the other hand that is not to rule out a Scots option. We are speculating—nothing should be ruled out and, of course, nothing ruled in."

Does the Secretary of States stand by that last remark?

Mr. Hain: The only person who appears to be confused by those two statements is the hon. Gentleman. I have been clear that if we have a full-blown Scottish solution, including tax-raising powers and all, a referendum will be required. I said that that was in the realms of speculation because I have no idea what will be in the Richard commission's report. I do not know whether it will recommend that solution or another one. When the report is published, we will consider it. In the meantime, I wonder whether the hon. Gentleman, as shadow Secretary of State for Wales, was consulted by the shadow Chancellor about the cuts of £1 billion that are planned for the Welsh budget.

Mr. Wiggin: I think that the Secretary of State ruled out many things in that answer. Has he ruled out a reduction in the number of MPs? On 13 January he said:

"My bottom line for any change is I am not willing to countenance anything that alters the number of MPs. It has to remain at 40 and I am not touching with a barge pole the Scottish nightmare of reductions in numbers of MPs."

It seems that he will not wait for Lord Richard to report: he has already made up his mind on that subject.

Mr. Hain: I am entitled to express a point of view as Secretary of State for Wales and to defend the position of the 40 excellent MPs, including the Plaid Cymru Members, who are entitled to represent their constituents here, if they are lucky enough to win. I am puzzled by the question. Is the hon. Gentleman saying that under a Conservative Government he would welcome a reduction in the number of MPs in Wales?

Mr. Wiggin *indicated assent.*

Mr. Hain: He nods. We should certainly wait for the Richard commission's report, but a number of key principles are involved, one of which is a referendum on a full-blown Scottish solution, and that is irrefutable. Another is that I do not believe that a persuasive case can be made for a reduction in the number of Welsh MPs, and I will continue to argue that case, even if he does not support it.

Llew Smith (Blaenau Gwent) (Lab): Will my right hon. Friend accept that when the Labour Administration in the Assembly set up the Richard commission, they were in reality contracting out policy making to other political parties? Have the other political parties been equally generous and allowed us to make policies on their behalf? Will he be very surprised if the conclusions of the Richard commission reflect the views of Rhodri Morgan, the person who set it up?

Mr. Hain: I have talked to Rhodri Morgan about that and I can assure my hon. Friend that he has no more idea of what will be in the Richard commission's report than I do. I also assure him that there will be no contracting out of the final decision on any changes recommended by the Welsh Assembly Government to Westminster. The decision will be taken in the first instance by our Labour Governments and, in the second, by this Parliament. We will retain the ultimate say on whatever changes need to be made as a result of the report's recommendations—*[Interruption.]*

Mr. Speaker: Order. There is far too much noise in the Chamber. It is very unfair on Members.

Prisoners

3. **Angela Watkinson** (Upminster) (Con): How many Welsh residents are held in English prisons. [155770]

The Parliamentary Under-Secretary of State for Wales (Mr. Don Touhig): Information on a prisoner's place of residence prior to sentence or remand in custody is not held centrally.

At 30 November 2003, there were 1,580 prisoners in English prisons who had been committed or sentenced by courts in Wales.

Angela Watkinson: The Minister will appreciate the importance of family visits to prisoners serving custodial sentences as part of their rehabilitation and to prevent re-offending. Does he share my concern for those 1,580 prisoner families currently having to travel very long distances to make family visits? What plans are there to increase prison capacity in Wales?

Mr. Touhig: There are no prisons in mid and north Wales. Prisoners accommodated in England are probably closer to their homes than if they were in

prisons in south Wales. There are currently about 2,400 places available in prisons in Wales. There are no plans to increase that number at present.

Mr. Lindsay Hoyle (Chorley) (Lab): If there were plans to extend accommodation by the building of new prisons, would my hon. Friend ensure that they were run by the public sector and not the private sector?

Mr. Touhig: Clearly, that is a matter for the Home Office, and I have no responsibility for it.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): As we are now in the period of the big conversation, will the Minister meet me briefly to have perhaps a medium-sized conversation about this subject? The truth is that at any given time 700 or 800 prisoners from north and mid-Wales are accommodated elsewhere. It is a human rights question. Given that the figures now stack up, and that the Prison Service has said that a prison is needed, may I meet him to describe precisely the views that people in north and mid-Wales seem to have on this issue?

Mr. Touhig: The Government continue to investigate options for providing further increases in capacity. I understand the hon. Gentleman's point, and I shall happily meet him at any time on it.

CAP Reform

4. **Andrew George** (St. Ives) (LD): What recent discussions he has had with Welsh Assembly Secretaries on common agricultural policy reform. [155771]

The Parliamentary Under-Secretary of State for Wales (Mr. Don Touhig): My right hon. Friend has regular meetings with the First Secretary, and I meet the Assembly Secretary for Environment, Planning and Countryside to discuss a variety of issues. Indeed, we have a video conference planned for tomorrow.

Andrew George: I thank the Minister for that response, but is he aware of the impact of operating two agricultural support systems across the board? What assessment has he made of the potential market distortions, particularly on the Welsh border and also for cross-border farms? In his discussions with Welsh Assembly Secretaries, has he discussed how long the historic payments will be able to continue, because surely the transitional period must come to an end?

Mr. Touhig: My colleagues in the Welsh Assembly have undertaken a detailed analysis of the options, and the single farm payment is the one they have chosen. They believe that it is the right one, because it would certainly benefit the majority of farmers who have a large percentage of holdings right across Wales.

The issue of cross-border matters is not yet resolved. Discussions are going on between the Department for Environment, Food and Rural Affairs and Ministers in the devolved Administrations. The Welsh Assembly's decision to go down the single payment route has been roundly welcomed by all the farming unions across Wales. I talked to farmers last week, and they certainly welcomed it.

Albert Owen (Ynys Môn) (Lab): At the heart of CAP reform is a fairer and more equitable distribution of prices and profits. What discussion has my hon. Friend had with his colleagues in DEFRA and the Welsh Assembly Government about the price consumers pay for milk and the price paid to farmers? The current balance means that there is very little investment in the farming industry in Wales, and the consumer is being ripped off.

Mr. Touhig: I understand my hon. Friend's point. As my right hon. Friend the Secretary of State and I travel around Wales, we often meet farmers and members of farmers' unions who complain about the price they are obtaining from the major suppliers—the supermarkets and so on. I understand that farmers' unions have been taking the issue up very strongly, and I know that my hon. Friend is also very concerned about it. We must keep the matter under review and make sure that farmers secure a good deal for the milk they produce.

Mr. Roger Williams (Brecon and Radnorshire) (LD): The mid-term review goes on, but the Department for Environment, Food and Rural Affairs has failed to introduce the fallen stock scheme and has postponed the abolition of the over-30 month scheme. Will the Minister have discussions with his ministerial colleagues in DEFRA about those issues, because Welsh farmers cannot plan for the future?

Mr. Touhig: My impression is that farming in Wales is much more confident than it was a year ago—indeed, farm incomes are increasing. I take on board the point that the hon. Gentleman makes and, of course, I have ongoing discussions with my colleagues in the Assembly who have responsibility for those matters and my colleagues in DEFRA. The matters figure in our discussions at all times.

Digital Television

5. **Mr. Wayne David** (Caerphilly) (Lab): What discussions he has had with ministerial colleagues about the provision of digital television in Wales. [155772]

The Secretary of State for Wales (Mr. Peter Hain): I have had regular discussions, because I am keen to see digital coverage right across Wales as soon as possible.

Mr. David: The Secretary of State will be aware that many people in south Wales, such as those in the Rhymney valley, for example, cannot get Channel 4, five or digital television. Will he do everything possible to make it absolutely certain that Wales will be one of the areas that switch to digital as quickly as possible?

Mr. Hain: I assure my hon. Friend that I join him in that objective because I am keen to see Wales become the first fully digital part of the United Kingdom.

Indeed, Greg Dyke, the former director-general, suggested that to me, and we are taking the matter forward.

Lembit Öpik (Montgomeryshire) (LD): The Labour First Minister, Rhodri Morgan, has asked the Secretary of State for Culture, Media and Sport

"to ensure that those who rely on digital satellite do not need to subscribe to a pay-TV service to receive public service"

broadcasting, and Liberal Democrats agree. Will the Secretary of State commit himself to ensuring that the thousands of Welsh viewers who find themselves in that situation can sign up to the Solus card scheme so that they do not have to subscribe to private broadcasters such as Sky to access public service broadcasting?

Mr. Hain: The hon. Gentleman has a persuasive case to make, and I want digital television to be extended to his constituency as well. May I take this opportunity to thank him for his efforts in helping to defend the earth from attack from asteroids through the conference that he is organising? He is doing a great service for the House and the people of Great Britain.

Ian Lucas (Wrexham) (Lab): Is my right hon. Friend aware that in my constituency of Wrexham it is possible to access the BBC2W channel only by subscribing to Sky and Rupert Murdoch? Does he agree that that is a completely unacceptable state of affairs and that the BBC, as a matter of urgency, should supply digital television through an alternative source?

Mr. Hain: I know that the BBC wants to supply digital television through whatever sources it can to whoever they can get it to throughout Wales. I shall certainly ensure that the controller of BBC Wales is aware of my hon. Friend's concerns about that matter.

Farming

6. **Andrew Selous** (South-West Bedfordshire) (Con): What action the Government are taking to help the farming industry in Wales. [155773]

The Parliamentary Under-Secretary of State for Wales (Mr. Don Touhig): The UK Government, in partnership with the Welsh Assembly, which plays a crucial role, negotiate farming issues at EU level that will continue to encourage prosperity in the Welsh farming industry. The recent Welsh Assembly strategy to implement common agricultural policy reform is a positive result of the negotiations.

Andrew Selous: Farmers in Wales receive the lowest milk price in the European Union, with farm-gate prices having fallen from 26p per litre in 1996 to 18p per litre today. On top of that, the CAP reform that the Government negotiated will have an adverse effect on milk production. What is the Minister doing to ensure that Welsh dairy farmers receive a price for their milk that is greater than the cost of production?

Mr. Touhig: The decision to implement CAP reform in Wales has been widely welcomed throughout Wales by the farming community, the farming unions—the Farmers Union of Wales and the National Farmers Union—and the Country Landowners Association. Farming has had a difficult time over the past couple of years. The hon. Member for Leominster (Mr. Wiggin) recently asked me questions about farm incomes, and I can tell him that they have gone up by £2,000 to more than £16,000 in the current year. That is not high enough, but the figure is moving in the right direction. When I had discussions at an agricultural college in Ruthin in north-east Wales last week, I was encouraged by the response of farmers and those who work in the industry about their future. There is growing encouragement. [HON. MEMBERS: "What about milk?"] I shall come to milk—

Mr. Speaker: Order. May I stop the Minister? His answer has been too long.

Gareth Thomas (Clwyd, West) (Lab): My hon. Friend has already referred to the meeting that he had in my constituency last week at Llysfasi agricultural college. Incidentally, I hope that he enjoyed the rather splendid lunch that was offered. Does he recall the view of the experts present that the prospects for agriculture in Wales had improved greatly and that CAP reform negotiations were particularly good as far as Welsh farmers were concerned?

Mr. Touhig: Yes, I very much enjoyed the visit to the college and I had a splendid lunch. I thank my hon. Friend and the college staff for providing it; it was excellent. I certainly had a good visit to the first-class milking parlour at the college, and I was greatly encouraged by what I learned from those who operate the parlour. There is a good future for farmers working together in partnership with the Labour Government. As we all know, farmers do better under a Labour Government.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [155693] **Sue Doughty (Guildford)** (LD): If he will list his official engagements for Wednesday 25 February.

The Prime Minister (Mr. Tony Blair): This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Sue Doughty: This morning in Guildford, I visited the picket line of the Association of University Teachers. Guildford is a high-cost area where teachers, lecturers, health care professionals and other public sector graduates are hard to recruit and retain. Does the Prime Minister accept that massively increasing student debts will make the problem much worse?

The Prime Minister: I hope that the hon. Lady understands that the purpose of the proposals that we have put forward for higher education is to get more

money into the universities and the university system so that they can, for example, pay their lecturers better. That is in addition to the money that we are putting into our education system. For example, in her local education authority, we are allocating about £600 per pupil more in real terms than a few years ago. That is far more than the Liberal Democrats ever asked us to do. But we could not put all that additional money into schools and, indeed, into our universities unless we changed the system of university funding to make it fair for the student, fair for the family and fair for the taxpayer.

Q2. [155694] **Kali Mountford** (Colne Valley) (Lab): Will my right hon. Friend join me in congratulating Chief Superintendent John Holt on the commitment that he has shown to community policing? From today, there will be 19 community safety officers in my area, in addition to a full complement of community beat officers and some very lively and active special constables—[HON. MEMBERS: "Oh!"] Are not those people the very heart of policing and the heart of the community? Is not that the level of policing that communities want, and not just the headline policing that we so often see? Will my right hon. Friend encourage divisional commanders such as that one?

The Prime Minister: I am delighted that special constables are lively and active in my hon. Friend's area; I hope that they are so throughout the country. There are about 11,000 special constables in the country but, in addition, as she knows, there are more than 3,000 community support officers and record numbers of police today. The reason is that we have managed to increase the Home Office budget significantly over the past few years. We will carry on increasing that budget, and I can tell the House the policy that we will not adopt, which is to freeze the Home Office budget in cash terms, which would mean a real-terms cut—the policy of the Conservative party—and, obviously, fewer police.

Mr. Michael Howard (Folkestone and Hythe) (Con): In his manifesto, the Prime Minister promised that there would be no excessive council tax increases. Under his Government, council tax has gone up by an average of 60 per cent. Why has he not kept his promise?

The Prime Minister: We have kept our promise to fund councils—[HON. MEMBERS: "No."] Yes. In the end, what we do from central Government is allocate a certain amount of grant from central to local government. That grant has gone up 30 per cent. in real terms compared with when the right hon. and learned Gentleman was in office under the last Conservative Government; there was then a cut of 7 per cent. Let me just tell him that, this year, every single council will receive a real-terms, above-inflation increase in the grant from central Government. It is for councils to set their tax, but there is absolutely no reason for double-digit tax increases this year.

Mr. Howard: One of the main reasons for the 60 per cent. rise in council tax under this Government lies in the burdens imposed on local authorities by this Government—increases in national insurance contributions, the tax hit on pension funds, the mountain of red tape associated with so-called best value and comprehensive performance assessments, and much more. Are not the burdens imposed by the Prime Minister's Government the main reason why council tax has gone up by 60 per cent. since Labour came to power?

The Prime Minister: No, they are not. Incidentally, let me also say to the House that we will take no lessons on waste in local government from the person who introduced the poll tax.

In relation to council tax, there is absolutely no reason for high council tax increases this year. Last November, the Local Government Association said that it thought that there was a shortfall of about £800 million. We then provided an extra £760 million, which is why many councils are now posting increases below the rate of inflation, or of less than 5 per cent. There is no reason why there should be the rises in council tax of previous years. The fact is that we are increasing the amount of money that we give to local authorities. In the end, the increases are up to them, but they should bear in mind the fact that for many people council tax increases are a burden to bear, which is why we have increased the subvention to them.

Mr. Howard: Why will not the Prime Minister, just for once, accept some responsibility? Let us take an example of what has happened under his Government; let us take Sedgefield, his constituency. It has the second highest council tax in the country. It has a Labour-controlled district council, a Labour-controlled county council and a Labour Government. It even has a Labour Member of Parliament. Is none of them responsible for the council tax in Sedgefield?

The Prime Minister: Of course, when the right hon. and learned Gentleman refers to band D council tax in Sedgefield—*[Interruption.]* No, no; the average council tax in Labour areas is actually below that of Conservative areas. [HON. MEMBERS: "No"] Oh yes, it is.

It must obviously be the case that the amount of council tax is at least in part—surely the right hon. and learned Gentleman will accept this—linked to the amount of money that central Government give to local government. Now, it is beyond doubt that we are increasing the amount of money from central Government to local government. What is the right hon. and learned Gentleman's policy? We saw that described—*[Interruption.]* Let us just work out what would happen if we adopted his policy. His policy is for a real-terms cut in local government spending with a cash freeze that would mean £2.5 billion off local government support. That is a 10 per cent. increase in the council tax alone.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): Is the Prime Minister aware that Mr. Peter Finnegan, from Bolton-on-Dearne in my constituency, has recently completed a 50-day vigil to protest against the amount of national health service funding currently going to children's hospices? Is he aware that children's hospices receive on average only 7 per cent. of their funding through the NHS, whereas adult hospices receive more than 35 per cent. of their funding through the NHS? Does he agree that that funding differential is far too

great and that the Government should seriously consider putting more money where it is needed—into children's hospices?

The Prime Minister: It is obviously important that we try to increase the amount of support that we give to hospices for both adults and children. However, I know that my hon. Friend will recognise that there has been a massive increase in the amount of investment going into the national health service. In fields such as the care of children with cancer, there has been a huge increase in support, investment, consultants and equipment. It is important that we do what we can for hospices, but hospices are part of a broader pattern of health care treatment in this country. I hope that my hon. Friend recognises that increases in investment are delivering real improvements in the national health service.

Mr. Charles Kennedy (Ross, Skye and Inverness, West) (LD): Can the Prime Minister clarify whether his Government are currently in negotiations with the Government of Tanzania over our paying them to accept failed Somali asylum seekers from Britain?

The Prime Minister: We are in negotiations with the Tanzanian Government on how we can process claims for asylum nearer to the country of origin—

Mr. Bernard Jenkin (North Essex) (Con): Offshore!

Mr. Speaker: Order. Mr. Jenkin, I expect better from you—*[Interruption.]* Order. I am not responsible for the answers of the Prime Minister, but I am responsible for good order in the House. I will not have this shouting.

The Prime Minister: If anyone thinks that this is the fantasy island, they are wrong. Let me point out to the right hon. Member for Ross, Skye and Inverness, West (Mr. Kennedy) and to the Conservatives that if we get an agreement on this provision, it will allow us to process some of the claims, but it could not conceivably deal with the main issue of asylum.

Mr. Kennedy: In the light of that answer, does the Prime Minister recognise that this could be the beginning of an international trade in displaced people? That would be a very bad precedent to set. Will he therefore tell the House whether, in addition to those negotiations, he is negotiating with the Governments of any other countries on this issue?

The Prime Minister: I honestly cannot understand the objection to seeing whether it is possible, if people are going to make asylum claims and begin their asylum journey close to the country of origin, to try to process some of those claims there. That is what we are negotiating with the Tanzanian Government, and those negotiations are being conducted in a perfectly amicable atmosphere. I do not think that there is any question of this ending up in a trade of displaced people. That is an absurd thing to say. I repeat, for the benefit of the Conservatives, that even if we manage to establish some of these centres, there is no way in which they can possibly deal with the bulk of the asylum problem. That has to be dealt with by the measures that we take here.

Mr. Kevin Barron (Rother Valley) (Lab): My right hon. Friend will be aware that the National Institute for Clinical Excellence published guidelines this morning on the treatment of infertility in the national health service. The Secretary of State for Health responded by saying that, as far as the recommendation for three interventions of in vitro fertilisation was concerned, one such intervention would be available throughout the country by April next year. That should be greatly welcomed as it will stop the postcode prescribing that we have had for many years. Will my right hon. Friend tell us when we are likely to see full implementation of the NICE guidelines?

The Prime Minister: We hope that over the next couple of years we shall see at least very substantial progress towards implementation of the full NICE guidelines, and that they will allow us to end the current postcode lottery, as my right hon. Friend says. The first steps towards that will be taken within the next year. This will increase provision of IVF for people in their local area. In the longer term, however, we think that we can extend it even further, but we will release details of that when we are ready to do so.

Q3. [155695] **Tom Brake** (Carshalton and Wallington) (LD): Can the Prime Minister confirm whether the licensing guidelines for weapons components are the same as those for weapons systems? If they are not, as the report published today by Oxfam, Amnesty International and the International Action Network on Small Arms suggests, will he explain why it is unacceptable to export weapons systems to certain countries while it is acceptable to export weapons components that can be assembled into weapons systems?

The Prime Minister: My understanding is that there are common criteria that cover both types of purchase and export. As a result of the intervention of this Government, this country now has about the toughest rules in Europe on the export of such weapons and weapons systems. I do not agree with the position taken by the Liberal Democrats and some non-governmental organisations, which would effectively mean that we could not export weapons at all.

Q4. [155696] **Mr. Jim Cunningham** (Coventry, South) (Lab): I welcome the fact that my right hon. Friend and colleague, the Secretary of State for Work and Pensions, is introducing new measures to deal with the mis-selling of pensions and with companies that abuse their pension schemes. I know that my Coventry colleagues will agree with my drawing to the Prime Minister's attention the plight of Massey Ferguson workers who were shamefully treated by that company after long years of service. I notice, however, that there seems to be an omission in the proposals in relation to pension holidays. Will the Prime Minister comment on that?

The Prime Minister: I can say two things to my hon. Friend. First, as a result of the measures that we are introducing, there will be a pension protection fund and a pensions regulator who will focus on tackling fraud, bad governance and poor administration. In addition, the Pension Commission will report back in due course on the private pensions regime. I totally understand the position of people who have seen their pension fund

destroyed and their ability to get a good pension limited by what has happened to their company. It is precisely for that reason that we are introducing the legislation.

Mr. Howard: On Sunday, the Prime Minister announced with great fanfare that he was going to provide head teachers with guidance that would give them, specifically, the power to do random drug testing in their schools. Was he aware that they had the power and had already been given the guidance?

The Prime Minister: I am afraid that the right hon. and learned Gentleman is wrong; the guidance is to be issued next week.

Mr. Howard: The Prime Minister really ought to have a word with his Secretary of State for Education and Skills, because the guidance had been issued by the Department for Education and Skills just six days before the Prime Minister's interview. It urged "extreme caution", causing the Secondary Heads Association to say that heads could conclude only that they should not touch random testing with a bargepole. Six days later, the Prime Minister blundered in, sounding very enthusiastic, and saying, "I back random drug testing in our schools." Is it any wonder that teacher representatives say that there is complete and utter confusion about the policy?

The Prime Minister: I am sorry that the right hon. and learned Gentleman appears to be against the policy; I think that he is wrong. *[Interruption.]* He says that he is not against the policy. So, he is in favour of the policy, but simply wanted to make the point about last week rather than next week. What a pathetic piece of opportunism. If we are both in favour of the policy, let us agree that it is a good idea.

Mr. Howard: I am not going to take any lectures about opportunism from a Prime Minister who has based his whole career on opportunism. There he sits, Mr. Opportunism himself. I am in favour of the policy, but I am also in favour of a bit of competence in Government. I expect the Prime Minister to know whether the Department for Education and Skills has issued guidance. After nearly seven years in the job, is it not time that he realised that he is being paid to govern our country, not to chase newspaper headlines?

The Prime Minister: After about seven weeks as Leader of the Opposition, the right hon. and learned Gentleman should learn how to make a point sensibly. If he is in favour of the policy, let us work out how we make it work. Incidentally, he said in his opening question that teachers are all against the policy, but let me read what the head of the National Association— *[Interruption.]* I thought that he was reading out the quotation because he was against the policy. Now that we understand that he is in favour of it, let me tell him what the National Association of Head Teachers says:

"It would give heads another weapon in their fight against drugs being pushed or used in their schools."

The policy is an addition to allowing police officers in certain schools; it is an addition to drug education officers; and it is an addition to the largest ever increase in education spending. So, the next time that we have a debate about this, why not have it on the merits of the policy?

Mrs. Betty Williams (Conwy) (Lab): At the first north Wales criminal justice board conference on 18 September in Llandudno, which is in my constituency as my right hon. Friend will know, the chair of the board, Mr. John Grant Jones OBE, drew attention to the difference between the perception of levels of crime and the actual situation. Does my right hon. Friend agree that when we use crime statistics we should do so in a reasonable but, more importantly, a responsible manner?

The Prime Minister: My hon. Friend is of course right. According to the British crime survey, crime has fallen significantly over the past few years, but it is obviously still a huge problem for people who are facing it. That is why we introduced new measures in the Criminal Justice Act 2003 and those on antisocial behaviour, and why we have the largest ever number of police officers in this country.

I stress again the importance of ensuring that we invest in the criminal justice system and in additional numbers of police. Conservative policy is to freeze that in cash terms. Let me emphasise what that would mean: thousands fewer police officers in Britain. *[Interruption.]* I am afraid that that is their policy, and they are stuck with it.

Q5. [155697] **Dr. Andrew Murrison** (Westbury) (Con): The National Village Halls Forum will today deliver a petition to No. 10 Downing street signed by 37,000 people, including 4,000 from Wiltshire, who are concerned about the future funding of a vital rural resource. Village halls have been strapped for cash since 1997 as lottery money has been diverted to other causes. Will the Prime Minister commend the efforts of the National Village Halls Forum in bringing an important issue to our attention? What will he do to make sure that village halls get a better deal, particularly in the light of the incipient merger between the new opportunities fund and the community fund?

The Prime Minister: I cannot answer specifically the precise point on village hall funding, although I will make sure that the hon. Gentleman gets an answer on it. Of course, I commend the work of the pensioners forum on village halls—[HON. MEMBERS: "What?"] Sorry. The whole point about extra spending, however, whether on this or on any other matter, is that his party has now said that it will cut in real terms all that spending. It is no use him or any other Back-Bench or Front-Bench Conservative Member calling for more money when the shadow Chancellor has said that he will cut the money.

Q6. [155698] **Mr. Derek Wyatt** (Sittingbourne and Sheppey) (Lab): In July 2002, the steel workers at Allied Steel and Wire Sheerness and Allied Steel and Wire Cardiff were made redundant and their occupational pension schemes placed into administration. Across the House, 120 MPs represent more than 200 occupational pension schemes that are also either in deficit or in administration. Will my right hon. Friend the Prime Minister institute a public inquiry so that we can find out

exactly what are the debts in those 200 schemes, and what the solutions could be, so that we can finally put this problem to rest?

The Prime Minister: First, obviously, I am aware of the situation being faced by members of Allied Steel and Wire pension schemes. I have immense sympathy for them, other scheme members and other people in a similar position. We are looking at what we can do to help. My hon. Friend will know, however, that a court proceeding is currently under way, and that the pension protection fund Bill is going through the House of Commons. Obviously, we will examine carefully the concerns that he and others have raised.

Q7. [155699] **Sir Teddy Taylor** (Rochford and Southend, East) (Con): While I appreciate that the Prime Minister has many of the world's problems to resolve, can he give some priority this week to a crisis in Southend-on-Sea, where the local council has been told in a census that its population has declined significantly, with substantial problems for finance, when all the other evidence shows that that is wrong? Is he aware, in particular, that the report says that we have 1,000 fewer houses than the number that are paying council tax, and that in four wards beside where I live, there are many fewer people living than the number on the voters' register? Is not there a danger for the Government that if one of their highly paid quangos cannot calculate the number of people living in Southend-on-Sea, confidence will be undermined in the Government's wider policies?

The Prime Minister: I understand that the Office for National Statistics has met Southend-on-Sea council to discuss its concerns about the census results for Southend. Apparently, it is working with Southend-on-Sea council and conducting a study to improve understanding of the difficulties in estimating accurately the local population. That includes an analysis of the local data. The hon. Gentleman will understand that I do not wish to prejudge those findings.

Jane Griffiths (Reading, East) (Lab): Thank you, Mr. Speaker. [HON. MEMBERS: "Hear, Hear."] I am enjoying this.

The Prime Minister will know that the Children's Fund is to see a reduction in its budget. Can he offer some assurance to families in Lower Caversham in my constituency, where the Children's Fund has been doing tremendous work?

The Prime Minister: My hon. Friend is absolutely right to say that the Children's Fund has done tremendous work. I shall look at the issue that she raises in relation to the position in her constituency.

Q8. [155701] **Bob Russell** (Colchester) (LD): Is the Prime Minister content that hundreds of thousands of children are living in overcrowded accommodation, and that new Labour, in six years, has built just 1,343 council houses? In contrast, the Thatcher Government, in their first six years, built 365,000 council houses. Does he agree that if new Labour had built as many council houses as the Thatcher Government, hundreds of thousands of children would not be living in overcrowded accommodation?

The Prime Minister: It is not simply a matter of the number of council houses, is it? It is also to do with the overall housing budget, which is spent in many areas involving, for instance, registered landlords and housing associations. That budget has actually doubled over the past few years. But no, I am not content with the situation, which is why we want to increase the housing budget still further—although the hon. Gentleman should recognise, surely, that we have already increased it substantially. Since we are debating Labour and Conservative policies as a result of this question, I might add that the Conservatives would freeze, in cash terms, the amount going to housing.

Mr. Eric Joyce (Falkirk, West) (Lab): An employer in my constituency recently advertised jobs for 12 chefs, but has not managed to fill any of the vacancies. As my right hon. Friend knows, Scotland faces a significant demographic challenge. Does he agree that organised migration has an important part to play in helping to sort that out?

The Prime Minister: It must obviously be organised, and it must be subject to proper laws and rules, but my hon. Friend is right to say that we should never denigrate migration to this country. It contributes a massive amount to our economy. It is important that we change the asylum system, for example, and that is exactly what we have done. It is important that we have proper rules for migration. But we should never decry the amount that migrants bring to our economy, and the work that they do.

Gaia House

Q9. [155702] **Mr. Anthony Steen (Totnes)** (Con): If he will visit Gaia House near Totnes.

The Prime Minister: I have no current plans to do so. Gaia House is a centre that offers insight and meditation, and zen retreats throughout the year, so this is an answer that, obviously, I shall keep under review.

Mr. Steen: If the Prime Minister did visit this Buddhist retreat, he would have plenty of time to reflect on how to protect council tax payers from Liberal Democrat councils that wish to increase council tax, as Torbay council does, by six times the rate of inflation. The council has refused to cut bureaucracy. It spends money on surveys to establish how many tombs there are in Torbay's cemeteries—for health and safety reasons—rather than on protecting and maintaining social services for the living. What task will the Prime Minister take on to protect the weakest and most vulnerable in Torbay from the Liberal council?

The Prime Minister: I obviously would be able to reflect on all that, but I think I would gain another insight as well. It is obviously true that we have hugely increased the amount of money we have given to Devon council—

Mr. Steen: And Torbay?

The Prime Minister: Yes, Torbay too. My briefing mentions South Hams, the hon. Gentleman's own local authority—

Mr. Steen: As well as Torbay?

The Prime Minister: Yes. The great thing is that we have increased the money for Devon, Torbay and South Hams. I think that probably the insight I would gain after this retreat would be "Vote Labour".

Engagements

Q10. [155703] **Mr. David Clelland** (Tyne Bridge) (Lab): Is my right hon. Friend aware that Marks and Spencer opened its first-ever Lifestyle store in Gateshead yesterday, creating 210 jobs? We welcome that further demonstration of confidence in the north-east by Marks and Spencer, but, as my right hon. Friend knows, what the region desperately needs is more investment in research and development, and the kind of skilled jobs that often result from Government procurement programmes. We also eagerly await the promised redistribution of 20,000 civil service jobs away from the south-east and into the regions. I acknowledge the tremendous progress that has been made in the creation of employment and reduction of unemployment in my region under my right hon. Friend's Government, but what further progress can we hope to see in the coming months and years?

The Prime Minister: I think that it is essential, first, to back the regional development agency, One NorthEast, which, as my hon. Friend knows, is making precisely that sort of effort to bring manufacturing and other industry into the area, and also ensuring that we have the right skills base there. That is immensely important. The second essential thing, as my hon. Friend implied, is to go on running the economy in an effective and stable way so that we have high levels of employment and low levels of unemployment. He will know, as I do, that in the north-east any political debate of 15 or 20 years ago would have centred on the huge levels of unemployment. It is a tribute, surely, to the management of the economy under this Chancellor, and to this Government's record, that we have seen in the past seven years dramatic reductions in unemployment, dramatic rises in employment and the best-run economy of any major industrialised country.

Mr. David Trimble (Upper Bann) (UUP): The Prime Minister will know of last Friday's kidnap from a Belfast city centre bar, which, but for the police, would have resulted in a murder. That kidnap was the work of mainstream republicans, who are led by the persons who have been returned here to serve as Members for Mid-Ulster and for Belfast, West. The Prime Minister will also know of the Irish Justice Minister's description of their "vomit-making hypocrisy". Against that, the response of the Prime Minister's Government yesterday is seen by people in Northern Ireland as being rank moral cowardice. It is utterly unreasonable to expect us to remain in discussions with these people in these circumstances, and I have to tell the Prime Minister that unless he can summon up the courage to act on this matter within the next few days, I and my colleagues will take steps next Monday to bring that process to an end.

The Prime Minister: For obvious reasons, as the right hon. Gentleman will surely understand, there is a limit to what I can say about any individual case that is being investigated by the police at the present time, and in respect of which charges will be laid, so I have to start with that qualification.

Secondly, let me say very clearly, not just to Sinn Fein but to the IRA, that we have for a significant period of time said through the Good Friday agreement that these people are entitled to participate in the democratic process, but that they are able to do so only if they are fully part of the democratic club. One cannot talk about human rights for people one day and beat human rights out of them the next—that is not acceptable.

We will have to consider, in the light of what the police find, what we then do. But I have said to the right hon. Gentleman before and I say again—indeed, this is the reason why we have had suspension of the institutions for the past year or more—that there will not be any compromise on this point. People cannot be part of a democratic process unless they abide by the rules of democracy. I am not going to comment on the individual case, but I can tell the right hon. Gentleman that if it is shown to be the mainstream IRA that has done this thing, action will obviously have to follow.

School Admissions (Prohibition of Religious Discrimination)

12.32 pm

Dr. Evan Harris (Oxford, West and Abingdon) (LD): I beg to move,

That leave be given to bring in a Bill to prohibit discrimination on religious grounds in admissions to maintained schools.

I begin by welcoming the opportunity to discuss this issue in the House. I accept that it is a controversial issue that has implications for the way in which we organise our school system and for race relations, among other things. I am very keen to put on the record my interest in this issue as an honorary associate of the National Secular Society. In terms of my own education, I am Jewish by background but I went to Church of England schools.

This Bill is not about whether faith schools are good or bad schools. Currently, faith schools are mainly voluntary aided. Although the Church or religion concerned does not pay the school's salaries or running costs, it is allowed to run its own admission policy independent of the local education authority. Where the school is over-subscribed, it is allowed to admit only children of a specific religion. Indeed, the contribution that religions make to schools relates only to capital costs, and has been reduced from 20 per cent. to 10 per cent.

The Bill would not close faith schools, convert them to community status or prevent them from being run with a religious ethos, but it would prevent them from selecting by, or discriminating on the basis of, religious background. There are several reasons for seeking to do that. First, it is self-evident that such discrimination against children is wrong in and of itself. Why should a child living next to a school be excluded from it, even though his neighbourhood friends attend it, solely because he or his parents either have the wrong religion or no religion—or, indeed, because his parents are unable sufficiently to persuade the school that they are religious enough to justify their child's attendance? Why should a child be punished by being prevented from attending a school, which they would otherwise have an opportunity to go to, on the basis of the views or culture of his or her parents? Why should the child be denied fair treatment in school admissions?

Such criteria also encourage hypocrisy, as many in the Church and other religions recognise, when parents become church attenders purely to get their child into the local school. A recent newspaper report stated:

"Parents who want children to go to a top Church of England school face having to 'sign in' for 48 church services a year. They must present signed notes from vicars to prove they have worshipped the necessary number of times. Headmaster the Rev. Peter Shepherd's crackdown at Canon Slade secondary school in Bolton is in apparent defiance of C of E policy allowing local children . . . to be admitted . . . He defended his actions, saying demand for places . . . had rocketed. 'We have to find ways of being more discriminating', he said."

Those words speak for themselves.

Even if the application of such criteria causes long-lasting religious adherence, should the state be sanctioning religious recruitment by permitting those sorts of admissions policies in state schools? Is it right to segregate children according to their religion? The Cantle report into the causes of riots in northern cities expressed clear concerns about the make-up of many of the state secondary schools—in this case, Church of England schools—in the area, which were nearly 100 per cent. white, as children were bussed across cities at the taxpayer's expense despite the wide mix of races and religions in the catchment area. On the basis of observations on visits, the Cantle report said:

"We . . . found other schools where the intake was almost 100 per cent. of one ethnic background. This was often the result of the school's catchment area being composed of one particular ethnic make-up but that it could also arise as a result of the school's admission policy. One C of E school . . . had a policy whereby pupils had to produce a letter from their local vicar to prove that they and their parents were regular church goers. Consequently, Muslims rarely bothered to apply to send their children to the school and were effectively excluded from it."

I understand that the Government and many hon. Members supported the conclusions of that report.

If we are to stop the sort of racial segregation that we have witnessed in some cities we must either stop religious schools existing, or—a lesser step—stop them segregating and discriminating on religious grounds. Have we learned nothing from Northern Ireland, where we know that if children do not mix in school it becomes much harder—though not impossible—to tackle in-built and inculcated prejudice?

Why should religious parents, who tend to be more middle class, be allowed a greater choice of schools than non-religious parents? Community schools do not give preference to atheists or the non-religious, so why should state-funded schools discriminate? The disadvantage to non-religious parents in respect of the choice of school increases with every new faith school that is permitted to select on the basis of religious adherence.

It has been argued that faith schools are better schools and it is alleged that the results demonstrate it. However, that has always been alleged to be the product of their ethos rather than selection. If people and hon. Members who oppose the measure believe that faith schools are better schools because of the way in which they are organised, why not make it clear that they should not use selection as a means—directly or indirectly, advertently or inadvertently—of selecting on a better educational background or on a social class basis?

Answers to parliamentary questions provide clear evidence that the proportion of children eligible for free school meals is significantly lower, on average, in faith schools than in community schools. That is clearly a factor in faith schools achieving better results, regardless of their social mix. Therefore, it is clear that the policy cannot be defended on the basis of good results.

Many religions share the concerns that I have raised. Although they want their own schools, they do not feel the need to discriminate and segregate. I do not believe that support in public opinion is needed before one can propose something that is right, but I will always point it out when public opinion supports a measure. Polls show that up to 80 per cent. of people feel that it is wrong for state schools to select on religious grounds. When children are asked whether they feel any religious adherence, the majority say that they do not. They do

[Dr. Evan Harris]

not see why selection should be made on the basis of their religious belief—or on the basis of the belief that their parents have, or claim.

There are strong arguments—improved race relations, better mixing, and non-discrimination—for a ban on state schools being able to allow discrimination on religious grounds in their admissions criteria.

I commend the Bill to the House.

12.41 pm

Mr. Kevin McNamara (Hull, North) (Lab): I rise to oppose the Bill, based on my experiences as a practising Catholic, as someone who was taught by the Irish Christian Brothers—I shall take those stigmata to my grave—and as a former teacher in a Catholic school, where I am now a governor. As a Member of Parliament for the past 38 years, I have witnessed numerous examples of faith schools' commitment and dedication to the achievement of excellence, both in school and in the wider community.

I feel it necessary to express my opposition to this Bill as it aims to undermine one of the longest established traditions in our education system—that children should be educated in accordance with the wishes of their parents, as far as is compatible with the effective and efficient use of resources. I believe that the attack on faith schools, which have gained a reputation for high educational standards, should be disregarded. The hon. Member for Oxford, West and Abingdon (Dr. Harris) is seeking to disown the view that respect and tolerance of different religious beliefs are essential for positive community cohesion.

In introducing this Bill, the hon. Gentleman shows that he is clearly not interested in school standards. He is not even interested in the fact that many parents want the choice to send their children to a faith school, be it Catholic, Church of England, other Christian denomination, Jewish, Muslim, Hindu or Sikh. However, his true intentions are uncovered in his association with the National Secular Society. His ultimate goal is to impose secular dogma on all children, regardless of the wishes of their parents. He camouflages his main objective in this Bill, knowing full well the profound implications that it would have on faith schools.

My first concern surrounds the assault on human rights mounted by the hon. Gentleman. We live in a multicultural, multi-faith society, and yet the hon. Gentleman is attempting to restrict the general principle that children should be educated in accordance with the wishes of their parents. That is guaranteed in the protocol to the European convention on human rights and in legislation passed by this House. Furthermore, he intends to restrict the right to a religious education that is enshrined in the UN universal declaration of human rights and the declaration of the rights of the child. These instruments outline the concepts that parents are, first and foremost, educators of their children, and that the state should be a facilitator to ensure that all children, as far as is practical, can be educated in line with their parents' religious and philosophical convictions.

I find it surprising that a Liberal should wish to take away such rights. It is often stated that faith schools are exclusive—a view also held by the Liberal Democrat spokesman on education, the hon. Member for Harrogate and Knaresborough (Mr. Willis). He has stated his belief that faith schools

"have become exclusive, erecting barriers against children who cannot meet the faith test."

However, if he were to look at the findings of the Catholic education service census of 2003 he would see that 18 per cent.—nearly one in five—of pupils attending Catholic schools are non-Catholics. Is that what Liberal Democrats mean when they label faith schools exclusive and talk about faith tests?

By basing the Bill on the false premise of exclusivity, the hon. Member for Oxford, West and Abingdon denies the rights of many non-Catholic or non-Christian parents, or parents of other faiths, who want to send their children to Catholic or other faith schools because they are attracted to the robust spiritual and moral value systems of such schools. He would undermine schools that take a proactive approach to inclusiveness and respect for religious beliefs. To see that, we have only to study the findings of a recent survey of ethnic minority students in Catholic secondary schools, which highlighted the fact that 80 per cent. of them believe that their schools encourage respect for people of different races and religions.

The guidance of my Church shows a desire for inclusion and a respect for diversity. Catholic secondary schools have a higher percentage of black pupils than other maintained schools. If the hon. Gentleman were to read the bishops' document, "Catholic Schools and Other Faiths", he would see that it highlights the need both to respect other faiths and have an understanding between the Catholic faith and other faiths. All other faith schools uphold the same philosophy in relation to their beliefs and understandings.

My second concern is about educational standards. The Bill would do nothing to improve educational achievement in our schools; its only achievement would be to unpick one of the most successful aspects of our education system—faith schools, which have gained a reputation for high standards and educational achievement. I should have thought that all Members would applaud that, rather than seeking to destroy it.

The available evidence shows that, in general, attainment in Catholic schools is higher compared with other sectors. Furthermore, despite accusations about selection, Catholic schools cater for pupils with greater levels of poverty. An analysis of GCSE results from 1966 to 2001 for both 11–18 schools and 11–16 schools found that, for nearly all levels of disadvantage, Catholic schools had a higher percentage of pupils achieving the required standard in each year. When something is successful we should support it and expand best practice, not attack it.

My third concern is centred on the opportunism of the hon. Member for Oxford, West and Abingdon in trying to exploit today's uncertain world climate. He is jealously pursuing his own secular agenda by trying to divorce the teachings of different religions from our society. By doing so, he risks creating the exclusion and alienation of certain communities that he claims to be trying to prevent.

It is easy to place the blame for horrific incidents such as 11 September, the disgraceful incidents around Holy Cross primary school and the racially motivated violence in some of our northern towns at the door of religion. To do so is a mistake, however. Such events are born of ignorance, prejudice, poverty and fear of the unknown, not of religion. If we take the route advocated by the hon. Gentleman, it can only increase prejudice and bigotry.

The UK is rich in diversity—from which our society has significantly benefited. The 2001 census found that 77 per cent. of people belonged to a religion, so it is right for the state to act as a facilitator to enable everyone to live out their religious beliefs in public as well as in private. Faith schools are based on the value of universal respect. Despite the claims made about their contribution to segregation, there is no evidence to support the view that they contribute to social segregation in this country.

In the teaching of my own and other religions, we talk of loving strangers and of loving our neighbour as ourselves. Such values are at the heart of Christian teaching and of faith schools, Muslim schools and Jewish schools. The Catholic bishops stated in the document, "Catholic Schools and Other Faiths", that Catholic schools

"should be ready to share resources with other schools and with other faith communities—especially if the Catholic school is situated in an area of deprivation and racial tension".

That attitude is shared by other faith schools.

Inter-faith relations have progressed over the past few years, and we must continue that journey. Faith-based education and schools have an important role in eliminating the stereotyping, prejudice and bigotry that exists in our society. Faith schools are not isolated institutions—they are part of our communities. They are part of the solution, not the problem. We must make further progress with inter-faith relations, both locally and nationally, not exclude them as the hon. Gentleman seeks to do.

The introduction of the Bill is purely opportunistic. It is not difficult to establish the hon. Gentleman's true motive for introducing it. Indeed, he admitted it himself. It has nothing to do with improving educational standards—it is an attack on the rights of those who wish to lead their lives in accordance with a particular religious belief. It is a case based on a list of inaccuracies. It is an attempt to deny parents the right to decide what is best for their children. It is an attempt that, I hope, the House will reject.

Question put, pursuant to Standing Order No. 23 (Motions for leave to bring in Bills and nomination of Select Committees at commencement of public business):—

The House divided: Ayes 33, Noes 157.

Division No. 58] **[12.50 pm**

AYES

Barnes, Harry
Berry, Roger
Blunt, Crispin
Carmichael, Alistair
Challen, Colin
Chaytor, David
Corbyn, Jeremy
Cryer, Ann *(Keighley)*
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Ennis, Jeff *(Barnsley E)*
Gibson, Dr. Ian
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Jones, Jon Owen *(Cardiff C)*
Mahon, Mrs Alice
Marsden, Paul *(Shrewsbury & Atcham)*
Marshall-Andrews, Robert
Price, Adam *(E Carmarthen & Dinefwr)*
Reid, Alan *(Argyll & Bute)*
Rendel, David
Sanders, Adrian
Sawford, Phil
Sedgemore, Brian
Sheerman, Barry
Skinner, Dennis
Steinberg, Gerry
Taylor, Dr. Richard *(Wyre F)*
Tonge, Dr. Jenny
Trimble, rh David
Tyler, Paul *(N Cornwall)*
Williams, Roger *(Brecon)*

Tellers for the Ayes:
Malcolm Bruce and Paul Holmes

NOES

Ainsworth, Peter *(E Surrey)*
Amess, David
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Barker, Gregory
Beard, Nigel
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bell, Sir Stuart
Benton, Joe *(Bootle)*
Bercow, John
Best, Harold
Boswell, Tim
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brazier, Julian
Breed, Colin
Burnham, Andy
Burns, Simon
Burstow, Paul
Calton, Mrs Patsy
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clifton-Brown, Geoffrey
Cohen, Harry
Collins, Tim
Colman, Tony
Conway, Derek
Cook, Frank *(Stockton N)*
Cotter, Brian
Crausby, David
Curtis-Thomas, Mrs Claire
Davis, rh David *(Haltemprice & Howden)*
Dismore, Andrew
Djanogly, Jonathan
Doughty, Sue
Duncan, Alan *(Rutland)*
Evans, Nigel
Fallon, Michael
Fitzsimons, Mrs Lorna
Flook, Adrian
Flynn, Paul *(Newport W)*
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
Gale, Roger *(N Thanet)*
Gapes, Mike *(Ilford S)*
Garnier, Edward
Gerrard, Neil
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Grayling, Chris
Green, Matthew *(Ludlow)*
Grieve, Dominic
Harvey, Nick
Hawkins, Nick
Hayes, John *(S Holland)*
Heath, David
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Hood, Jimmy *(Clydesdale)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hoyle, Lindsay
Hughes, Simon *(Southwark N)*
Iddon, Dr. Brian
Jenkins, Brian
Johnson, Boris *(Henley)*
Jones, Kevan *(N Durham)*
Kaufman, rh Gerald
Keetch, Paul
Key, Robert *(Salisbury)*
Kilfoyle, Peter
King, Andy *(Rugby)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lawrence, Mrs Jackie
Laws, David *(Yeovil)*
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McFall, John
McIntosh, Miss Anne
McIsaac, Shona
Mackay, rh Andrew
McLoughlin, Patrick
McNamara, Kevin
McWalter, Tony
Malins, Humfrey
Marshall, Jim *(Leicester S)*
Mawhinney, rh Sir Brian
May, Mrs Theresa
Meale, Alan *(Mansfield)*
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Oaten, Mark *(Winchester)*
O'Brien, Stephen *(Eddisbury)*
Olner, Bill
Osborne, George *(Tatton)*
Ottaway, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Pollard, Kerry
Pound, Stephen
Prisk, Mark *(Hertford)*

Pugh, Dr. John
Rapson, Syd *(Portsmouth N)*
Redwood, rh John
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion
Russell, Bob *(Colchester)*
Selous, Andrew
Sheerman, Barry
Shephard, rh Mrs Gillian
Simmonds, Mark
Simon, Siôn *(B'ham Erdington)*
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spelman, Mrs Caroline
Spink, Bob *(Castle Point)*
Spring, Richard
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Taylor, David *(NW Leics)*
Taylor, Ian *(Esher)*
Taylor, Matthew *(Truro)*
Thomas, Simon *(Ceredigion)*
Tyrie, Andrew
Vaz, Keith *(Leicester E)*
Viggers, Peter
Vis, Dr. Rudi
Webb, Steve *(Northavon)*
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Williams, Hywel *(Caernarfon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Young, rh Sir George

Tellers for the Noes:
Jim Dobbin and
Mr. Ronnie Campbell

Question accordingly negatived.

Points of Order

1.2 pm

Mr. Mark Hoban (Fareham) (Con): On a point of order, Mr. Speaker. Have you received a request from the Prime Minister to come to the House to clarify the fact that the guidance on random drug testing, to which he referred in Prime Minister's Question Time, was issued on 16 February, contrary to the impression that he gave? I am sure, Mr. Speaker, that he would like to come to the House to ensure that *Hansard* is corrected, and so that neither the House nor the public are inadvertently misled by his comments.

Mr. Speaker: I am sure that the Prime Minister will be back next Wednesday, and someone can put that question to him then.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Further to that point of order, Mr. Speaker. Is it not the case that if a Minister, even inadvertently, says something to the House that is incorrect, he should correct it? In those circumstances, is it not incumbent on the Prime Minister either to amend the record in *Hansard* or come to the House and tell us that he got it wrong?

Mr. Speaker: I was trying to say in response to the first point of order that I am not going to be drawn into these matters.

Anti-terrorism, Crime and Security

[Relevant document: The Sixth Report from the Joint Committee on Human Rights of Session 2003–04 on the Anti-terrorism, Crime and Security Act 2001: Statutory Review and Continuance of Part 4, HC 381.]

1.3 pm

The Secretary of State for the Home Department (Mr. David Blunkett): I beg to move,

That this House takes note of the Privy Counsellor Review Committee Report on the Anti-Terrorism, Crime and Security Act 2001 Review (HC 100), which was laid before this House on 18th December 2003.

I urge the House to reject the amendment tabled by the Liberal Democrats, which would immediately withdraw the opportunity to protect ourselves through the process adopted in part 4 of the Anti-terrorism, Crime and Security Act 2001, which has been used to ensure that those who have been certificated and gone through that process are held in secure accommodation, pending their efforts or the efforts of the Government to secure a third country to which they can be removed. In this afternoon's debate I hope that we can address some of the underlying issues and challenges that face us.

First, I want to thank Lord Newton and the members of the Privy Counsellor Review Committee for their dedicated work. We all appreciate the time, energy and commitment that they have put into the task that both Houses gave them in the 2001 Act. I also thank Lord Carlile for his continuing work and his further annual report on part 4 of the Act, and my hon. Friend the Member for Bristol, East (Jean Corston), who chairs the Joint Committee on Human Rights, for her report on the material that was published yesterday.

I should like all the reports to be considered alongside the discussion paper that the Government published today, which was placed in the House at 9.30 this morning. I shall take them together because when the House considered the Act it decided that we should examine Lord Newton's report as part of the continuing review of the measure. Lord Carlile reviewed part 4 and we have taken on board suggestions that he made on previous occasions about changes in the regime for those who are currently held in Belmarsh and Broadmoor and further changes that would be beneficial for implementing the Act.

I address the House with some temerity because when we passed the Act we debated the substantial dangers involved in any democracy taking powers, as we did when we created the Special Immigration Appeals Commission as a superior court of record, chaired by a High Court judge, in circumstances in which we knew that security information would have to be provided and facilities established outside the normal criminal justice system. Many Members of both Houses raised perfectly legitimate issues in relation to the challenge that that posed to human rights and the presumption of innocence. We took on the challenge only because we believed that part 4 offered the only way of protecting our security from terrorism from abroad and from non-British citizens whom we could not remove from this country. We could not remove them precisely because we respected international conventions and the human rights of individuals who would be put at risk if they were returned to their country of origin, where they faced possible death or torture. That remains the case.

Jeremy Corbyn (Islington, North) (Lab): Will the Home Secretary explain how our security is enhanced by a secretive judicial process whereby people can be detained indefinitely on his signature as opposed to an open court system, which could at least ascertain the veracity of the evidence? The guilty would then be imprisoned rather than subject to the indeterminate detention that he appears to support in the document that was published today.

Mr. Blunkett: There are two parts to my hon. Friend's question. First, he asks whether security is enhanced and secondly whether the process, which he clearly does not like, for verifying the evidence that is presented to the superior court of record, namely the SIAC, does the job of ensuring that the evidence that the security services adduce is credible and therefore has veracity.

I am clear that the certification process for the 17 people who have gone through it has been done correctly. The reviews that have taken place and the challenge to the process in the appeal court have verified that. We shall fight vigorously the further challenge that will be taken to the House of Lords. The certification process and SIAC's processes have been reviewed by SIAC in 11 announced cases out of 14. It has verified that the process and the level of evidence are sufficient. The process obviously accords with the evidence given by the head of the Security Service, Eliza Manningham-Buller, who recently said:

"I see no prospect of a significant reduction in the threat posed to the UK and its interests from international terrorism over the next 5 years, and I fear for a considerable number of years thereafter."

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): On that basis, the Home Secretary clearly agrees with me that the threat from terrorism will not go away in the near future, and therefore we cannot consider the Anti-terrorism, Crime and Security Act 2001 as temporary or emergency legislation. Is he therefore content to retain legislation in a form that does not fully meet requirements—for example, dealing with British citizens—and which will require a semi-permanent derogation from the European convention on human rights?

Mr. Blunkett: The derogation from article 5 is allowed under article 15 of the European convention on human rights. Article 15 was originally included in the convention because it was envisaged that at points in time it would be necessary to derogate, and without it there would be no facility for derogation. Our criminal justice system—and our criminal justice process as a whole—strictly adheres to the European convention on human rights compared with systems in other countries, so it was right for us to be honest and open by derogating. Some countries clearly operate without derogation by holding people without trial under an investigatory, inquisitorial process. Our combative process rightly expects that people will be brought to court rather than their being held almost in perpetuity without trial while investigations proceed for year after year.

[Mr. Blunkett]

As a member of the Intelligence and Security Committee, the right hon. Gentleman understands the issues and I respect his views. For the time being, my advisers and I believe that it is crucial that part 4 of the 2001 Act remains in place given the security risk and the presence of those whom I certificated. Those individuals used the SIAC process to challenge those certifications, and their lawyers have also gone to the Court of Appeal and the House of Lords on the wider issue of whether we were correct to take the derogation and to use the powers. I sincerely believe that on the evidence produced those individuals pose a continuing threat, which is why I certificated them in the first place. The certification process has been upheld and verified by SIAC and by the generic appeal to the Court of Appeal. We have used a higher level of evidence and lifted the test higher than the standard required by "reasonable belief", which was the test laid down in this House just more than two years ago.

David Winnick (Walsall, North) (Lab): I have some reservations, which I hope to have the opportunity to express later. Can my right hon. Friend the Home Secretary imagine the criticism and backlash if, having been told by the security authorities that those foreign nationals are a threat and could well be involved in terrorism, he took no action and a terrorist outrage occurred in which some of those people were involved?

Mr. Blunkett: I can imagine the criticism, and I have been imagining it for nearly two and a half years. I do not expect people to give any Home Secretary past, present or future any quarter on those issues, but I guarantee that I have and will do anything possible within our law, our justice, the presumption of innocence and the rejection of the use of arbitrary power to protect us against the threat or use of terror in our country. I carry that basic obligation in this office, and the Government carry it on behalf of the people. If we were to fail to meet that obligation and there were an incident, I would worry about death, torture and destabilisation, but I would also worry about the reaction, which would not allow the kind of debate that we are having this afternoon about how we take on the challenges.

I re-emphasise that the original debate, the report and the challenge posed by the discussion that I am keen to encourage and support over the next few months is about how we deal with those profound issues while protecting our democratic life and maintaining our commitment to the principles of democracy, good government, justice and the presumption of innocence. The discussion must occur in an environment that allows us to address the issues calmly and sensibly, as we are doing this afternoon and have done in previous debates. If hon. Members have alternative ways to address the same challenges, they must bring them forward. In part, the Newton committee did its best to address the issues. Both the committee and Lord Carlile have raised some important questions, which I shall come to shortly.

Simon Hughes (Southwark, North and Bermondsey) (LD): I am sure that the Home Secretary would not suggest that the seven Privy Councillors, the Joint Committee on Human Rights or the Home Affairs Ministers and Interior Ministers of the rest of the European Union—where there has been no derogation—do not share with him, Liberal Democrats and hon. Members representing other parties the desire to deal with terrorism and protect our country. In that case, the proposal put by the seven Privy Councillors, who were appointed by Parliament, that we try people under a different set of rules rather than holding them without trial is an acceptable alternative for Parliament and preferable to denying people the fundamental right not to be held without trial?

Mr. Blunkett: It is nice to do business again with the hon. Gentleman, whose question brings back many happy memories. I am coming to that issue, but I shall answer the question as succinctly as I can. It is, of course, possible to switch to alternative ways of dealing with individuals held under part 4 of the 2001 Act. The challenge laid down by Lord Newton of Braintree and the Privy Councillors is to decide whether it is possible to use without derogation a similar system for those being dealt with under immigration law who would otherwise be removed from the country and for those who are indigenous citizens of the United Kingdom.

Such a process would require the presentation of evidence from the security services and the protection of their sources. It would also require the presentation of evidence taken through the SIAC while ensuring that that evidence did not leak. The circumstances mean that it is not always possible for the defendant to be given the entirety of the evidence precisely because they are someone who is believed to be engaged in terrorism. That individual would transmit that evidence in one form or another, which would put the security services and their sources at risk. We are trying to address that circular argument.

I must put this important point on record because of the challenge in the House of Lords: part 4 of the 2001 Act was necessary and it remains necessary. It is the only way to deal with the circumstances outlined in the 2001 Act, and it must be maintained on the statute book and implemented. We are entirely open to persuasion that we can deal with a wider range of challenges while meeting the tests laid down by the Newton committee.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): I accept that the Home Secretary makes a serious point when he discusses the risk that evidence could leak if it were communicated to terrorists. However, that problem has also arisen over the past 30 years in Northern Ireland, where we have convicted terrorists by conventional means. Surely the effective processes to deal with evidence in Northern Ireland can be invoked to deal with the individuals covered by part 4 of the 2001 Act.

Mr. Blunkett: I have obviously familiarised myself not only with the issues before us today, but the debate and decisions on the Terrorism Act 2000 and debates that took place before that. I am aware of the significant difficulties. It is not a one-way process, with the only issue being how we can change the SIAC process and the provisions of part 4. The further question is how we can make our existing terrorism legislation, including the

Terrorism Act 2000, work more effectively. There is existing legislation on domestic terror that cannot be used effectively under current procedures.

I suggest that the challenge in the months ahead is to explore how we can make what we already have work more judiciously and effectively through the criminal justice system, while also learning the lessons of Northern Ireland. The challenge that we faced post-11 September 2001—and will face again as we debate the issue in the months ahead—is how to deal with circumstances in which we do not use prosecution and punishment as discouragement, but get in at the beginning to prevent action from being taken by those for whom prosecution and punishment hold no fear. In other words, there are no norms when dealing with suicide terrorism generated by al-Qaeda and the networks working with it, in the way that there were in the past with terrorist groups that had a negotiating position and whose members sought to save their own lives even if they endeavoured to take the lives of others.

Vera Baird (Redcar) (Lab): Is my right hon. Friend able to confirm that two of the people currently subject to part 4 have been prosecuted, one to conviction and the other is in course of prosecution? If that is correct, were special procedures needed or used in those prosecutions?

Mr. Blunkett: I can confirm that one of the 17 has been found guilty of other offences. Those offences could be dealt with by the criminal court, but the certification and the material produced by the security service on that individual's more serious and wide-ranging association with and commitment to terrorism could not. That is the difficulty. Lord Newton poses the challenge of whether one can take a lesser offence and build on it, with evidence of what in other circumstances is called aggravation. That could mean the imposition of a longer, more substantive sentence, on the basis—in some form—of security service advice provided through a process similar to the SIAC process. The original crime would be enhanced, but it would still be addressed through the criminal justice system. That is a profound question. Can we get in at the sharp end and pick up on low-level criminality that is associated with terrorism? The report raises that issue and I shall deal with it in greater depth in a moment.

We will put out a statement today, at the other end of the spectrum of prevention, about how we can protect ourselves against attack through the capabilities resilience programme, which we used to call civil contingencies. It will address how we can protect the public and intervene quickly if an attack takes place. The statement will update the House on developments and I hope that it will be helpful. However, it will obviously not protect the nation from what we are describing this afternoon.

Mr. Simon Thomas (Ceredigion) (PC): What will concern many of us who opposed the powers and would like to see the recommendations of the Privy Counsellor Review Committee adopted is the idea that the further powers the Home Secretary seeks to bring in—some of which we support—will add to the panoply of powers he has and not replace some of them. Before he goes into detail about the new powers that he wants to consider, will he say whether the expansion of powers will enable us to stop the derogation from the European convention on human rights and drop the invidious system of detention without trial?

Mr. Blunkett: My right hon. Friend the Minister for Citizenship and Immigration and I are asking the House—she will do so later by laying the relevant order—to proceed with part 4 and with the derogation because nothing that has been suggested is a substitute for those procedures. Nor have we heard any answers to the challenges that we lay down this afternoon. The Newton report and Lord Carlile have made sensible suggestions for dealing with low-level terrorist activity and association, and some legislative measures that have been implemented abroad—some long before 11 September—are worthy of consideration. That might enable us to deal with at least one of the contradictions that we acknowledged two and half years ago—that if one uses powers under immigration law, as we have in the case of the 17 people who were certificated under the SIAC procedure, they are not being dealt with on the same basis as the indigenous population. That follows logically. However, that does not address the further challenge of the derogation with regard to the admissibility of evidence, the nature of the evidence base and the way in which it is presented.

David Davis (Haltemprice and Howden) (Con): Before the Home Secretary leaves the subject of part 4, can he confirm whether I am right in my understanding of the documentation that he issued this morning? If I read it correctly, he undertook to review part 4 before the end of this Session. If so, will he come back to the House with his decision to continue or to amend it?

Mr. Blunkett: I intend to have extensive consultation over six months, in which we will invite Members of Parliament, the public and those with a specific interest to come forward and to build on the propositions in the reports that I have mentioned and the challenges that we put in our paper. We will then produce not an alternative to our defence against the House of Lords challenge, but a comprehensive response to the issue of combining the powers that we possess under part 4 with the challenge of how to deal with the indigenous population, including the enhancement of the effectiveness of the Terrorism Act 2000, to which I referred in response to the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg). We will also respond to the challenge that the Government face as we move closer to the expiration of the sunset clause in 2006. Instead of coming within three months of the expiration of the sunset clause and then having the debate, I prefer to have the debate in the calm that I described in responding to my hon. Friend the Member for Walsall, North (David Winnick), to allow everyone to have a fair say.

We act as we do because we believe that there is a substantial and continuing threat. I am deeply disturbed when I hear some—not all—human rights lawyers, including those who represent those who are held in protective custody under the certification system, talk about the "so-called war on terror" and imply that there is no continuing threat.

Helen Jackson (Sheffield, Hillsborough) (Lab): Does my right hon. Friend recognise that this very important legislation, which we, clearly, are looking at for the purpose of securing security for our own population, has an international implication, because any extension of imprisonment without trial will be noted by countries around the world that are not so concerned as we are about those very high standards of justice? Will there be an opportunity in the consultation period to take on board comments from other countries, as well as bodies in this country, in order to examine terrorism in the wider sphere?

Mr. Blunkett: Albeit that I am open to criticism for making speeches on terrorism across the world, which is also faced with terror, the answer is "Yes, I think we should." I did it in New Delhi to an audience including human rights lawyers and members of the supreme court, who, contrary to the kind of dismissal that I saw on "Newsnight" last night, had a deep commitment as human rights lawyers and members of India's supreme court to human and civil rights in their country and across the world. I shall do the same in the Untied States in two weeks' time, because I believe that these are universal principles that are crucial to democracy and justice, and that we should debate them on that basis.

I am very mindful that what we do in this country is a benchmark, and I hope that it will remain a pillar of best practice and a beacon for people across the world.

Mr. Mark Oaten (Winchester) (LD): The Home Secretary has just confirmed that he plans to review part 4 in a six-month period. Will he therefore consider amending tomorrow's order so that the extension period is six months, so that there will be a guarantee that we can debate it in a six-month period?

Mr. Blunkett: No, I will not. Apart from the fact that the regulations and the Act do not permit us to do so, we laid down the annual review by the House and the renewal procedure knowing that individual cases, after the initial six months, would be reviewed on a three-monthly basis. The Special Immigration Appeals Commission will review all the cases that it has dealt with on a three-monthly basis, and it has the power—and is free to—challenge the continuing evidence placed before it, and whether the risk continues. In terms of dealing both with Lord Newton's report and with renewal, I need to spell out that that is risk to the life of the nation that constitutes a public emergency within article 15 of the ECHR. I needed to get that on the record as well.

As I spelt out in quoting Eliza Manningham-Buller, nothing has diminished that threat. It is important to continue to re-emphasise that, because, sadly, people easily forget Bali, where 202 people were killed; Casablanca, where 44 people were killed; Riyadh, where 34 people were killed; Jakarta, where 12 people were killed; and Istanbul, where at the end of last year, over 50 people lost their lives including the consul general and members of his staff.

These are continuing threats that are taken seriously by all democratic nations, and rightly so, given the tremendous threat from al-Qaeda, repeated by bin Laden on numerous occasions. From February last year, to September—when he produced a tape—to January this year, he has laid down that threat to anyone who dares to threaten what he believes and what his creed holds. Last February, he said:

> "We also point out that whoever supported the United States, including the hypocrites of Iraq or the rulers of Arab states, those who approved their actions and followed them in this crusade war to fighting with them or providing bases and administrative support to them or any form of support, even by words, to kill Muslims in Iraq should know that they are apostates and outside the community of Muslims. It is permissible to spill their blood and take their property."

That is a direct and continuing threat, not in theory, but in practice, to our lives, to the well-being of our country, to the values that we hold and to our democracy.

I simply ask that, in dealing with the real and very big challenges of not doing away with the standard of proof, the presumption of innocence and the way in which we have traditionally upheld—in the face of considerable difficulties—our criminal justice process, we bear in mind the nature and level of the threat and what it means to us.

Mr. George Osborne (Tatton) (Con): The right hon. Gentleman is clearly right about the nature of the threat, and I applaud much of what he is doing to counter it. Can he assess how much damage we have done to al-Qaeda in the last couple of years? We have had the military operations in Afghanistan, and bin Laden is pinned down wherever he is, but can he give a broader assessment of whether we are winning the war against terror?

Mr. Blunkett: At a superficial level, I think that people can presume that, given the attacks that I listed, the war is not yet won; the pronouncements of the head of the Security Service, MI5, underline the continuing threat. But the challenge is what would have happened had we not taken the steps that we took, had we not got the quality of the Security Service—built up, it must be said, with its expertise and knowledge of dealing with terror emanating from Ireland, particularly over the last 30 years—and the anti-terrorist branch. That gives me an opportunity to say how much respect I have for them and to thank them for the work that they have been doing. The difficulty for them is that prevention is never seen or acknowledged. Prevention does not allow us to celebrate what has been done. It is only in the aftermath of tragedy that we see whether a system, process or security measure has failed. I have the privilege and the difficulty of being given the evidence of what they are doing and how they are doing it. I hold them in tremendously high regard. That is why prevention is so fundamental to this debate.

Vera Baird: My right hon. Friend was discussing criminal procedures and the position of the security services. I accept entirely that he personally adopts a very much higher standard than reasonable suspicion before certificating people, and I am sure that SIAC adopts a high standard before confirming his certificates. Usually, civil courts adopt a criminal standard when their finding will imply that somebody has committed criminal offences, which is the position here. I wonder how far we are from being able successfully to prosecute the people concerned, at least

in front of a judge, and whether the need is not to search for better ways of protecting the evidence that has to be relied on and not for new powers.

Mr. Blunkett: Let me take the challenge on. We believe that if we have not actually achieved it, we have come very close to achieving the standard of proof relevant to, and by necessity demanded by, a criminal court. My hon. and learned Friend puts her finger on the difficulty, which is the nature of how we have reached that level and standard of proof. By necessity, in terms of the nature of the evidence presented, its admissibility and the use of special advocates, the difficulty is that, every time we take a step to try to achieve what is being asked of us, we get disqualified by people being against particular elements of the process that they do not like.

I referred earlier to the difficult issue of how to ensure that, as with a criminal trial, defendants have all the evidence presented to them, when the defendants themselves are a problem in passing on and using the evidence presented to them, as opposed to the special advocate assigned to them, to continue the development and perpetration of terror.

That is not like the consideration of a normal criminal activity when someone is charged with finding out, through an adversarial situation, whether a person is guilty or not and evidence is adduced to determine that. That is different from people using evidence to continue to perpetrate the activity that they were doing in the first place that we were trying to stop. The way in which we move forward is a layman's challenge as well as a legal challenge for those of us who are not lawyers.

Could we have special advocates? The Newton committee suggests that we could have special advocates at a different level, which relates to what we were discussing a moment ago about the enhancement of the crime so that punishment would thus be based on an initial arrest for a form of criminality different from terrorism. It also lays down the challenge of producing a definition of terrorism, because the House and the other place have struggled to find one that would make terrorism a crime in itself, rather than the combination of activities that we put together in the Terrorism Act 2000 and the Anti-terrorism, Crime and Security Act 2001.

I thought that I was struggling when I tried to get the legislation clear in my head two years ago, but that was chickenfeed compared with actually taking on the challenge of trying to find the nature of the solution and addressing the contradictions raised by the Newton committee with which we are dealing now. The Government had to come up with the right solution for the specific problem of overseas citizens whom we could not remove. The Newton committee is now understandably challenging us to deal with a whole different range of individuals who are preparing for, or engaged with, terror.

Lembit Öpik (Montgomeryshire) (LD): With reference to the Home Secretary's comments about Northern Ireland, does he accept that one of the lessons from Northern Ireland for Governments of all colours was that suppressing terrorist acts was not especially successful? For example, detention without trial had the counter-productive effect of strengthening the recruiting activities of the IRA. However unpalatable it might be to acknowledge it, real progress was made in Northern Ireland after we started considering the motives of terrorists. Will he comment on the extent to which the Government have actively considered a strategy through which we would try to understand the motives of terrorism—without condoning them—because, after all, that is how the biggest progress was made on the troubles in Northern Ireland?

Mr. Blunkett: I am not getting into that whatsoever. I do not understand the motives of those who commit suicide and blow up other people. I do not understand the motives of religious teachers and leaders and others who are not prepared to do that themselves, so instead send young men and women as suicide bombers to do their work for them—that is what happens. I do not understand those who have no negotiating position and no demands other than the total capitulation of our democratic way of life and values, because, make no mistake about it, that is what al-Qaeda is all about. There is no negotiation about the unification of a country or, for example, a just solution in the middle east, which we all want; it has never engaged in that demand. The Prime Minister and the Foreign Secretary have tried to engage in that process and we have tried to engage the United States' powerful voice to help us to achieve it. Virtually everyone in the House of Commons would want us to continue to try to do that. How can we understand those who take innocent lives not to free themselves from the shackles of some sort of post-colonialism, but to destroy the modernity and the society that they literally hate?

Mr. Robert Marshall-Andrews (Medway) (Lab): My point is on precisely the issue about which the Home Secretary was talking before he took the previous intervention: the difference between the prosecution of terrorism and of normal crime. That is what causes some of us considerable difficulty, especially those of us who have been involved in the prosecution and defence of serious and organised crime, including terrorism. Many of the difficulties that the Home Secretary rightly enumerates are already dealt with when considering such serious crimes. When people are prosecuted for those crimes, it is inevitable that method and the fruits of method are revealed. Infiltration is revealed in such trials by necessity. Of course, that is subject to public interest immunity, which can be draconian in such circumstances. Will he consider what the difference is in truth between the problems when dealing with the most serious of crimes and with terrorism? It appears to us that terrorist crime is being elevated to a different level of crime, which is one of the reasons why some people cavil with the word "war"—not because of its seriousness, but because crime is being treated as something other than crime.

Mr. Blunkett: I know that my hon. and learned Friend is more familiar than I am with the uses of public interest immunity and the constraints that exist on the way in which evidence may be seen by defendants and how it may be used in court. If we believed that public interest immunity would cover the requirements that I have tried to enunciate, we would have used that. We will want to come back to the serious crimes about which he talks in a White Paper on organised crime, which will build on

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the announcement of the establishment of a serious organised crime agency, because there are real issues regarding conspiracy that the Attorney-General wishes to examine and that were touched on in the Newton report. There are questions about the way in which one can read over from one set of activities to another, but that does not get us away from the nature of the evaluation of security advice.

The surveillance and work of the security services are our best means of prevention, and that is why I can confirm that we have already substantially increased the resourcing of the Security Service so that we can double its capacity to process and use the materials that it adduces as part of its intelligence gathering. The development of the Joint Terrorism Analysis Centre that we established last June will be helpful for drawing together a range of evidence from not only MI5, but MI6, GCHQ and the defence intelligence service. The increase of staff numbers by 50 per cent. will also be helpful.

Mr. Oaten: Liberal Democrats fully support the Home Secretary's plans to staff up MI5 and other intelligence services. He said in the press—and just now on the Floor of the House—that he expects a doubling of staff. What is the date by which he hopes to achieve that increase?

Mr. Blunkett: That has already begun. I confirm that at the end of last year we agreed additional resources for this year and the next with the Security Service so that it could develop its work, as it has been doing. We described that privately and in more detail to the Intelligence and Security Committee. Obviously, recruitment, training and ensuring that people operate in an acceptable way takes time. Resources have been provided at each stage at which the Security Service has requested them so that it may continue its expansion at a scale and rate that is appropriate to its ability to recruit.

We have also increased the co-ordination of special branches, following the review that we undertook, by pulling them together into eight regional co-ordinating units. We have appointed a new co-ordinator, Bryan Bell, who was the assistant chief constable of Cleveland, to undertake that work. I referred to the White Paper a moment ago, and I shall say more about that and the necessary border controls and co-ordination in due course. All the elements go together in terms of prevention, surveillance and making sure that we act on an acceptable basis.

Dr. Julian Lewis (New Forest, East) (Con): I hope that the Home Secretary will accept that I wish to make a non-partisan point. It is vital that the security services are expanded to meet the threat, but is it really such a good idea to make announcements that major recruiting programmes are under way in advance of the expansion? Is there not a danger that people sympathetic to the al-Qaeda cause may make special efforts to get themselves recruited? Would it not usually be better to do the recruitment first and make the announcement afterwards?

Mr. Blunkett: Actually, that is what I have just said; I was very careful. I notice that the right hon. Member for Berwick-upon-Tweed (Mr. Beith), who is a member of the Intelligence and Security Committee, is smiling. He knows that that is correct. I was confirming that we had done it rather than giving al-Qaeda notice that something terribly new was about to happen. However, I take the point.

Dr. Lewis: I am sorry to have to return to this point, but the BBC news report on this subject stated:

> "The Home Secretary will announce plans to recruit another 1,000 staff in Parliament next week".

Is he saying that the report is wrong and that the recruitment has already taken place, or is he saying that it is going to take place?

Mr. Blunkett: The BBC was wrong in only one regard. I am confirming the event this afternoon. The point is well taken that we do not want to parade what we are doing to those who would use what we are doing against us. The point is noted.

We should automatically assume that we will take forward some of the challenges that the Newton report laid down. We have laid that out in the written response that is part of today's debate.

An interesting question was raised about the nature of our system. I have mentioned its adversarial nature, and some of the Newton committee's recommendations would depend on an inquisitorial system that, as it says, mirrors the magistracy system in France. There would be an investigating magistrate and the more detailed work would be undertaken behind the scenes, taking the evidence, collating it and bringing it forward in a different way. Our system is different, but if people are serious about an alternative one—I do not dismiss that, not least for low-level association and links with terrorist groups—we need to be serious about examining how it would work and how it would change the nature of disclosure and admissibility in our system.

David Davis: I must admit that, when I first read the Newton report, I had difficulty with the explicit point that it made about the examining magistrates procedure. As I understand it, it would put a firebreak into the evidence process, but ensure that it remained safe and even-handed. Would that not involve completely changing our approach to the treatment of major crimes?

Mr. Blunkett: By no means; we would not necessarily have to extend such a system to major crimes. In the end, it still does not deal with the question of to whom the material is exposed and how the safeguards can be built in, as with the special advocate process that exists through SIAC. By necessity, I have read the reports carefully. Each time one thinks that one is moving towards a solution, there is an objection to another piece of the equation. It is a bit like a puzzle that one thinks one has solved but finds that one has not. I have never been good at such puzzles, so I shall have to try to get a

bit better at them over the months ahead. That is why I thought it was useful to discuss the matter in the context and atmosphere of this debate.

Sir Brian Mawhinney (North-West Cambridgeshire) (Con) *rose—*

Mr. William Cash (Stone) (Con) *rose—*

Mr. Blunkett: I have provoked hon. Members now. I shall take both interventions.

Sir Brian Mawhinney: I was a member of the committee and we examined the magisterial system in France and heard direct evidence about it. I assure the Home Secretary that the purpose of the report was not to call into question the fundamental framework within which we are looking at these issues. He is right: the system in France is different from ours. However, we were struck by the fact that there were, or appeared to be, advantages—not least, as my right hon. Friend the Member for Haltemprice and Howden (David Davis) suggested, in terms of handling evidence. Given that the Home Secretary will have a full consultation and review, it is probably worth taking such a system seriously if we are seeking new structures that are acceptable to us, but that protect the rights of the individual somewhat better than part 4 does.

Mr. Blunkett: I do not for a moment dispute what the right hon. Gentleman says about taking such a system seriously and being prepared to examine how it might enhance the powers available to us. I said that there were probably lower-level activities—the French call them associating with a wrongdoer. Their system goes back to the time when they were dealing with major terrorism from north Africa—from Algeria to be precise.

As well as the inquisitorial system, the right hon. Gentleman will be familiar with the recommendations in the Newton report, such as those for electronic tagging and monitoring and on the subject of bank balances. They could come into play. I dispute whether the latter recommendations could come into play for those who are so strongly linked to, and engaged in, terrorism that they are central to the threat to us. Allowing them free access to talk with and to be with other people at all—never mind allowing them to use computers, telephones or bank balances—would put us at risk. We are half way to each other in recognising that the committee has raised an interesting issue that we should address and that we should be open-minded about.

I am interested in French law. However, I am not advocating it, and I had better make that clear in case a baroness in the other place gets the wrong idea and is on the "PM" programme before I get the chance to refute the idea that I am. There is a historical difference in France. Because of the system of investigatory magistrates and the way in which the French judicial system works, they have held people suspected of terrorism for up to four years without trial. I would not want that; the SIAC process is a lot better, not least the three-monthly reviews. Our ability to debate the issues this afternoon demonstrates the care with which our democracy and the House take the issue of moving beyond the standard of proof and the procedures that we have normally adopted in criminal justice cases.

Mr. Cash: The manner in which the Government are presenting the information to the House, the discussion paper and all that flows from it and the dialogue that is going on are, unlike the approach taken to the Civil Contingencies Bill, extremely useful. Does the Home Secretary agree that, whatever merits there may be in the Newton committee's criticisms of part 4, one aspect has not been considered sufficiently? Under section 21, the Secretary of State can issue a certificate only if he reasonably believes or suspects that someone is a terrorist. We then have the review procedures on appeal and the provisions for certification in sections 25 and 26. In other words, unlike in the Civil Contingencies Bill, there is in this measure an opportunity for the court to get to grips with the question of whether the Home Secretary or other Ministers have misbehaved in any way. Does he agree that that is one reason why he might be right and the Newton committee might not be?

Mr. Blunkett: There needed to be a check—the House was very clear about this—on the certification and subsequent reviewing work of SIAC. When deciding to make SIAC a superior court of record, the issue of judicial review was debated. The starting point was how we could review certification judicially, as well as having the Carlile review, although Lord Carlile does an extremely good job of reviewing whether the process has been used correctly and whether due weight has been given to reasonable belief. That is why I have been able to say that we have now gone beyond reasonable belief in weighing up.

I know that other hon. Members want to speak, so I shall not go on at great length. To put that matter in context, however, it is worth reflecting that when the House was debating this at substantial length in November, it was feared that very large numbers of people would be picked up, certificated and dealt with under the measure. It was suggested at the time that 200, 300 or 400 people could be picked up.

David Davis: One is too many.

Mr. Blunkett: Well, it would be if that person were unjustly accused—I accept that challenge. That is why we are agonising over how to go forward. We have been through the trauma of finding that people who have been through our existing criminal justice system have turned out to be innocent, and we are mindful of that. However, I was about to make the point that there was much concern because of the promises that had been given in the past. I remember that at that time one of my hon. Friends used the example of a former Home Secretary who projected at the beginning of the second world war the number of people who would be picked up for internment, which turned out to be a massive underestimate. I merely point out that we gave a pledge that we would use the provision judiciously and sparingly, and that we have kept that promise. We have used it only where we genuinely believed that the risk warranted it.

Therefore, in asking the House to allow us to retain part 4 for the foreseeable future, and in dealing with the challenges of Newton and Carlile—Lord Carlile also

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came up with the idea of acts preparatory to terrorism—we are prepared to take on board a range of suggestions that might help us incrementally to deal with people who are part of a wider association or network.

Jeremy Corbyn: Can the Home Secretary help me on one point? If the legislation that he supports allows him to detain foreign nationals on suspicion of terrorist activities, is he considering extending that power to British nationals? Surely, if someone is entitled to legal rights, they are entitled to them whatever their nationality.

Mr. Blunkett: That is what we debated when we passed the 2001 Act. We discussed the fact that we were dealing with immigration powers, and with citizens whom we wished to reject from this country but could not because we wanted to safeguard their human rights. I have said this afternoon that although we face substantial challenges in improving the use of other parts of our law, including the Terrorism Act 2000, it is not my intention to use the SIAC process for citizens of the United Kingdom. Nor is it my intention, because I cannot see how we could do it, simply to do away with SIAC by using instead the system that we have in the United Kingdom purely to deal with this challenge.

We are trying to square the circle, because there are those who do not want special advocates but accept that we have to keep security evidence private, and others who do not want derogation but accept that if we have special advocates and want the process to be fair and open, we have to use derogation because we acknowledge that we are derogating from part 5. Then there are those who are uncomfortable with the certification process. But how do we deal with a magistracy investigation process in such circumstances? Some may agree with us on severity and the particular circumstances developed for part 4, but want us to consider other activity in connection with lower-level association, perhaps looking at what has taken place in France or the suggestions made by Lord Carlile on acts preparatory to terrorism. All those matters need to be dealt with in the months ahead.

Mr. John Denham (Southampton, Itchen) (Lab): Part 4 applies solely to foreign nationals. If I understand Newton and my right hon. Friend the Home Secretary correctly, measures against acts preparatory to terrorism or association with wrongdoers would not apply solely to foreign nationals but could apply generally to British citizens. Will my right hon. Friend take this opportunity to say how during the next six months he will explore the real issues that that would raise, given that it would introduce legal measures that, in the real world, would apply only to one community in this country, whatever the theory of the law? He is raising enormously important issues, and the handling of them, including the consultation period, is critical.

Mr. Blunkett: I understand precisely what my right hon. Friend is, quite rightly, alluding to. Let me make the position clear. We had the same difficulty with citizens of, or persons who had originated in, Ireland when surveillance and anti-terrorism activity focused on terrorism emerging from Ireland, and it was feared that the Irish community in Britain was therefore being tarred with a certain brush. Those questions were rightly put at that time. There was real fear, for example in parts of north London, where people genuinely feared at the time of severe bombings that there would be action against them purely because of their accent. It is perhaps hard for us to remember now just how horrendous some of those bombing attacks were. The blowing up of the Grand hotel in 1983, the bombing of the bandsmen and the Birmingham bombing, with their taking of innocent life, shook people to the core and invoked a reaction.

Part of what we are required, of necessity, to do is to calm fears. We should not exaggerate incidents or appear to be regularly hyping such situations, but should try to explain to the public that people from an Islamic background who have engaged with terror have disengaged themselves from the Koran and the teachings of Islam. That is what all my Islamic advisers and friends make clear. Therefore, in taking actions that deal with a particular source of terror activity, we need to take commensurate steps to maintain calmness, social cohesion and race relations, giving the necessary explanations and information. My right hon. Friend the Member for Southampton, Itchen (Mr. Denham) has played an important part in that, including in taking forward suggestions not only on divided communities and the issues that were raised after the disturbances in 2001, but on the broader issues of how we develop faith and cohesion measures to enable us to avoid the kind of problems that he has raised this afternoon. I thank him for the way in which he has raised those issues.

I also say to my right hon. Friend that if we were considering lower-level activities, we would be examining concrete suggestions over the next six months and beyond. I have one suggestion that goes with the grain of the Newton report and the experience in France. Let us suppose that it were possible to seek to prevent someone from being engaged in a low-level connection or association with terror by preventing them from using a particular bank balance, as Newton suggested, or a telephone or computer. I am now drawing on the Newton committee report. Let us suppose that an order were placed on that person to preclude them from using those facilities for a particular length of time. That would be a civil order, but if they breached it, it would be a criminal offence. We should be dealing with the breach of the order. That area is worth exploring, and I believe that the Newton committee and the acts preparatory to terrorism that Lord Carlile mentioned will help us to examine it.

Mr. Beith: Does the Home Secretary recall that one of the reasons for setting up the committee was that there was a lot of anxiety about rushing legislation through Parliament when significant parts of it extended far beyond the realm of terrorism? Given that the response rejects quite a lot of the committee's recommendations relating to greater monitoring in the areas that are not primarily about terrorism, will he at least reflect on the committee's concern that, if legislation covering far wider issues than terrorism is rushed through

Parliament with shortened procedures, it will undermine the consensus on the use of those procedures in future?

Mr. Blunkett: While I do not wholly agree with what was being said, I was about to say that there are other areas that deal with the wider Act, involving the open publication of statistics and relating to arrests under the Terrorism Act 2000 and the certification process, which we accept as well. The taking forward of the list of pathogens and toxins, the recommendations of the Newton report on the security of premises and the commentary in relation to aspects of the Act itself in terms of mainstreaming were among the suggestions to which the right hon. Gentleman has referred.

We are not rejecting those suggestions. We are saying that if there are opportunities to mainstream other parts of the Act in future legislation, the Government should consider doing that. However, deliberately to re-run them for the sake of re-running them now, not because anyone objects to them, would be detrimental to the other forms of legislation that every Member of the House is encouraging us to introduce. This is a bit like air traffic control: if one plane is in the air, the next one cannot go up until we have moved the first one. That is how legislation works. Each Cabinet Minister feels strongly that their own Department's legislation should be brought forward. I hope that the right hon. Gentleman will forgive me for not being a great enthusiast for re-running everything from other parts of the Act, and for being willing to re-run them when it is appropriate to do so, in the spirit of the Newton report.

Vera Baird: Have I understood the gist of what the Home Secretary is saying in asking for the powers relating to terrorism to be renewed? Is he saying that, however we try to devise appropriate criminal procedures, which might satisfactorily deal with British citizens who can be dealt with in no other way, and might reduce the number of people who need to be detained under the current powers, he is none the less perfectly satisfied that we cannot manage without the current powers as well?

Mr. Blunkett: The answer to that has to be an unequivocal yes; otherwise, the Act would collapse. The process of certification and the challenges being made would all be subject to that answer. I made it clear when I repeated the words of the head of the intelligence service that I believe it is a necessity to reaffirm part 4 and to look at the wider issues in the spirit that we have done this afternoon. I want to thank the House—

Hugh Bayley (City of York) (Lab): Will my right hon. Friend give way?

Mr. Blunkett: I shall allow my hon. Friend an eleventh hour intervention.

Hugh Bayley: My right hon. Friend is very kind. My concern is with part 12 of the Act, which does not directly deal with terrorism but contains anti-bribery provisions. Have I understood correctly that the Government will not repeal part 12 until such time as alternative, more clearly drawn legislation against international bribery has been enacted?

Mr. Blunkett: We have in draft related legislation that would give us the opportunity to do that. I hope that we shall be able to do so. In the spirit of the question, I shall ensure that we deal with that question in the serious and organised crime White Paper. It would be sensible to deal with it in relation to the broader international issues.

The atmosphere in the House this afternoon and the way in which right hon. and hon. Members are approaching this issue are extremely encouraging. Democracy protecting democracy is the best possible advert for democracy. That is a great strength, and I thank all hon. Members for this. I commend the motion—which I carefully enunciated at the beginning of this debate, because I had to—to the House, and I hope that hon. Members will support it.

Mr. Deputy Speaker (Sir Michael Lord): Before I call the next speaker, may I remind the House that Mr. Speaker has selected the amendment tabled in the name of the leader of the Liberal Democrats.

2.15 pm

David Davis (Haltemprice and Howden) (Con): I join the Home Secretary in thanking Lord Newton and his colleagues for their report on the Anti-terrorism, Crime and Security Act 2001. As the House would expect from a committee of distinguished Privy Councillors, it has produced a report that is substantial, measured and constructive. The committee clearly put in a formidable quantity of work and did an enormous amount of research. It also brought to bear a considerable level of expertise and experience, and made a number of serious recommendations worthy of careful consideration by the Government.

Matters as serious as the balancing of the safety of our citizens against the fundamental rights to justice of all human beings demand serious consideration, so it was with regret that I observed how quickly the Home Secretary seemed to dismiss the main thrust of the report when it was published in December. As Peter Riddell put it in *The Times*:

> "The 121-page report is not what would have been written by Amnesty, Liberty or Michael Mansfield."

He concluded:

> "Mr. Blunkett should not have been so hasty."

I am pleased that the tenor of the Home Secretary's comments today has been much more measured, and I commend him for that. He is right to say that the tone of this debate will serve us well in coming to a good conclusion.

As the Home Secretary has pointed out, the context for the Anti-terrorism, Crime and Security Act 2001 was the events of 11 September 2001. At that time, it was said that those events were an attack not just on the United States or the American people but on us all, on our democracy, our freedoms and our way of life. We should not forget that 78 of the 3,000 people killed that day came from our own country. Since 11 September, attacks have taken place in Bali, Mombassa, Riyadh, Casablanca and Istanbul, so no one should harbour any illusions about the potency of the terrorist threat, or about the fact that we in the United Kingdom remain a top target for people such as bin Laden and his al-Qaeda cohorts.

[David Davis]

The committee, at paragraph 103 of its report, quoted the director-general of the Security Service, as did the Home Secretary. I believe that her words bear further repetition:

"I see no prospect of a significant reduction in the threat posed to the UK and its interests from Islamist terrorism over the next five years, and I fear for a considerable number of years thereafter."

The point here is that we are not talking about a temporary measure when we discuss these issues today. So far, we have been fortunate. As a result of the skill of the police and our intelligence services, planned terrorist attacks have been thwarted, but the need for vigilance remains constant. I therefore join those who welcome the announcement by the Home Secretary of additional numbers for MI5. I rather enjoyed his attempt not to give too much away while telling us what was going on in that regard.

We need to have in place all the necessary measures to prevent attacks from succeeding in the United Kingdom and, to the best of our ability, elsewhere in the world. It is clear that, in the House, we have to be united in the war against terror. So we agree with the Newton committee that there is a continuing need for special counter-terrorist legislation. We also believe that terrorists should be given no special status and ought to be treated as criminals. As Lord Lloyd set out in his 1996 review, as far as possible anti-terrorist legislation should approximate to the ordinary criminal law and procedure.

Of course, the Home Secretary is right to stress that the Government do not lightly take on the powers in the 2000 and 2001 Acts. It obviously involves difficult judgments and measures that no Government in a liberal democracy would ordinarily consider. The Home Secretary will be happy to know that I include him in that definition of liberal democracy. *[Laughter.]* I thought I might get a laugh. To be serious, that is why we need constantly to check the powers against three strict and rigorous tests.

First, are we confident that the powers work to minimise the risk of terrorism? That is not an otiose question. Secondly, do they undermine fundamental liberties to the extent that they do the terrorists' work for them? Thirdly, can the protection of the public be achieved with less harm to those liberties by any other means? To put it another way, we must always remember what we are defending. For those reasons, although we support the 2001 Act overall, we believe that all anti-terrorist legislation should be subject to annual review and full debate by Parliament—and, if necessary, regular revision.

Before I come to the most controversial piece of the report, which took up most of the Home Secretary's speech, I shall deal with some other serious sections of it. One of the most striking aspects of the committee's report is the number of powers that it identifies in the 2001 Act that have been used sparingly or not at all. It gives the example of freezing orders, provided for in part 2. Everybody agrees that the power to freeze assets is a key weapon in the fight against terrorism, yet the committee states at paragraph 146:

"These measures are unlikely to be used against terrorism while the Terrorism (United Nations Measures) Order 2001 is in place, which already makes specific provision for freezing terrorist assets."

The committee goes on to cite a number of advantages that distinguish the United Nations order from the part 2 powers, and concludes that

"freezing orders for specific use against terrorism should be addressed again in primary terrorism legislation, based on the well-tested provisions of the Terrorism (United Nations Measures) Order 2001."

In their response to Newton, the Government say that they do not accept the proposal, stating:

"The fact that the power has not been deployed since the legislation came into force is not of itself an argument for setting it aside now, nor including it within wider primary anti-terrorism legislation."

We find that a curious justification for rejecting the committee's perfectly reasonably proposal, and ask the Home Secretary to consider the issue again, as much of the committee's argument is that the UN terrorism order is a better, more effective and more just law.

Mr. Hogg: Does my right hon. Friend agree that much of what he is saying and quoting reinforces the proposition that the 2001 Act, which was introduced as emergency legislation, contains a host of provisions that could not by any stretch of the imagination be regarded as emergency measures, but were never subject to any proper scrutiny?

David Davis: My right hon. and learned Friend reiterates the point made by the right hon. Member for Berwick-upon-Tweed (Mr. Beith). We on the Conservative Benches have argued time and again that measures that involve relatively draconian powers require much greater scrutiny than is possible these days in this House of Commons—even when they are not emergency powers.

The committee says on the question of identity theft:

"we are not convinced that all the relevant measures in Part 10 address it effectively".

The report cites an al-Qaeda manual that devotes two pages to falsifying passports and identity cards. It also notes the importance placed by the French authorities on credit card fraud as a basis for "micro-finance" in contemporary terrorism. We need to prevent terrorists from misrepresenting themselves in the system in the first place, and in his response to Newton, the Home Secretary said:

"The Government are assured that these powers are effective and proportionate".

How can that be the case when the committee has said that the problem is so large scale? The Home Secretary says that the problems will be addressed by the introduction of identity cards in the UK and by the use of biometric technologies, but under the Government's scheme, compulsory cards will not be introduced until 2011 and will not solve the problem of credit card fraud. We need a more rapid and tailored solution than the one that the Government are offering.

We agree strongly with the committee's recommendation on terrorist property, particularly in relation to extending the power of seizure to non-cash items. The Government say that the powers in the terrorism Act already allow such seizures, yet the committee has clearly identified a problem. We ask the Home Secretary for greater reassurance than that given in the published response, which states that current powers are adequate to tackle the problem.

We also agree with the view that

"open hearings in an ordinary Magistrates Court are not the appropriate forum for handling cash seizures in terrorist cases".

The committee recommends that the terrorism Act be amended to enable cash seizure hearings to be handled in a similar way to warrant hearings under the legislation. The Home Secretary said that he would look closely at that proposal, and we welcome that.

The committee echoes and endorses concerns raised by the Opposition—and most often by my right hon. and learned Friend—during the passage of the Bill in 2001 on the so-called Henry VIII powers, but the Government dismissed the committee's recommendation. We strongly agree with the committee. May I take this opportunity to urge the Home Secretary to reconsider his view—most of all on legislation such as this which impinges so fiercely on individual civil liberties?

That brings me to the most controversial aspect of the legislation, on which the committee again echoes our view. I refer to detention powers in part 4 relating to foreign nationals. The committee's conclusion in paragraph 203 is unequivocal:

"the Part 4 powers which allow foreign nationals to be detained potentially indefinitely should be replaced as a matter of urgency."

My right hon. Friend the Member for West Dorset (Mr. Letwin) argued strongly that internment was not the best way of dealing with such cases. Regrettably, the alternatives that he proposed did not persuade the Home Secretary. As a result, under the detention powers, some 14 foreign nationals are being held indefinitely without trial.

It is undoubtedly the case that such detention is a serious infringement of civil liberties. I do not find the argument that such people can "always leave the country" particularly persuasive. On the one hand, to return to some countries might, in effect, be to return to death; on the other, releasing people whom we believe to be international terrorists to travel the world seems a peculiar policy. The difficulty is that if the Government are right about those 14 people held under the Act, releasing them could put hundreds or thousands of innocent lives at risk. The Home Secretary is right, and I must recognise that. Nevertheless, because it is such a serious infringement of civil liberty, I agree that the Government should heed the committee's request and seek an alternative. I am glad that the Home Secretary has undertaken to review part 4 over the next six months. I assume that in that review he will consider and seek alternatives. The difficult question is: which alternative will work?

One area in which I disagree with the Newton committee is on the possibility of tagging, curfews or daily visits to police stations as an alternative to such detention. That is impractical for serious terrorist crimes, let alone for suicide bombers. I welcome the fact that the Government have said that they have no intention of going down that route, although it may be useful for the more minor terrorist crimes. Another solution is needed.

Everyone agrees that the most desirable way to deal with terrorists is to bring them before the courts. That is where the Home Secretary should be concentrating his efforts—looking at aspects of the law that make prosecution more difficult and seeing whether they can be corrected. The Newton committee highlights one aspect in particular, on which we believe the Government should act. Paragraph 208 states:

"In our view one way of making it possible to prosecute in more cases would be to remove the UK's self-imposed blanket ban on the use of intercepted communications in court".

We agree. That was a conclusion reached by Lord Lloyd in his 1996 review. It has the backing of Lord Carlile. It has been advocated in terrorist cases for many years by the right hon. Member for Upper Bann (Mr. Trimble). It has had the support of successive Chief Constables in Northern Ireland.

We understand previous objections to ending the ban: principally, that it would reveal sensitive information about our intercept capability. We believe, however, that the balance of the argument has moved on, especially post-11 September. For example, al-Qaeda sees the United States as its No. 1 enemy. One should assume that its training and tactics are directed against that target. In the United States, however, extensive details of intercept capacity are published. They are a matter of public record. They will therefore already be accounted for in al-Qaeda's behaviour, training and tactics. It is difficult therefore to see how knowledge of our much smaller intercept capacity could make much difference to the training and tactics of al-Qaeda, especially when that is measured against the value of such information in court.

The committee put up an interesting idea for protecting the evidence from the sort of excursions that we hear so much about in relation to lawyers representing terrorists. The idea of an examining magistrate, or having that as a phase of the evidence gathering, is sensible. I must admit that when I first read it, probably like the Home Secretary, I did not see exactly where it was going. As a phase of evidence gathering, however, and as a way of introducing a cut-out to protect the evidence and the methods used, it seems an eminently sensible approach. The Home Secretary has said that the matter of intercept evidence is one of a number of options under review. That review should be concluded quickly. The ban on intercept communications evidence should be dropped, and I hope that he will again look closely at the committee's proposal, as it is eminently sensible.

Mr. Oaten: I am encouraged by the right hon. Gentleman's comments. For clarity, is the thrust of his argument that if alternative measures were put in place,

[Mr. Oaten]

such as the acceptance of intercept communications as part of evidence, the Conservatives would support the removal of part 4?

David Davis: Yes, indeed. The issue that we are considering is one that the hon. Gentleman raised in an intervention on the Home Secretary. In relation to those 14 cases, if he is entirely persuaded beyond reasonable doubt that they are terrorists or would-be terrorists, and they would be expected to be convicted in a process that absorbed those changes, that is a good reason for part 4 to go. That is what we want, ideally, as a result of the review process.

The difficulty for the House is that we cannot know what the Home Secretary knows. We cannot test each of those cases. Perhaps the committee could do so—perhaps its members will tell us that they did test that proposal. We cannot do so, however. I am taking it on faith—something that one does rarely with Ministers when in opposition—that the Home Secretary will make a judgment about that in the process of that review.

Several hon. Members *rose—*

David Davis: I knew that that would provoke everybody. I shall give way first to the ex-Home Office Minister and come to the others shortly.

Mr. Denham: I am grateful to the right hon. Gentleman. This is an important point on which to understand the Opposition's view. For the sake of argument—I am not familiar with the individual cases either—let us suppose that seven of the cases could be resolved as criminal cases, were the intercept information available, but the other seven relied on information obtained by the security services through methods that they could not possibly disclose in a criminal trial. Would we not have to conclude that circumstances would exist in which part 4 needed to remain? The alternative would be to release those individuals.

David Davis: I think that the right hon. Gentleman has restated my view. I made the point about 14 cases. Although this depends on something of which I am not certain—the level of evidence on which the Home Secretary's judgment is based—the Home Secretary said earlier that he set higher hurdles than would apply in a normal court case. If that is true, that should resolve the issue for all 14.

Mr. Hogg: Will my right hon. Friend remind himself, however, that at the end of the day what the Home Secretary is considering is information given to him by the intelligence services? The truth is that they are often wrong, and they were desperately wrong about Iraq. I am very uncomfortable about people being deprived of their liberty on the basis of intelligence information that will always be uncertain and will never be the subject of any certain verification.

David Davis: My right hon. and learned Friend is exactly right. He and I have both been recipients of such information with respect to Iraq in our previous incarnations, and I suspect that we both saw the errors along the way. That is why a judicial process—a process of justice—is a better process. That is why there should be a process of challenge. That is why the Newton committee's proposal of an examining magistrate, which allows the examining magistrate, as I understand it, to establish not just when there is incriminating evidence but when there is exculpatory evidence—the very reason lawyers are usually allowed to forage among the evidence—is an important addition. If that could be put in place, it would be an excellent replacement for part 4.

Mr. Blunkett: I merely seek clarification. Obviously the Butler committee will do its work in relation to Iraq. As for the intervention from the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg) and the intelligence services, I want to make it entirely clear that we have absolute confidence in the Security Service. We also believe that following the establishment of the joint terrorism and analysis centre, which will be led by the Security Service, the pulling together of information from the Secret Intelligence Service, GCHQ and the Defence Intelligence Staff will be undertaken in a way that all of us will feel able to support.

David Davis: The Home Secretary knows full well that, like the other Members who have intervened so far, I am a great supporter of the Security Service, the Secret Intelligence Service and GCHQ. We also know, however, that owing to the difficulties involved in gathering intelligence it is sometimes unreliable, and may not be sufficient to persuade someone beyond reasonable doubt. That is part of the whole question of challenge that we are discussing.

This is not an attack on the integrity of any of the intelligence-gathering services. It is simply a recognition of what they know to be a practical problem, and indeed a reflection of advice that virtually all of them have given me in the past, during my time as a Minister.

Mr. Cash: My right hon. Friend raised the issue of what was in the Home Secretary's mind. The Civil Contingencies Bill simply states that what the Home Secretary thinks must be so, but in this context there is no doubt that in issuing a certificate he must have regard to the reasonableness of the judgment that he forms about whether a person's presence is a risk to national security, and to whether he reasonably suspects that the person is a terrorist. That is subject only to two qualifications in relation to sections 25 and 26 of the 2001 Act. The decision can be questioned in court, and the issue of reasonableness on the part of the Home Secretary is then taken into account. Does my right hon. Friend agree that, given the imposition of certain conditions, there is a means whereby there can be a proper challenge to what the Home Secretary does?

David Davis: I am sure that my hon. Friend's interpretation is correct, but it does not meet the requirements for a just process overall that we have been discussing today. That is the point that the committee was making.

Sir Brian Mawhinney: As I may owe my life to intelligence that was relevant when I was a Northern

Ireland Minister, I start with a presupposition in favour of the intelligence services. Having declared that interest, let me say that my right hon. Friend has put his finger on one of the fundamental quandaries. It is a question of how to verify intelligence, and how to verify the claim that to reveal intelligence is to undermine the safety of the state. I hope that my right hon. Friend will use the consultation period to enable my party to come up with constructive suggestions of ways in which those two issues can be addressed that will meet the standards that we all want to apply. If it cannot do so, and the Government cannot do so, we shall remain in that quandary for years.

David Davis: That is true, and the difficulty is made much more acute by the consequences of error. When my right hon. Friend was dealing, in a highly effective way, with terrorism in Northern Ireland, even the worst of the events there did not compare with those of 11 September.

Let me repeat what I said earlier. When I first read the committee's proposal for an examining magistrate, I did not react very well. I do not like the continental procedures for most aspects of the judicial process. It struck me, however, that the committee had hit on something that would allow justice for the victim, verification and a firewall that would enable evidence that could not otherwise be used to be brought into play. That is a very good idea, which we will build on during this consultation process to meet the requirement that my right hon. Friend mentions.

Mr. Marshall-Andrews: Of course, the so-called evidence is factual assertion made by the security services, either to the Home Secretary or subsequently to the Special Immigration Appeals Commission. Does the right hon. Gentleman not agree that herein lies the root of the problem with SIAC? It is not a court, and the rules that govern it mean that documentation and evidence given to it by the Home Secretary or by the security services is, by definition, cherry-picked. SIAC's rules do not require that all the evidence be placed before it, so what it is getting is a selective version of that evidence. Is that not an intrinsic problem in itself, and an affront to the principle of justice? Unless SIAC can weigh all the evidence, it is impossible for it to see the whole picture.

David Davis: The hon. and learned Gentleman is exactly right, which is why part 4 of the 2001 Act would not be justified under any circumstances other than the asymmetric outcome of getting it wrong. On the one hand, getting it wrong means an injustice to one person, which is dreadful. Indeed, at one point, I intervened on the Home Secretary from a sedentary position to point out that one error is too many, but getting it wrong the other way could mean the loss of many thousands of lives, as we have seen in recent times.

Vera Baird: The right hon. Gentleman is in danger of forgetting—as is my hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews)—that hearsay has been admissible in ordinary criminal trials since the introduction of the Criminal Justice Act 2003. Indeed, the Opposition supported that aspect of the legislation with reasonable enthusiasm. Hearsay is second-hand, third-hand or written material that can now be put into an ordinary criminal trial, but which previously had to be given by oral testimony. In talking about intelligence, are we really talking about matters that are so far away from that principle, which the right hon. Gentleman regards as an acceptable part of the criminal process? I do not think that we are.

David Davis: The hon. and learned Lady's point was, I think, answered by the intervention of my right hon. Friend the Member for North-West Cambridgeshire (Sir Brian Mawhinney), which dealt with the whole question of verification. We are talking, in effect, about sentencing people for life—or as close to a life sentence as one can ever have—so verification is vital. Unlike the hon. and learned Lady, I am not a lawyer, but the principles of the assumption of innocence, and of proof of guilt beyond reasonable doubt, are central to my belief in the law. That is why I consider part 4 of the 2001 Act to be an unacceptable infringement of civil liberties, under any circumstances other than those that currently apply.

Mr. Kevin McNamara (Hull, North) (Lab) *rose—*

David Davis: I have taken quite a lot of interventions, so if I may I shall move on to one other aspect of this controversial section. The Committee made other suggestions that could help to bring about more terrorist prosecutions. On terrorism as an aggravating factor, paragraph 218 of the report states that

"it might be feasible to:

a. define a set of offences which are characteristic of terrorism and for which it should be possible to prosecute without relying on sensitive material, but

b. raise the potential penalty where it can be established that there are links with terrorism."

The Home Secretary said:

"There are already a wide range of criminal and terrorist . . . offences that can be used to bring prosecutions. The Government is considering whether further offences should be introduced".

Senior police officers have told us that there are gaps in the law that create problems for them in their pursuit of terrorism—lacunae in the conspiracy law, for example. When the Minister winds up, I should like her to say when we are likely to see proposals in this area.

On plea-bargaining, the document published this morning states that there might be

"particular merit in terrorism cases in giving the suspect greater certainty of outcome in the event of co-operation by establishing a sentencing framework within which the accused may be sure of securing a reduced sentence in return for co-operation".

In their response, the Government say:

"It is customary for timely guilty pleas to receive recognition in the form of a reduction in sentence".

But plea-bargaining also relates to the defendant's giving evidence to convict other terrorists and to prevent other atrocities. Here, there would be clear problems over witness credibility, but it may nevertheless be a worthwhile tool. I would be grateful if the Minister expanded on the Government's view when she winds up.

I should like to raise a couple of matters that the Home Secretary has spoken about in recent weeks, but did not mention today. In his usual high-profile way, he has recently floated several ideas, including lowering the

[David Davis]

burden of proof, trying terrorist cases without juries, using security-vetted judges and counsel, and holding entire trials in secret. Frankly, it is an extraordinary raft of ideas, and although we will examine the fine details of the Home Secretary's proposals, he should be aware of the Opposition's reservations at this stage.

In our view, it is not only highly dangerous, but totally illogical to move towards lowering the burden of proof for the most serious offences. That would be a deviation too far from the ordinary criminal law. The Home Secretary has made it clear that that is not his intention, which we welcome, but we need to know more about what he means by applying civil orders to those associated with the fringes of terrorism before we make a considered response.

It would also be helpful if the Home Secretary clarified more about his motivation in bringing forward these ideas at this particular time. Is he saying that the Government have intelligence about large numbers of people who are planning terrorist activities but against whom it is impossible to act? We know from our experience in Northern Ireland about the frustration experienced when known terrorists walk free because of the inadmissibility of intelligence in court, but that should not plunge us into making bad law that overturns centuries of established legal process.

The same applies to secret trials. If public confidence in the criminal justice system is desirable, and if it is to be maintained, as much of a trial as possible should be held in open court. That has always been the case, even under Diplock in Northern Ireland, where parts of trials could be held in camera when necessary. On single judge courts, is the Home Secretary really saying that jury intimidation in al-Qaeda cases is on the same scale as resulted in Diplock operating for 30 years in Northern Ireland? I do not believe so, and we will need some thorough convincing before following the Home Secretary down that path.

The powers that the House is examining today are exceptional, as has been apparent from several discussions. Under normal circumstances, many of those powers would not even be contemplated, let alone approved by the House. Regrettably, the threat of terrorism dictates that some are necessary. I agree with the Home Secretary that, without the powers of the 2001 Act, our defences against international terrorism would be severely weakened. For that reason, despite our reservations about part 4, we support the continuance of the Act. However, we call on the Home Secretary to return to the questions raised about part 4 and to review very carefully whether changes in evidence could allow him to replace what is effectively internment with a proper process of justice.

2.47 pm

Mr. Chris Smith (Islington, South and Finsbury) (Lab): As one of the Privy Councillors who sat on the Newton committee, I welcome the opportunity that the debate provides for a serious discussion about the difficult issues raised by the Act. I also welcome the consultation that the Government have put in motion, but I am disappointed that they have rejected so conclusively the recommendations that we made in the report—reiterated today—about part 4. The Government are almost pre-empting, in what they have said, the outcome of the consultation. Over the course of the next six months—from today and over the consultation period—I hope that we can give serious consideration to the criticisms levelled by the Newton committee and its suggestions for possible alternatives.

Mr. Hogg: Does the right hon. Gentleman agree that his point is reinforced by the fact that the Joint Committee on Human Rights shares the views of the Newton committee?

Mr. Smith: There are many voices to be listened to—in both Houses and among the wider public—on the issue, and I hope that the Government will be in listening mode rather than made-up-their-mind mode during the consultation period.

It is difficult to balance the competing and crucially important issues that face any Government in these circumstances. On the one hand, there is the need to protect public security; on the other, the need to safeguard the civil liberties of the individual. Both duties are incumbent on any Government. When there is the potential for those two requirements to collide, Governments face a difficult task. They must try to find the solution that preserves the most of each of those principles, and that is the task that my right hon. Friend the Home Secretary must undertake.

I want to concentrate on part 4 of the 2001 Act. As it stands, it is not satisfactory. Members of the Privy Counsellor Review Committee included dyed-in-wool Islington libertarians like me, and others of a rather different provenance, such as the right hon. Member for North-West Cambridgeshire (Sir Brian Mawhinney). However, our conclusions about part 4 were unanimous.

The Committee identified a number of problems. First, and most importantly, it offends against every principle of liberty and justice on which our democracy is founded to detain people in this country, potentially indefinitely and without specific charge or proper trial. That is true regardless of who they are or where they come from. If it is at all possible to find another way to address these serious issues and difficulties, we should strive as hard as we can to find it. Simply dismissing out of hand the recommendations of the Newton committee does not amount to the strenuous work that is needed.

Secondly, the existence of part 4 required a derogation from the European convention on human rights. It is noteworthy that, in putting together our response to terrorism, we are the only country in Europe to have sought such a derogation. Other European nations have found robust responses to the problems of terrorism. Rightly, they are as exercised as we are about the dangers of terrorism, but they have not needed the same derogation.

Vera Baird: I hope that my right hon. Friend is not making a false point. No other country has derogated, but high-ranking lawyers have suggested that the French terrorist measures in particular are in breach of the convention.

Mr. Smith: My hon. and learned Friend tempts me to say that some of our EU partners uphold the principles

of the convention and other provisions more in name than in reality. However, it remains the case the UK has actively sought a derogation. I believe that, if at all possible, we should try to avoid doing so.

Thirdly, part 4 uses what is effectively an immigration procedure to answer a terrorism problem. I believe that we ought to answer terrorism problems through the action of the criminal law, and if necessary with specialist terrorist measures. We should not spatchcock into the procedure measures supposedly prepared in response to immigration issues.

The Privy Counsellor Review Committee also identified the central problem that the procedures under part 4 apply only to foreign nationals suspected of being connected with al-Qaeda and associated organisations, and not to UK nationals. However, the committee received evidence that about half of all those suspected of terrorist activity in this country are UK nationals. We should be trying to address those issues every bit as actively as those relating to foreign nationals.

I hasten to add that the evidence received by the committee showed, without a shadow of doubt, that the Home Secretary has applied the procedures under part 4 conscientiously, assiduously and with the utmost care. It is important to put that firmly on the record. However, those procedures and the principles behind them are deeply flawed and they are not wholly effective.

In our report, we propose a range of alternatives. I readily acknowledge that none of those alternatives is, by itself, a solution. Indeed, we should not be looking for a single alternative solution to part 4. The committee has tried to put together a range of measures that might add up to an answer. There could be other options that it was not possible for us as a committee to imagine or consider, but that the Home Secretary and the Home Office really should be considering during the next six months. Simply to say that there is no alternative to part 4 is not enough.

Several of the options that we proposed have already been mentioned during the debate, but I should like to highlight a few of them. The first is the removal of the blanket ban on the use of intercept evidence in open court. In the United States, that happens as a matter of course. Indeed, there have been some successful prosecutions of terrorist associates in the US on the basis of intercept evidence acquired not just by the US intelligence services but by foreign intelligence services. That evidence was used in the US court system and there is no reason that we should not begin to go down that road.

In the paper that the Government issued this morning, they say that they are reviewing the matter, but they have been reviewing it for years and it is about time that we came to a conclusion and decided that intercept evidence can be used. It does not have to be used—it would be entirely up to the prosecuting authorities to decide whether to use it—but it could be used in court.

Sir Brian Mawhinney: Can the right hon. Gentleman help me? My recollection is that we were given evidence that although British intercept evidence has not been used in British court cases it has already been used in a French court case. Is my memory right?

Mr. Smith: I think that the right hon. Gentleman is correct, although I am struggling with my own memory about that point, but I recall that it was mentioned to the committee.

David Davis: I commend the right hon. Gentleman for his part in the production of the report. When he was looking at the American use of intercept evidence, could he identify any major differences in law—other than the Regulation of Investigatory Powers Act 2000, which we should have to amend—that made it easier to use such evidence in the US than in this country?

Mr. Smith: Not that I am aware of; indeed, it seemed to us that the factors preventing the use of such evidence in our courts, rather than being legal issues, were more to do with process and organisation.

The committee made other suggestions. Much reference has been made to our proposal that an investigating judge system could be used to sift sensitive evidence before a matter is brought to trial. We believe that such a procedure could help the whole process. It could help to establish the validity of a case; indeed, establishing that something could be brought into the open could assist the intelligence authorities to make judgments about whether such evidence could be produced, and so forth. That could be a very helpful element in the process.

We also suggested that the Government could consider the use of prosecution for other offences that the courts could view as aggravated ones when sentencing in relation to terrorism. Again, that has been successful in the United States where the use of racketeering legislation has been effective. We proposed that more formal use should be made of plea-bargaining. I urge the Government to go beyond the notion of simply an admission of guilt producing a lighter sentence, because many other ways of co-operating could be encouraged, particularly in relation to terrorism offences. Such arrangements need to be put to much greater use.

We proposed a much greater use of surveillance. Of course I appreciate that close surveillance will require substantial increases in resources; I am very pleased that the Government are putting extra resources into the intelligence services, the staffing of MI5 and enhancing certain police provision. Rather than simply prosecuting people and locking them up, we should, as an alternative, maintain close and effective surveillance. That option seems not only desirable as a means of avoiding incarceration without trial, but it may be more sensible in countering terrorism.

The FBI told us very openly when we were in Washington that, in many cases, it prefers to keep people under watch than to take them in and lock them up because it finds out a lot more about their intentions and those of their organisations by watching them, keeping them under surveillance, following them and knowing what they are planning to do. We ought to think seriously about that as well.

Mr. McNamara: May I refer my right hon. Friend back to his statement about the number of British

[Mr. McNamara]

subjects who are likely to be involved in terrorism? Was he given any information about the degree of surveillance over them and the methods being adopted by the security services? If that surveillance is going on, it powerfully strengthens his present argument.

Mr. Smith: Of course I am not at liberty to reveal all the evidence that we saw; but, yes, considerable surveillance activity is indeed taking place, and rightly so. Irrespective of whether someone is a British citizen or a foreign national, one of the basic principles should be that the protection that we as a society need should be the same whoever happens to pose the threat.

Finally, we also proposed restricting suspected individuals' access to bank accounts, telephone communications and so on as a means of providing some protection for society without denying those individuals their total liberty as part 4 does.

I am very glad that the Home Secretary has said that he will consider many of the Newton committee's recommendations, but I plead with him to show at least some concern about the central issue in relation to part 4: its fundamental overturn of a central principle on which the stability and liberty of our society is based. If it is at all possible to identify not just one alternative but a range of alternatives that, taken together, can provide something better for our society, it is surely incumbent on the House to try to find them.

3.4 pm

Mr. Mark Oaten (Winchester) (LD): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"welcomes the Privy Counsellor Review Committee Report on the Anti-terrorism, Crime and Security Act 2001; and calls upon the Government to act on the Committee's recommendation to repeal Part 4 of the Act and replace it with alternative provisions for monitoring and prosecuting suspected terrorists which do not require the suspension of basic human rights."

Liberal Democrat Members acknowledge that the Home Secretary has an incredible responsibility for the whole country in ensuring that the provisions in law that he introduces protect us all as citizens. In tabling the amendment, we in no way wish to suggest that he is not fulfilling that responsibility properly. That is a big burden on a Home Secretary, who has to make difficult and complex judgments. I believe that the current Home Secretary does so with a great deal of care. I hope, however, that he will acknowledge in return that Opposition Members have a responsibility to probe and to test the Government on these issues.

It was with that in mind that we tabled the amendment. We believe that, as the report says, a balance has to be struck between the Home Secretary's need to ensure that he protects us, as citizens, from terror, and the need to ensure that we have good, proper principles of justice that protect the privacy and liberty of individuals. We wish to explore the latter aspect of that balance. In doing so, however, I state for the record that we all have to make difficult judgments, especially the Home Secretary. If an incident were to occur, the Home Secretary would obviously be responsible for taking on that burden.

The report is excellent and helps us to deal with those difficult balances. I pay tribute to the Privy Councillors who came together on a cross-party basis to put forward its recommendations. We have heard from the right hon. Member for Islington, South and Finsbury (Mr. Smith), so I hope that my right hon. Friend the Member for Berwick-upon-Tweed (Mr. Beith) will be able to catch your eye, Madam Deputy Speaker.

We welcome the tone used by the Home Secretary this afternoon and the language used in the discussion paper that he launched this morning. I welcome the suggestion that there should be a six-month review of these measures. If I had known that yesterday, we might have taken a slightly different view of whether we wished to table an amendment, because the point of it was to tell the Home Secretary that it was unacceptable to continue to implement these measures without undertaking a more urgent review. By introducing the six-month review, the Home Secretary shows that he recognises, to some extent, that a more urgent response is required than merely noting the contents of the Privy Councillors' report, as the Government's motion suggests.

The timing of the debate is appropriate, not only because of tomorrow's debate on the statutory instrument that takes the measure forward, but because, following the recent events in Camp Delta, there has again been a focus on the principle of holding individuals without charge. There should be no possibility of a similar situation in this country. Of course, I accept that there are different technical circumstances, but the underlying principle is the same.

Although Parliament debated these systems and structures two years ago, and they have been in place since then, we face the same threatening situation. I do not buy the argument that things have moved on and there is less of a threat now than there was then. Although there has not been an atrocity in recent months, that does not mean for one minute that we do not still live in an extremely difficult situation. The Home Secretary knows about that threat better than anyone else.

Last year, Liberal Democrat Members decided not to vote against the provision to continue part 4, because there was a tense situation and no alternatives had been proposed. However, we judge that now the time is right to address these issues. Tomorrow, when the statutory instrument is debated in Committee, we will oppose the Government's plans.

The Newton report's recommendations on part 4 are important, because there are several key reasons why it is time to look at it again. We should remind ourselves that we are the only European country that has sought a derogation from that part of the European convention. I accept the point made by the hon. and learned Member for Redcar (Vera Baird) that other countries may be sailing close to the wind, but their behaviour could be challenged. If the French fell foul of the convention, somebody could mount a challenge. However, we remain the only country that has sought a derogation and kept it in place.

Vera Baird: I am sure that the hon. Gentleman is aware that the derogation is repeatedly subject to challenge in the British courts. That is partly the basis of

assault on it at SIAC and in the Court of Appeal, and no doubt that will be the case in the House of Lords. There is an opportunity to challenge the derogation.

Mr. Oaten: I accept the hon. and learned Lady's point, but individuals in other European countries have an opportunity to make a challenge.

The recommendations in the Privy Council report provide an opportunity to look again at whether we want to retain part 4 of the 2001 Act. The Privy Councillors' language is not mild. They recommend things strongly and say that they are deeply concerned. I hope that the Home Secretary accepts the general principle that if one establishes a set of individuals to review a system, there is a serious obligation to listen to their findings. The period of time for which the measures have been in place is another reason why there should be a review.

First, it is not right to hold individuals indefinitely without any idea of what their long-term prospects are. My right hon. Friend the Member for Berwick-upon-Tweed highlighted a second reason why time is a critical consideration. We do not know when the war on terrorism will be over, and have introduced temporary measures to tackle a situation that we may have assumed after 11 September was temporary. However, it has become clear that it is not, so we surely need more permanent solutions to tackle a situation that, I suspect, we will have to live with for many years to come.

The third reason why it is appropriate to look at part 4 now is the growing evidence of some of the tensions that it is causing among the Muslim population in this country. If they feel that the rights of fellow Muslims are less important, the good will and community relations that we need to continue building in those groups will surely be undermined. I do not necessarily share his sentiments, but the president of the Muslim Association of Britain said:

> "This legislation will only lead to a society that is divided, shattered, rife with hatred, heaving with racism, with no promise of a prosperous future".

I do not believe that that is an entirely accurate view of the consequences of the legislation, but we must acknowledge that many members of that community share that sentiment.

Having set out my arguments for reviewing and removing part 4, the Home Secretary would be right to ask me and others what we would do, as we have to be responsible about these issues. There are two problems in answering that honestly and with clarity, as the right hon. Member for Haltemprice and Howden (David Davis) suggested. I do not know the detailed circumstances of the individuals who are currently being held. I can offer a range of suggestions, and endorse and support the recommendations of the Newton committee, but for some individuals held in Belmarsh, surveillance, tagging and intercepts would not be adequate. If, for example, there were any evidence or suggestion that one of them was determined to take part in a suicide attack, I acknowledge that some of my suggestions would not deal adequately with such a threat. Without knowledge of individual cases, I accept that it is difficult to produce alternative solutions.

The right hon. Member for Islington, South and Finsbury touched on the fact that no single measure could deal with all the cases—a package of measures must be put in place. The right hon. Member for Southampton, Itchen (Mr. Denham) was right to ask the Conservative spokesman, "What if intercepted communications deal with only seven of the cases?" That is a problem and a contradiction, but perhaps I can respond by saying that the other seven cases may be tackled by better surveillance and that different techniques, including some of the measures that the Newton committee suggested, would serve for different individuals who are currently being held. However, I revert to the fundamental point that, without knowing the individual cases, it is difficult to ascertain the measures that would work in each case.

Let us consider the Newton report. Before we examine the detail of new technology and surveillance, one recommendation has not been mentioned enough: making more use of the existing, normal criminal justice system. The report referred to the case in January 2002 of two Algerians who were charged with membership of al-Qaeda. The charge was dropped before trial but, a year later, they were both jailed for 11 years after being found guilty of raising cash for terrorism. That made them the first people with suspected al-Qaeda links to be imprisoned in Britain. The case shows that existing criminal law may afford opportunities to succeed in getting prosecutions. If a lower charge made it possible to convict, sentence and imprison an individual, that would be preferable to detaining someone without charge for a more serious crime.

Mr. Hogg: One of the mischiefs of the power to detain under part 4 as it stands is that it removes the incentive for the prosecution authorities to strive strenuously to bring a prosecution in conventional terms.

Mr. Oaten: The right hon. and learned Gentleman makes an excellent point, which reverts to the question whether our starting point should be ascertaining whether we can find another form of crime that would lead to a satisfactory prison sentence and thus provide the necessary security against any terror threat. I hope that the Home Secretary will acknowledge that that should be the starting point, and not seeking a different sort of prosecution that will be difficult to achieve. In the case of the 14 individuals who are being held, I hope that every effort has been made to find another way of detaining them on full charge.

Let us consider intercepted communications and relaxing their blanket use. I do not want to repeat all the arguments that have been presented, but I hope that the Minister for Citizenship and Immigration will provide some clarification about what appears to be an ongoing review. The Government seem to have committed themselves in the past to a review of the blanket ban. I hope that the Minister can confirm that the review will be completed at the same time as the six-month review of the Newton report that the Home Secretary mentioned. Logic suggests that the two have to happen together because the use of intercepted communications is a critical way forward. It would be a pity if the reviews were not completed at the same time.

Liberal Democrat Members are more than happy to accept that, although the use of surveillance, technology and intercepted communications is not ideal, it is preferable to some of what the Home Secretary raised in connection with his trip to India and Pakistan. I want to

[Mr. Oaten]

deal with that later. However, in the fight against terrorism, Liberal Democrats prefer the route that makes use of every form of technology available to achieve a good conviction to meddling with and changing the principles of our constitution and justice. We must get that the right way round. We therefore strongly support the Government's relaxing of the blanket ban.

I accept the Home Secretary's arguments that the matter is not as simple as it sounds and that using the information entails a danger of revealing the sources and the evidence. However, the Newton report states that the Government have currently got the balance wrong. It states that it has not been struck in the right place if intercepted communications can never be used evidentially. Much more could be done on that.

Vera Baird: I agree with the hon. Gentleman. Does he know that, in court cases in the UK, frequent use is made of foreign phone taps, which are admitted not daily, but certainly on a weekly basis? Shortly before I entered the House, I worked on a case concerning an Anglo-Dutch drug ring in which phones had undoubtedly been intercepted at both ends, but the English intercept could not be used while the Dutch intercept could. The Dutch police had no worries about disclosing their operational methodology—the defence expert was allowed to examine the machinery used to make an intercept.

Mr. Oaten: The hon. and learned Lady makes a powerful point. The world is moving forward quickly and, as she has already pointed out, we are not that far away from making progress. The Newton report contains a couple of suggestions about how we can protect sources for evidence—for example, the use of special advocates or, as is the case in France, a judge who can access the information. There are ways forward, and we hope that the Home Secretary will address the issue sooner rather than later.

On surveillance, it is bizarre to suggest that some of those individuals should be tagged and, if there were a genuine fear of terrorism, I acknowledge that it would not be sufficient for them to pop into a police station every now and then. With the available technology and the increased resources announced by the Home Secretary—I accept that he cannot clarify whether they have already been put in place or are for the future—sufficient surveillance staff should be available to MI5.

Surveillance is a powerful tool not only in obtaining evidence to achieve a prosecution but in preventing terrorism. It is also a powerful tool because we could release some of the individuals whom we hold and place them under surveillance. A surveillance package that examines not only tagging but all the technology—I accept that it is expensive and time-consuming—would be a sensible way forward. I hope that the Home Secretary will carefully examine how to implement more surveillance. However, surveillance would not be sufficient to tackle the threat of a suicide attack, if it exists.

I conclude by touching on some issues that I am surprised the Home Secretary has not raised today, because journalists such as Alan Travis from *The Guardian* raised them with him when he was in India and Pakistan. Those issues greatly concern Liberal Democrat Members and the legal profession, and it would be helpful to get rid of some them here and now and take them off the agenda.

Lowering the standard of proof is a matter for considerable concern. As I said earlier, Liberal Democrat Members say yes to new technology and new forms of evidence collection, but we have serious concerns about examining the lowering of the standard of proof. The standard of proof has already been lowered in such cases in relation to "reasonable suspicion" and "reasonable belief". Although I accept that the Home Secretary has gone to some lengths in addressing the matter, we would be concerned if he went further. Can he confirm that his six-month review will not examine reducing the standard of proof? It looks like the review will cover that point, because he is not intervening.

Mr. Blunkett: I am waiting for the hon. Gentleman to finish.

Mr. Oaten: I also hope that the Home Secretary can clarify his thinking on security-vetted judges and trials by judges alone. Again, Liberal Democrat Members are concerned about breaking into long-held establishments.

Finally—I touched on this point in an earlier intervention on the Home Secretary—Liberal Democrat Members support the move to strengthen our intelligence services, which do a valuable job and play a valuable role. Without prejudging the Butler report, we may discover that the intelligence services have been undervalued and under-resourced and that they have not received the proper technology in previous years.

Without prejudging that report, I hope that the Home Secretary's announcement that staffing up is taking place is an acknowledgement that one way to tackle the terror threat is to make sure that we have the necessary resources and the skills of individuals on the ground. Perhaps the Minister can comment on the difficulty of making sure that we recruit from the right communities, because intelligence is about making sure that we can talk to and be involved in, for example, Muslim communities in this country. That is complex and difficult. I hope that when we look at staffing up and resourcing, we shall have in mind in particular the ability to talk to those individual communities.

Mr. Blunkett: I was waiting to intervene until we had coalesced around the New Delhi speech.

I can confirm that it is not my intention to lower the standard of proof in criminal cases. I cannot confirm that it is not our position that there will be times when a judge sitting alone will be appropriate in cases in which the jury may well be under more than intimidation. I do not accept that, as was said earlier, juries are not under threat from al-Qaeda. They are under very considerable threat.

Mr. Oaten: I am grateful to the Home Secretary for clarity on that matter. His first answer gave me some comfort. His second just raised a further question. At the height of some situations in Northern Ireland with

regard to the IRA, it was not the case that juries felt under particular threat. While there may be a perception among some individuals that there is more of a concern about al-Qaeda, the Home Secretary will have to make a strong case about why the circumstances are different from those in some of the trials in relation to Northern Ireland.

I conclude by reiterating from these Benches our strong support for the Home Secretary in a difficult job. Our solution is to look at ways to improve the ability to achieve a successful prosecution. We much prefer that route to taking away some of the pillars of the establishment that have protected justice in this country for so many years.

We welcome the review that the Home Secretary has put in place, and we hope that in six months he will announce that he is in a position to abolish part 4, but we shall seek to divide the House because we feel that the issue has gone on for too long and needs to be brought to a head.

3.27 pm

Mr. John Denham (Southampton, Itchen) (Lab): I thank my right hon. Friend the Home Secretary for the way in which he introduced the debate and for moving it forward.

I should perhaps begin by declaring, if not an interest, at least culpability with regard to the legislation that we are considering, because I was a Home Office Minister when it was introduced. I shall support its renewal, because I believe that maintaining part 4 is necessary. I reached that conclusion more by a process of elimination than from a fundamental point of principle—by looking at the other options available and concluding that there would be circumstances in which part 4 was necessary.

While I agree that it is desirable to minimise the use of part 4, I cannot go as far as the hon. Member for Winchester (Mr. Oaten), who leads for the Liberal Democrats in this matter. He starts by aiming for its abolition and works backwards from there, whereas I start from the other end of the discussion. I shall say a little more about the reason in a moment.

The whole tone of today's debate is remarkably different from that of the debate when the Act was passed. That is very useful, because at that time our dialogue did not meet in the middle. On the one hand, it was driven by people, including Home Office Ministers, who were desperately concerned to put in place measures to deal with a serious and, as we saw it then, long-lasting terrorist threat. On the other hand, there were people in and around this place—I exclude many of the hon. Members who have spoken today—who did not entirely accept that there was a long-term, almost semi-permanent state of threat and who argued from the position that any diminution of our traditional liberties was bound to be wrong, no matter what was necessary to meet the terrorist threat.

Not least due to the intervention of Lord Newton and Lord Carlile and those whom they worked with, as well as the way in which my right hon. Friend has addressed us this afternoon, the debate is now moving on. It is much more centred on what needs to be done to meet the terrorist threat while protecting civil liberties wherever possible.

Jeremy Corbyn: Has my right hon. Friend or the Select Committee on Home Affairs given any consideration to the dangers of miscarriages of justice being perpetrated at six-monthly intervals by constant renewals of detention orders because of the lack of transparency in the legal process?

Mr. Denham: The straightforward answer is that the Home Affairs Committee has not examined that issue during my period of chairmanship. One of the reasons why part 4 is not an ideal piece of legislation is because it clearly carries some risk. As I shall say at greater length in a moment, I have reached the view that part 4 is currently necessary by a process of elimination because there are some circumstances in which no other satisfactory option seems to be available.

Mr. Hogg: Has not the hon. Member for Islington, North (Jeremy Corbyn) made a serious point? If the right hon. Member for Southampton, Itchen (Mr. Denham) reads paragraph 200 of the Newton report, he will find that the committee expresses great concern about the fact that there is no continuing supervision of each case to determine whether continued detention is just. In other words, Lord Newton says that injustices are now taking place.

Mr. Denham: I am not entirely sure that Lord Newton was saying that injustices are now taking place; he and his colleagues were clearly highlighting a concern about the operation of part 4. The Government should properly take that worry into account during their review of part 4, and many other elements of Lord Newton's report should be discussed seriously.

I take the view, not least because of the changed nature of the debate, that the 2001 Act might not be the last word on the anti-terrorism legislation that we need, so I look forward to the debate that will take place over the next six months. I also believe that it is right to consider such legislation alongside the proposed review of serious crime legislation. It is central to British policing practice that terrorism is first and foremost a crime, so it would not be right to separate the two pieces of legislation entirely—I am glad that that will not happen.

On part 4 itself, we must take seriously the recommendation on the use of intercept information. I would go further and ask the Minister to consider in the review whether other elements of information that come from the security services could be used to support criminal prosecutions in some circumstances, although I understand the deep-seated cultural reluctance to do that. I share the huge respect that other hon. Members have for the security services, but the truth is that the nature of security services information varies from that received from highly placed sources who really know what they are talking about to recycled press cuttings and marketplace gossip. There might be certain types of information that could be used to support prosecutions, even though I accept that there must be a central defence of the integrity of the security services.

[Mr. Denham]

It is worth exploring the idea of the investigating magistrate, as it has been called in the debate. The Home Secretary is right to say that that procedure would not solve the problem of a criminal case in which very sensitive information would be shared with the defence. That is one reason for concluding that part 4 will always be necessary in some circumstances. However, a filtering of the process—there might be advantages of taking all the onus of responsibility off the Home Secretary and putting it on to a judicial figure—is certainly worth debating over the months ahead. I have not taken a firm view on that matter, but we should consider it.

I want to make a couple of remarks about the broader political context in which we are discussing the legislation. My right hon. Friend the Home Secretary gave a robust response to the hon. Member for Montgomeryshire (Lembit Öpik), who asked about the politics behind the terrorist movement. Morally speaking, I absolutely agree with my right hon. Friend's outright condemnation of suicide bombing. However, I am not sure that that is the right basis on which we should plan our anti-terrorism strategy and introduce anti-terrorism legislation.

What I shall now say will be brief. Several right hon. and hon. Members know more about the subject than I do, so I apologise if it is far too crude. Europe has experienced two types of terrorism over the past 20 or 30 years—prior to the current threat. We have had, in the form of Baader-Meinhof or the Red Brigades, terrorist organisations that had essentially no social base whatever. They may have had a loose network of supporters, but they represented very little in the way of popular social movements in their countries. We have had in Northern Ireland and the Basque country terrorist organisations that—whether we like it or not—have reflected broad social movements, to the extent to which people who would never dream of committing a terrorist act have none the less voted for political parties that shared the same political objectives as the terrorists.We have dealt with the terrorism of Baader-Meinhof and the Red Brigades by policing and security measures. In the case of terrorists with a social base, we have required political solutions alongside the policing and security measures.

It is difficult to assess the nature of al-Qaeda globally, but I fear that part of the international strategy against al-Qaeda—particularly the way that the Americans describe it—treats it as though it is some sort of global Baader-Meinhof. It treats it as a network of people who have no social base and no social support, rather than as a network of people who—whether we like it or not—reflect a view of the world that is shared by people who are sympathetic to its objectives, if not its methods. If I am right, it is true that we will not be entirely secure from that type of terrorism until some of the underlying political issues have been successfully addressed. We need to take that into account when we consider counter-terrorism strategy in this country.

The aspect of the commentary that the Home Secretary has published today from which I take most pleasure is his conclusion, which I am sure is based on good intelligence advice, that by far the greatest threat in this country at the moment is from foreign rather than British nationals. One of our fundamental aims must be to keep it that way. Those of us who work well with the Muslim community, or like to feel that we do, know that there are people in the Muslim community who would never have anything to do with terrorism but who share the global view of the injustices, as they see it, that have been done to Muslims around the world. They reject the way in which they believe the west has handled these issues in the past. That view exists and is expressed. It is among that group of people that those who might raise funds, win moral support and even recruit for al-Qaeda will seek to work.

It must be central to our strategy and to everything that we do—it must be the bedrock of our real security—that we ensure that we do everything possible to enable the great Muslim majority who reject terrorism to isolate those who wish to advocate al-Qaeda's approach to problems. Equally, we must try to persuade those who hold a different world view that, although it is perfectly proper for them to propagate it, it is not in their interests to pursue it through any form of support for terrorism.

If that is right, a number of conclusions can be drawn on how the Government need to conduct the debate over the next six months. The first obvious point is for those who have suggested that the right way to deal with part 4 is to apply it equally to the British community. We must make it clear that that would be a fatal mistake. It would mean applying detention laws not to the British population in general but—because part 4 applies only to al-Qaeda—to the British Muslim population alone. The counter-productive effects of that would be absolutely disastrous.

We must also have a detailed dialogue with the Muslim community about some of the other proposals that the Home Secretary has, quite understandably, floated today. I refer to the proposals for crimes of association with the wrong type of people and, if I have understood it, the idea that someone who is done for credit card fraud might have their sentence bumped up because of secret information that they are involved in terrorism. Such proposals might be counterproductive if they are not fully understood and supported by people in the Muslim community, who must be convinced that they are necessary in helping them to isolate those who would like to argue the case for terrorism.

We must take discussions forward in the next six months with enormous sensitivity. We must have effective security and intelligence, and good policing. However, our greatest bulwark against the type of terrorism that we now face is the support, and active involvement and commitment, of the majority of Muslims in this country, who reject terrorism. They must be brought alongside us during the next six months on measures that we discuss in the House, not as an afterthought.

3.40 pm

Sir Brian Mawhinney (North-West Cambridgeshire) (Con): First, I welcome the fact that we are having this debate. That is not because it reflects the hard work that my colleagues and I put into the report, but because it is on a matter of such fundamental importance to the whole country that had there not been a proper debate, people would have been surprised.

I join those who have welcomed the Home Secretary's announcement that he is making more resources available for surveillance and the Secret Service.

Perhaps because a majority of members of the review committee are former Ministers, and have all had experience of arm-wrestling with the Treasury, we were careful to produce a report that was not a shopping list of items of huge Government expenditure. Indeed, the only serious expenditure recommendation in the whole report was to spend more money on surveillance, so it is a matter of some satisfaction that the Home Secretary has acted on that.

I welcome the announcement, to my knowledge first trailed by the Minister for Citizenship and Immigration on television on Sunday, that there is to be a serious debate. As the Home Secretary said today, to arrive at a point three months before the legislation's end in 2006, and then to wonder what to do, would be an insupportable way of governing. We have therefore started a process. I shall return to the reasons for that later in my contribution, but I very much welcome it.

It is also right to start by thanking the Secretary of State. He observed scrupulously the undertaking that he made to the review group at the start of the process that we would have access to whatever material we wished to see, and it is right for those of us who were the beneficiaries of that to acknowledge it on the Floor of the House. I also thank my colleagues on the committee. It was an interesting experience, and a new one for me. I have to say that had I known before we started how hard and long we were going to work, I might have paused before so enthusiastically accepting the invitation. However, we not only worked hard; we worked together closely. In that regard, I am sure I am not the only one who wants to thank Angela Harris and those who worked with her. As her colleagues who staffed the committee are active civil servants, I will observe the convention and not mention their names; but I, for one, am extremely grateful to them.

I endorse what has already been repeated on the tone of this debate. Had the review committee not been comprised of old war horses, we might have been tempted ever so slightly to be offended by the Home Secretary's initial reaction when the report was published last December. Happily, we have moved way beyond that point. He has made a constructive contribution in response today and, unlike the right hon. Member for Islington, South and Finsbury (Mr. Smith), I think that there is much more room for movement by the Government before the matter is concluded. Considering how far the Home Secretary has moved between December and February, I hold out great hopes that many more of our recommendations will be in legislation before the debate is concluded.

One other point that needs to be made, so I may as well make it, is that we made a conscious judgment that the committee was not an alternative Government. It was not our job to come up with a different, coherent, complete Government policy. That is why we recommended things to consider and suggested matters that should be explored, but stopped very far short of trying to put in place an alternative policy to the Government's. We therefore left ourselves open occasionally to the charge that individual proposals would not meet this or that contingency. That is right, but such matters are nevertheless worth exploring and pursuing.

I remind the House, first, that the committee took a unanimous view that this country faces a security threat. So there was no debate about whether security was needed. It is important to stress that. Secondly, there was unanimous agreement that, in those circumstances, unusual impositions on society and individuals are justified for the common good. I flew back overnight from Boston, and perhaps because my mind was partly on this debate, I was impressed by how much we have all adjusted to the current impositions on our aviation travel. They are impositions; such measures were not in place five or 10 years ago, but we accept them because we understand that there are threats that must be taken seriously.

Thirdly, the Committee was unanimous on the business of the use of intercepted communications. The subject has been touched on; indeed, I intervened on the matter earlier. We in the committee were slightly cynical, to be honest, in suspecting that the Government are using the phrase "this policy is being reviewed" as an example of some of the longest grass in politics. The ball needs to be retrieved from that long grass. There is widespread acceptance of the use of such communications. As I am sure the Minister knows, they will be introduced in this country because the Government will reach the point where it will be indefensible not to do so, as they are being used in the rest of the world. I therefore hope that she will take the opportunity of the review to deal with the issue once and for all and to improve our court procedures as a consequence.

There was also a unanimous view that a balance needs to be struck between the security of the nation and the rights of individuals. Indeed, there was a unanimous view that part 4 is neither proportionate nor reasonable, and is not sustainable. I should make it clear, as does the report, that no one is suggesting that the Government should remove part 4 tomorrow, not because the problems with it are not relevant to tomorrow, but because everyone recognises that some framework must be in place and that to leave a massive gap would not be good governance or in the best interests of the nation.

The right hon. Member for Islington, South and Finsbury referred to me, and I want to link myself to his remarks—I am sorry that the Home Secretary has left the Chamber. I suspect that there are very few in this House or further afield who would see either of us as what the tabloids would refer to as "bleeding-heart liberals". Come 1 May, I will have spent 25 years in the House defending the principles of the liberal democracy in which I believe. Each one of us has our own additional personal motivation. I suppose that mine springs in part from my Christian faith. The individual in a liberal democracy is important, so a balance must be struck.

What we must not do in a liberal democracy is sink to the level of the terrorist. This Government have faced many difficult issues in Northern Ireland over the past six years. Those are different from the issues that some of us faced when we were Ministers. Too frequently, I stood in front of a barrage of television cameras and radio microphones trying to find the words to condemn the atrocities that were blowing people into eternity, and trying to uphold the principles of our liberal democracy—the rule of law—and the determination to get the perpetrators within the framework of the rule of

[Sir Brian Mawhinney]

law. Those of us who were Ministers—and I am sure that it is true in another sense for all Members of Parliament—from time to time are urged to take action that is the equivalent morally of the sort of behaviour that the terrorists pursue. We must therefore find a way to uphold those principles of liberal democracy, and those principles of the rule of law, while at the same time defending the integrity as well as the civil rights and dignity of individuals.

We all understand that the legislation was brought forward in a hurry. There had been no coherent, considered development of a policy to deal with terrorism or the time to translate any such policy into legislation. I see the former Minister, the right hon. Member for Southampton, Itchen (Mr. Denham), nodding in agreement at that analysis. It is understandable—I have no problem with the fact that the Government introduced legislation in those circumstances, because somewhat ill considered legislation in those circumstances was better than no legislation at all.

Jeremy Corbyn: The right hon. Gentleman is making a most interesting contribution. In relation to all his dealings in Northern Ireland during the 1980s and 1990s, does he think that the prevention of terrorism Act did much to reduce tensions or was it the two ceasefires and the political process that achieved a modicum of peace in Northern Ireland compared with what went before?

Sir Brian Mawhinney: The hon. Gentleman will not remember—and I shall not bore the House by going down memory lane—that I was the first Minister who was asked by the Government to explore whether a peace process was possible. In part, that was because I had long advocated the idea that ultimately a solution had to be found in a political context. He should have no doubt, however, that the strength and commitment of the Government to security and trying to offer protection to the people provided an indispensable part of the foundation on which those other political policies emerged. I have no doubt about that whatever.

As I was saying, the legislation was rushed, and was tagged on to immigration legislation—that has been explored in depth, and I do not intend to go any further into it. It differentiates United Kingdom nationals and non-United Kingdom nationals, and deals only with the latter. Evidence to us, however, suggested that perhaps half of those who are in the frame as a matter of concern to the security forces are UK nationals. This legislation provides no ability whatever to deal with them. I understand the point made earlier about not wanting to stigmatise, which I accept, but terrorism legislation, which is supposed to be legislation for the United Kingdom, that does not deal with half of the identified problem is not very impressive.

Thirdly, there is an inherent problem at the heart of the policy—the only solution for non-UK nationals is to get them out of the country. The Home Secretary keeps telling us, however, that we are faced with a global threat. Moving them out of this country to some other country therefore does nothing to resolve the global threat. They may be just as much of a danger to United Kingdom nationals out of the country as they would be in the country.

Let me return for a moment to the subject of Northern Ireland. Given parallel issues of this kind, it was recognised in the legal system that change was necessary, and it came in the form of Diplock courts. They broke the rules that were normal, but they did a fundamentally important job. They were not justified on the grounds that the justice they meted out, if judged on the basis of success in the Appeal Court, was at least as good as that provided through the normal jury process; that was not their raison d'être. Their raison d'être was the fact that in circumstances in which it was difficult to do the normal, the Government were so committed to the legal process that they were willing to contemplate the abnormal. That included public interest immunity certificates and the like. I feel that the Government should adopt the same open-ended, open-minded approach today.

Mr. Cash: My right hon. Friend may have noticed that I am troubled by one aspect of the Newton committee's report. I should like to know what he thinks about it. When the Home Secretary has reasonable cause to believe that a person is a suspect, or a terrorist, the courts have the right to adjudicate, subject to conditions that I mentioned earlier. Against the background of the terrorist threat, is that not a reasonable starting point? If we dismiss part 4 as it stands, what will we put in its place?

Sir Brian Mawhinney: I agree that it is a reasonable starting point. As I said earlier, the Government had to produce legislation in a hurry, without having thought the whole process through—and the safeguards written into it are important: my hon. Friend and I agree on that. What I do not find acceptable is the prospect of people spending years and years incarcerated without having any evidence presented to them, and without being given an opportunity to test it in the historic tradition of the United Kingdom. I personally, and the committee generally, therefore felt that while the provision was a good starting point, it was not a good finishing point.

Mr. Hogg: Those people will be detained without there being any finding that they have done anything wrong. All that can be said is that there are reasonable grounds to believe or suspect that the section 21 criteria have been met. That is different.

Sir Brian Mawhinney: Yes, it is different. This is part of the general ambience of concern that led us to make our proposals.

There is another part of the Act that I think Members do not consider as worrying as they ought to. I refer to the wide dissemination of personal information that it allows. All sorts of Government bodies have access to information that many of us here have spent decades trying to prevent them from obtaining—not because we wanted to be awkward, but because we believed that the individual had a right to an element of privacy. I have no time to elaborate on that, but I remind the House that the committee unanimously recommended that

"the Government should legislate to provide independent external oversight of the whole disclosure regime... to provide a safeguard against abuse and to ensure that rigorous procedural standards governing disclosure are applied across the range of public bodies, prosecuting authorities and intelligence and security agencies."

That quote is from the summary in part 3 of the report. I hope that the review will focus on the safeguards that are needed, which leads me to my third concern about this legislation.

The legislation is a rag-bag. Those of us who have been Ministers know that when one arrives in a Department, civil servants—God bless them—reach into their pigeonholes and provide all the legislation that, they say, is absolutely crucial and necessary and must be introduced before Christmas. Indeed, that is what happened in this case. It became known in the Home Office that a Bill was to be introduced, so the terrorist bit got put in, police powers got put in and criminal justice bits got put in. Indeed, everything else bar the kitchen sink got put in, including bits of legislation that had already been put before, and rejected by, Parliament. However, they were recycled because the supposition was that, given the terrorist nature of the legislation, it would all get through. And of course, that supposition was proved to be right.

My point is an important one. If we are to ask the people of this country to accept certain draconian impositions on their lives and the way in which they live them, such impositions must be linked explicitly to terrorism; they cannot be bundled into all sorts of things. An extremely unfortunate event occurred recently, whereby terrorism legislation was used to disband a perfectly legal demonstration in the City. That is a matter of concern—or at least it ought to be—to Members on both sides of this House. That is why we made such an issue of the mainstreaming of legislation.

I understand the point that the Home Secretary makes—I have been there, done that and got the T-shirt. There is always a battle each year about which Bills will make it into the Queen's Speech, so no member of the Committee expected the Home Secretary to rip up the entire terrorism Bill and produce new mainstream legislation. But, equally, I hope that the Minister will not use extensively the argument that these issues cannot be addressed because of the pressure on parliamentary time. There is a democratic need to disaggregate police and criminal justice legislation from terrorism legislation.

So that I can be consistent, I should point out that when we debated this legislation on Second Reading and in Committee on the Floor of the House, I expressed considerable reservations about the issue of religious hatred as dealt with in part 5. *[Interruption.]* It is clear that the Minister remembers. We have a unanimous recommendation to which I subscribe, but having listened to the evidence I am no more impressed by the arguments for part 5 than I was when the House first considered them. We heard evidence that at least some in the Muslim community regard part 5 simply as a sop to them. I should point out to the Government that gesture politics and sops are dangerous things, which is part of the reason why we said that, in future, there should be mainstreaming legislation.

Joyce Quin (Gateshead, East and Washington, West) (Lab) *rose—*

Sir Brian Mawhinney: Are we going to continue our debate?

Joyce Quin: I am grateful to the right hon. Gentleman for giving way. As he knows, I took a very different view from him in committee and strongly supported part 5, but I agree that we should welcome what the Home Secretary said today about mainstreaming, and about dealing with these issues on their own merits in an appropriate framework.

Sir Brian Mawhinney: We worked hard to have a unanimous report and we were unanimous on this issue. I would not wish to cause even a ripple to float across the surface of that unanimity, but given that it was my contribution, I suspect, to the Second Reading debate on this subject that got me on to the committee in the first place, I thought it right to reaffirm that I have not changed my personal views, even though I support the committee's recommendation.

So we need new legislation: we need it to be thought through, widely consulted on, coherent and terrorist-based; and we need it to focus on the rights and responsibilities of the individual. If we do so, we will achieve greater public and parliamentary support. We must not sacrifice the right of the individual to accommodate our pre-existing structures. We must start with security and the rights of individuals, and shape our structures and legislation to that end. If we have that mindset, the state is worth defending and the country will be safer.

4.5 pm

David Winnick (Walsall, North) (Lab): The right hon. Member for North-West Cambridgeshire (Sir Brian Mawhinney) made one point to which I should like to respond immediately. He argued that the Act had been wrongly used against protesters and demonstrators—and I could not agree more. There is no justification whatever for the Act to be used against people who are demonstrating and have every right to demonstrate. The police were in the wrong and I hope that there will be no repetition of what occurred.

I shall support the Government tonight in the Division and I agree with what my right hon. Friend the Home Secretary has told the House today. However, I am unhappy—it would be strange if one were not—when people are detained outside the criminal justice system. The rightful position of Parliament is to protect everyone in the country, whether they are citizens of the country, ordinary residents without citizenship or foreign nationals. We believe in the rule of law.

There is, however, a dilemma. It has been said before, and I make no apology for repeating the fact again, that as a democracy we do face a dilemma, because a balance has to be struck between protecting the country and our citizens—the first responsibility of Government and of

[David Winnick]

Parliament itself—and ensuring at the same time that the rule of law applies in the normal way. It is a dilemma, and we are not the only democracy to face it.

Some people writing or broadcasting outside Parliament sometimes convey the impression that we are exaggerating the terrorist danger and that 9/11 was a one-off occurrence in western countries—a point to which I shall return in a few moments.

As we know, when the Act was being passed, fears were expressed that it would lead to a relatively large number of foreign nationals being held in detention, but that is certainly not what has happened. Although it is no consolation to the 14 people who are being held, or to their families, the number affected is very far from the number cited in some of the predictions. Some people have left the United Kingdom; they are all free to go. We know why the 14 cannot leave, but they are free to do so. I do not draw the comparison—some do—between those who are being detained here and the position of people detained by the United States in Cuba. It is very different indeed.

Mr. Hogg: I acknowledge the truth of what the hon. Gentleman says, but I am sure that he would want to acknowledge that some of these people have been held for a very long time—in some cases for almost two years.

David Winnick: It is unfortunate. I cannot disagree with the right hon. and learned Gentleman about that. If those people were not guilty, they should have been acquitted. If they were guilty, however, I should of course much prefer them to have been convicted in a court of law, having enjoyed all the legal rights of defendants. My point is that if the security authorities tell the Home Secretary that certain people are a danger, the Home Secretary must make a decision. Some hon. Members would say that any information from the security authorities should be ignored. However, as I said when I intervened on my right hon. Friend the Home Secretary, one can well imagine the reaction—in the House, the country and the media—if, having been warned that certain foreign nationals were a danger, he took no action to put them in custody, and it subsequently turned out that the same people were involved in a terrorist outrage. He would be harshly criticised in every possible way.

In every case, the Home Secretary must decide whether to accept or ignore the advice of the security authorities about certain matters or people. That is part of the responsibility associated with that office.

Jeremy Corbyn: Is that not the whole point? The information is provided, in secret, by the security services, and is decided on, privately, by the Home Secretary. The individuals involved in this case have been in prison for two years, and are likely to be there for a lot longer. Neither they nor we know what they are charged with. They have not been convicted, and are not going to be. Is that acceptable in a modern democracy?

David Winnick: With great reluctance, I think that it is acceptable. That is why I supported the 2001 Act when it came before the House, and why I shall support the Government this evening. Critics of the Government, including my hon. Friend, should bear it in mind that there is no monopoly of concern about people being held outside the criminal justice system. I am no less concerned about that than anyone else, but I accept that there is a necessity to do what has been done. However, it goes without saying that I am unhappy with the situation, and wish that matters could be otherwise.

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): The hon. Gentleman's concerns in these matters are well known, but he must recognise the other side of the coin, as set out by the hon. Member for Islington, North (Jeremy Corbyn). Some of us suspect that the information involved is faulty, but it is still possible to end up going to war on the basis of false information. That is why we want a degree of scrutiny and insight into decisions that affect our freedoms.

David Winnick: I do not disagree with the hon. Gentleman. To some extent, he may want to rerun the war that recently took place, but not for a moment do I doubt that his concerns are genuine, any more than I question the concerns expressed by my hon. Friend the Member for Islington, North (Jeremy Corbyn). It is part of the responsibility of Members of Parliament to be very much on guard. If we were complacent about such matters—if, in the absence of a Newton committee, there had been no concern or controversy—people would question the purpose of parliamentary democracy. The fact that this debate is taking place, and that concerns and anxieties exist—and I, who support the Government's position, to some extent share them—shows that we are carrying out the duties of the House.

Mr. Marshall-Andrews: One aspect of what my hon. Friend says concerns me, as it did when he intervened on the Home Secretary. He spoke of the Home Secretary's need to avoid possible stricture and criticism. However, if a serious crime takes place in the future, how can that need square with what happens in the normal practice of criminal law? The security services do not have to be involved. My knowledge of organised crime means that, tomorrow, I could give the Home Secretary the names of half a dozen people who I am convinced will commit serious crimes in the near future. Most senior police officers could do precisely the same. I could even tell my right hon. Friend the nature of the crimes likely to be committed, but he would tell me that he could do nothing because he had not a shred of evidence on which to act. When the crimes finally took place, as predicted, the Home Secretary would not be criticised—why should he be? Does not the same thing apply to terrorists?

David Winnick: No, it does not, as my hon. and learned Friend knows very well, because this is a unique situation involving terrorism. I have much respect for him, however much we disagree, but that was a surprising intervention, because he knows very well the difference between ordinary crime and the dangers of terrorism that face us.

Mr. Hogg: Further to the points made by the hon. and learned Member for Medway (Mr. Marshall-Andrews),

we shrank from using arbitrary detention in Northern Ireland, yet following the argument of the hon. Member for Walsall, North (David Winnick) we should presumably have wanted to impose arbitrary detention to prevent impending attacks.

David Winnick: As we know, detention in Northern Ireland was undertaken by the then Conservative Government. I believe that decision was wrong. Detention in Northern Ireland was a recruiting arm for the IRA, as I said at the time, but each situation is different and we cannot compare what is happening now with what happened in Northern Ireland, although clearly the right hon. and learned Gentleman believes that we can.

I should have been happier had there been a process of judicial review, as I suggested to the Home Affairs Committee when we were considering the Act. However, I was narrowly defeated by four votes to three.

I want to return to the remarks of my hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews). We are constantly told by the police and others that terrorism remains an acute danger for this country and that it is a question not of if but when a terrorist attack occurs. Does anyone in the Chamber disagree with that? As I said earlier, it is easy to imagine the reaction were the Home Secretary to ignore such advice. My right hon. Friend the Member for Southampton, Itchen (Mr. Denham) rightly drew attention to what might happen to law-abiding members of Muslim communities who are no less opposed to violence and terrorism as we are. If a terrorist outrage occurred, some people would, unfortunately, want to incite hatred against members of particular communities.

In a footnote to page 53 of its report, the Newton committee stated that broadcasts connected with international terrorist networks

"have confirmed that Britain has been singled out as a target"—

for terrorism, and that an international terrorist leader had said that

"the killings of the British and Australians in the Bali explosions were carried out by zealous sons of Islam. Britain, France, Italy, Canada, Germany and Australia were all threatened with killings and bombings for their part in joining with America"

in the invasion of Afghanistan—note: not in the invasion of Iraq.

When the argument is advanced that we or the Government are anti-Muslim, why is there no mention of Kosovo? Why did the Government take action in Kosovo? The decision was controversial at the time—although not as controversial as Iraq. It is a deliberate lie that we are anti-Muslim. There was a clear and simple reason for taking military action in Kosovo: to save the lives of Muslims—not of Jews, Hindus, Christians or Sikhs. Nevertheless, those who peddle lies and use every possible justification for military action against western democracies, including the UK, like to portray us as anti-Muslim.

There can never be a guarantee that any steps we take will stop terrorism, but the Government of the day have a duty to take the measures they believe necessary to protect the people of this country. I genuinely wish that the Act—certainly part 4—could go. I certainly wish that there was no need to detain people in the circumstances in which the 14 are being held. I repeat that I am very unhappy about it—I wish it were not so—but I accept that it is necessary and that this country faces an acute terrorist danger, and in those circumstances I am willing to support the Government, although with the reluctance and hesitation that I have expressed. Nevertheless, in the end, I believe that the Government are acting correctly.

4.20 pm

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): I had the privilege of serving as deputy to Lord Newton, as deputy chairman of the committee. I say privilege, but like my colleague in all this work—the right hon. Member for North-West Cambridgeshire (Sir Brian Mawhinney)—I recognise that it took a great deal of our time. I am grateful to the Conservative Front-Bench spokesman for paying tribute to the formidable amount of work that we did, and I pay a personal tribute to Lord Newton, whose leadership and patience in running the committee's affairs was one of the means that enabled us to get through so much work and to produce the report.

I also pay tribute, as the right hon. Gentleman did, to the committee's small staff, who worked very hard indeed to enable us to achieve what we did. It was a pleasure to work with colleagues with a wide variety of political views from different political parties and, of course, one of none—a senior judge. We started from very different positions, but we reached unanimous conclusions on all the matters that appear in the report.

The committee was in no doubt at all that the threat to this country from terrorism is very serious and has to be addressed by coherent legislation and effective Government action. That was not in dispute, and if it had been the material that we saw during our inquiries would have convinced us in any case about the seriousness of that threat.

Much of today's debate has revolved around part 4—the detention provisions—and I shall start with them. The provisions in part 4, which have been so controversial, have been used to detain people who are, in fact, free to leave tomorrow if they can find a country that will take them. Indeed, they can go to their own country if they do not fear persecution there. Two such individuals have already taken the option to leave. The suspicion must be that, if there were grounds to believe that they would engage in terrorism, they might well continue to do so if they left this country and went elsewhere. That is one of the reasons why the committee was fairly sceptical about the efficacy of the whole procedure. While we did not discuss this, I sometimes wonder whether, in choosing not to leave, some of them prefer to make some kind of political statement through that process—although I would not willingly choose to use a method of making a political statement that involved remaining incarcerated in Belmarsh for an indefinite period.

The committee was also struck by the fact that those provisions do not address United Kingdom citizens against whom there is comparable evidence that gives rise to identical suspicions. There may be at least half as many such people as the number of foreign citizens about whom suspicions arise. We heard evidence about the number. Indeed, there have been examples of the involvement of UK citizens, such as Richard Reid, the shoe bomber.

[Mr. A. J. Beith]

The provisions require a derogation from the European convention on human rights that no other country has found necessary and that continuously undermines our promotion of human rights throughout the world, in the many countries where they are damaged and threatened. We therefore sought to find alternatives and to suggest things that, if taken together, could replace the part 4 provisions. They included alternative procedures that have been discussed today, such as the use of an investigating judge, who, as was pointed out, could provide a firewall by examining evidence and considering possibly exculpatory material without revealing to the defendant evidence that, if revealed, would destroy the ability of the authorities to crack down on terrorism.

We suggested the use of aggravation provisions in relation to other offences and the use of intercept material in court proceedings. One should not exaggerate how much can be achieved by the use of such material because there are serious limitations to the amount that could be used, but that ought to be part of the armoury. I am unconvinced by the fact that the review has still not been completed. We were told that the review would be completed in a matter of months while we were conducting the inquiry in the latter part of last year, and that is also what we are being told now. It seems to be an endless review. We must complete the process by establishing procedures for using intercept material as evidence in court.

Alongside those provisions, which are designed to enable prosecution to take place, we suggested a range of measures that, taken together, could enable stricter monitoring of those who are not in prison. Given that those provisions are clearly required for UK citizens about whom suspicions are entertained, and may well be required for people who are released from Guantanamo bay and reappear in this country with suspicions surrounding them, why cannot they be used in respect of a relatively small number of non-UK citizens?

In that context, we welcome the significant increase in the resources available to the Security Service for surveillance. As the Home Secretary said, that provision was not dreamed up for today's debate—or, indeed, for last weekend's newspapers, given that he seems, perhaps inadvisably, to have briefed them about it—but has been developing for some time, and rightly so. Indeed, the Intelligence and Security Committee stated in reports of 2001 and 2002 that the service needed more resources and that if it continued to transfer resources into counter-terrorism, as it had to, unacceptable risks would eventually be taken with various other threats to our security. I welcome the increased resources, although I probably would not be saying so much about them if the Home Secretary had not made them so public.

We suggested a series of measures that, taken together, and perhaps including other aspects brought out by this debate and the six-month review, would provide a basis for getting rid of part 4. We have to do something about it in any case, because it expires in 2006. The committee felt that we certainly should not wait that long, and that the objective should be to replace it before then.

We also argued for a focused, case management-based approach to the options for all those who are currently detained. Having looked at the Government response, I do not think that Ministers quite understood what we were suggesting. It would not be like the Special Immigration Appeals Commission process by which the validity of a person's detention is tested; it would involve Ministers considering whether individuals could be most suitably monitored back in the community, reconsidered for deportation, or dealt with in a series of other ways. We found no evidence that such a case-by-case review was taking place. Yes, there was a SIAC review into the validity of the detention, but not a review of the options available at any given stage.

Mr. Hogg: The right hon. Gentleman is making an important point that reinforces my earlier proposition. Once a power exists that enables the indefinite holding of a person, the Crown Prosecution Service or others will not strive strenuously to bring a proper prosecution.

Mr. Beith: That is one of the dangers of the system. The SIAC mechanism is very thorough, although its standards of proof are significantly lower than those in a criminal trial. Those taking part apply it conscientiously to test the validity of the limited grounds on which people can be detained under the legislation. However, the committee thought it wrong to have no focused system for checking whether the most sensible option is being pursued in each case. That underlines the right hon. and learned Gentleman's point: where there is no pressure, no action is taken.

Mr. Cash: I am sure that the right hon. Gentleman is aware of the recent case in which SIAC made a decision on the ground that the provisions of the legislation were incompatible with articles 5 and 14 of the European Court rulings because they permitted the detention of suspected international terrorists in a way that discriminated against them on the ground of nationality. The Court of Appeal then reversed that decision, and it is now pending before the House of Lords. That illustrates the point, to which I constantly return, that it is not only a matter for SIAC—it can be adjudicated by the courts.

Mr. Beith: That is true of the principles involved, but not of the individual cases, which are dealt with by the SIAC procedure with no such recourse to the courts. My point was not about testing validity, but about the Government's responsibility to decide whether a certain course of action was still the most sensible one in relation to the individual concerned.

I do not want to spend all my time on part 4, because the Committee made many other recommendations covering a wide range of matters. I am concerned that the constructive tone of this afternoon's debate, mainly on part 4, is not reflected in the Government's response to many recommendations. The response was published only this morning, and I doubt whether many right hon. and hon. Members have had time to look at it in detail. If they did, they would find an amazingly long list of rejections of recommendations, many of which are about the way in which we monitor or scrutinise various processes that limit the freedom of the individual. Some of them have little or nothing to do with terrorism. The

committee made a series of recommendations on those subjects. I shall give just one example, because it would take up too much of the House's time to go into all of them. It relates to something to which the right hon. Member for North-West Cambridgeshire referred—information held by public bodies on individuals and the passing of information from one body to another on various grounds.

In paragraph 22, the committee makes the following recommendation:

"In our view, internal authorisation by a senior person would be adequate for the disclosure of addresses or phone numbers in terrorism cases."

In paragraph 23, we go on to say:

"While we accept that it may well be that the same regime could be justified for other types of serious crime, we would argue that prior judicial approval should be required in any case involving less serious crimes or the disclosure of more sensitive information. Parliament should be given the opportunity to decide what level of authorisation should be required, depending on the seriousness of the crime and the sensitivity of the information being disclosed."

We are talking about one Government Department passing information to another on a matter that has nothing at all to do with terrorism—perhaps a much less serious crime—and that ought to be subject to an authorisation procedure. We believe that prior judicial authorisation is appropriate for sensitive information relating to allegations of less serious crimes.

The Government's response includes phrases on which hon. Members should reflect with care. In paragraph 24 of their response they say:

"The supply of information about an individual by one public authority to another cannot, in the Government's view, realistically be regarded as being as intrusive as, for example, a search of that individual's home."

I am not sure that everybody would agree. In paragraph 25, the Government go on to say:

"Given these considerations, and the numerous occasions where public sector data sharing of this sort, and joined up administration, will be in the public interest in promoting legitimate aims, the Government cannot accept the Review's proposal of prior judicial control of information disclosure."

In other words, the Government support joined-up government and want to deliver on all sorts of targets, so one Department should be able to give any other Department without any prior disclosure anything that it has on any individual. The reason adduced is not the imminent danger of terrorism but joined-up government and other "legitimate aims". Hidden in the small print of the Government response are some alarming approaches to issues that have always, both in this House and the Lords, been regarded as matters deserving the most serious consideration. That is just one example of a series of matters that do not relate primarily to terrorism—sometimes they do not relate to terrorism at all—on which the Newton committee made recommendations for procedures or protections, only for the Government to reject our proposals outright. I hope that the constructive spirit that the Home Secretary brought to the earlier part of the debate will now be applied to some aspects of the Government response.

The last general subject that I want to refer to is the parliamentary process under which the legislation was introduced. After all, that is why the committee came into existence. Questions are sometimes asked at our meetings about why our terms were drafted in a particular way, and why we received a particular remit. It appears to be a back-of-the-envelope job late at night in the House of Lords when, yet again, part of the legislation was rushed through and subjected to a challenge. A concession had to be made, so it was agreed that a committee of senior Privy Councillors would review the legislation and produce a report that had to be debated. If it was not debated, they could specify that the legislation, or parts of it, should lapse. We are now engaged in that process. Indeed, if the debate had not taken place, the Act would lapse. That would depend not on the result of a vote but simply on whether the debate took place. However, the reason for the back-of-an-envelope arrangement at dead of night was the genuine anxiety about rushing through legislation that covered a wide range of matters, was not part of a coherent body of anti-terrorist law and extended into many other areas.

One of the committee's recommendations is that the Government should revert to their declared policy of having a coherent body of anti-terrorist law. That assumption lay behind the Terrorism Act 2000; indeed, it was explicitly stated. I recognise that the Government believed that they had to act quickly after 11 September, but they should revert to the previous principle. The committee believes that that should happen, especially as it has been extensively acknowledged in the debate that the situation is not temporary and that the legislation is therefore unlikely to be temporary. Its permanence is mentioned on the last page of the Government's response to the Newton committee's report.

I have said that the Act covers many subjects that go far beyond terrorism. The right hon. Member for North-West Cambridgeshire referred to the Home Office practice of clearing the shelves of anything that they did not get through in previous legislation by sticking it into the next relevant measure. That applies especially if there is an opportunity of getting legislation through quickly and with less trouble than normal procedures allow. I am convinced that that happened in the case that we are considering. Indeed, the Act includes items that were explicitly withdrawn or rejected previously.

One argument that is adduced for such action is that terrorists are criminals, that they commit other crimes, and that the whole Act is therefore terrorist legislation. That was hard to sustain when it became clear to us that the main use of British Transport police powers was dealing with football hooliganism, and the main use of some of the information powers was tackling sexual offences, especially paedophiles. Those are legitimate reasons for legislation but not for justification on the basis that one is dealing with the threat from terrorism. If we argue that all crime can be tied up with terrorism, all criminal justice measures should be emergency legislation, rushed through both Houses of Parliament in as little time as possible because somebody might commit a crime before the process is completed.

The Newton committee took the issue seriously and paragraph 333 of the report states:

"Some of these provisions appear to have been included in counter-terrorist legislation in order to take advantage of its accelerated passage and limited scrutiny, in order to avoid the

[Mr. Beith]

difficulties which had previously been experienced in securing Parliamentary approval. This inappropriate "fast-tracking" undermines the consensus which is desirable to allow legislation to be enacted rapidly in emergencies."

When the Government introduced the measure, they depended on the wide acceptance that, in an emergency, with a serious threat to the country, one sometimes has to react quickly and push through legislation quickly. However, they relied on that to include far wider matters in the Act. The committee suggested that it would be appropriate to revisit many of them in mainstream legislation. The Home Secretary's argument and the Government response are unconvincing.

The Home Secretary was a little more open and honest than the document. He referred to his difficulties in getting his Bills into the parliamentary timetable. However, the official response states:

"The Government does not believe that it would be an appropriate use of Parliamentary time to re-legislate for provisions that Parliament has already passed."

You could have fooled me, because the Home Office appears to do that regularly. Every year, a new criminal justice Bill and a new anti-terrorism Bill are introduced. The idea that one should not revert to subjects on which one has already legislated is not part of Home Office practice.

Mr. Hogg: There may be another reason for the Home Secretary's belief that it is not necessary to revisit legislation: the Henry VIII provision of section 124. Under that section, the right hon. Gentleman can amend any provision.

Mr. Beith: Indeed, that is one of the few powers that the Committee said ought to be repealed without qualification. The report stated:

"The powers of amendment . . . are particularly unwelcome in emergency legislation of this kind, and they should be repealed."

The House should know the Government's response to that. It states:

"Disagree. The Government believes that this power allows the Government to react quickly to changing circumstances that are a feature of many of the areas covered in the Act."

That is not just terrorism, because the 2001 Act covers a wide variety of offences. The response goes on to say:

"It is correct that terrorism legislation is placed on a permanent footing and that powers contained within it allow us to respond flexibly to any changes in threat."

Responding flexibly does not mean being able to amend legislation by statutory instrument on matters of fundamental principle.

Mr. Hogg: By negative procedure, too.

Mr. Beith: I must say that the Government response asserts that they could amend legislation only by the affirmative procedure. From memory, I am not sure whether we have ever received a convincing answer to that point. My reading of the statute is that legislation can be amended by negative instrument, and I am reassured to know that the right hon. and learned Gentleman also takes that view.

Mr. Shepherd: The point is enormously important. The Civil Contingencies Bill contains a similar provision by which subordinate legislation may amend any primary legislation on the statute book. The trend is incredible and this is where it started.

Mr. Beith: The most effective challenge to such provisions will be mounted not at this end but at the other end of the building. A challenge was mounted when the legislation was considered. The creation of the Newton committee was in part a response to this. Many Lords felt that the legislation was wider than it needed to be to deal with the terrorist threat and used attenuated parliamentary procedures inappropriately to push through provisions that, on reflection, would not be accepted by many Members in either House.

As I said earlier, a consensus has formed on the Home Secretary's remarks about reviewing during the next six months provisions to replace part 4 of the 2001 Act. I welcome that decision, and I take him at his word that he is prepared to engage in that process and build on the Newton committee's recommendation. Simply because others have not had the opportunity to do so, I have concentrated on the area about which I feel more discontented by the Home Secretary's response.

Many of the recommendations go far beyond terrorism, and I therefore put in a very strong plea for the extension of the spirit of consensus that the Home Secretary sought to include in part 4 of the 2001 Act into areas where the Government's initial response has been to suggest that nothing more needs to be done and that they will not give up powers that they have managed to introduce by this rapid process.

4.42 pm

Mr. Kevin McNamara (Hull, North) (Lab): It is fitting to reflect for one moment that today marks the 70th anniversary of the founding of the National Council for Civil Liberties; there is a certain irony in our debating this matter and remembering the anniversary of that important non-governmental body.

The Home Secretary is right to highlight the enormous responsibility that he bears to protect the public from the threat of terrorism and the actions of terrorists. It is, however, a responsibility that we all share. To shirk it and bury our heads in the sand would be playing with lives, which none of us wants. The criticisms of the Home Secretary are not about the urgency of the situation or the gravity of the threat, but about whether the methods adopted are proportionate, appropriate and capable of achieving the ends that we all desire or whether they are counter-productive.

On "Newsnight" yesterday, the Home Secretary discussed the intrusion of that responsibility into his Christmas holiday. I can sympathise; had he been of another faith, I am sure that his burden would have been just as great over December. If he does not mind my saying this—I am sure that he would not if he were here—he is rather like a wicket keeper who complains that everyone keeps throwing the ball at him. I want to consider the responsibilities of the whole team, and our response to it.

On 11 September 2001, after the collapse of the twin towers, when planes were still missing, buildings were being evacuated and no one knew who or what would next be targeted, I had just returned from the United Nations world conference on racism, held in Durban,

South Africa. What is the relevance of that to this debate? I reflected then how that country had changed, in such a short time, from being a potential target for international terrorism to one that sought to provide a model for future conflict resolution. It had gone from being part of the problem, on a world scale, to providing part of the solution.

One of the principal achievements of the Durban conference was to commit world leaders to a project in which each country would draw up its own national action plan against racism. Like other participating states, the UK Government agreed to draw up such a plan in co-operation with non-governmental organisations and minority ethnic groups. Surely in that way we could set an example to the world. It is relevant in this debate to ask what happened to that plan.

I have asked questions in the House about progress on the maintenance and achievement of the national plan, and I have been told, two years later, that it is in progress. When I talked to the Northern Ireland Council for Ethnic Minorities about its efforts to achieve action to address the wave of racist attacks that have left members of minority groups in south Belfast living in fear of their lives, I was told that it has been informed that my right hon. Friend the Home Secretary plans to drop his commitment to the national plan. That has enormous relevance. I wonder what representatives of the Muslim community in Britain will make of that decision, especially when they feel that their co-religionists are demonised in the war against terror and that their needs are not being addressed.

My right hon. Friend says that we should not adopt a knee-jerk opposition to anti-terrorist legislation, and that in the era of the suicide bomber everything has changed. He is correct to argue that we should study and understand, but I am not sure that everything has changed. It is not as though the IRA, the UVF or the UDA were ever gentleman terrorists or Northern Ireland was a place where terrorists played by the rules.

There are lessons to be learned from Northern Ireland. Those who wish to demonstrate that they are tough on terrorism, but cannot focus on or address the causes of terrorism, are inevitably forced to rely on the supposedly inexplicable nature of the problem or the psychopathic nature of its perpetrators. We had indications of that from my right hon. Friend today. If that is the case, why does the determination to be a suicide bomber find resonance among young people? Why do they feel that legitimate grievances have not been examined and that no attempts have been made to rectify them? Those young people have not all been brainwashed. They have arrived at conclusions because of their experiences. Why was there so much rejoicing—I say that with great sadness and the same horror that every other right hon. and hon. Member must feel—in slums and ghettos throughout the world at what happened to the twin towers? That was an appalling and shocking response. Why did it happen?

Unlike the Northern Ireland conflict, in which the UK had a primary responsibility, the problem we face today is global and requires a global solution. Whatever we do can only be part of that solution. However, another lesson from Northern Ireland is that international standards provide a framework for the protection of democracy and the best guarantee for defence of the rule of law. In Northern Ireland, successive Governments changed the rules and broke the law. When internment without trial failed, we introduced no-jury courts, relaxed the rules of evidence, relaxed the rules that prevented the use of confessions extracted under duress and allowed the use of informer and accomplice evidence.

What did that achieve? Certainly, it put some people behind bars, but what really happened was that the law became the enemy. Young people flocked to join the terrorist groups. Internment and Bloody Sunday were both the breaking of accepted rules. Indeed, on Bloody Sunday, in flat contradiction of a decision of the Supreme Court of Northern Ireland, the British Army was acting illegally. What also happened was that the prisoners, the men behind the wire of whatever community, and not the policemen, were the heroes. That surely is both unacceptable to us and something from which we should learn.

David Winnick: Those mistakes were undoubtedly made in Northern Ireland, but does my hon. Friend accept another lesson, which is that the House of Commons did not give in to terror and that, despite all the differences over how we should deal with the situation in Northern Ireland, we—Government and Opposition—were absolutely determined that the IRA would not succeed in attaining its objective? Thirty years later, the IRA was defeated—not militarily, but politically, because it could not achieve what it set out to do. Its objective was not reform and change in Northern Ireland, which were already taking place when it was formed, but a united Ireland, to be achieved through terror. The IRA never succeeded. We stood firm, and we, including my hon. Friend, were absolutely right.

Mr. McNamara: I am grateful to my hon. Friend for that backhanded compliment.

My point, which is important, is that until we wrestled with the problems of reform in Northern Ireland, until we saw that people there had an unaddressed grievance, we would not succeed.

At the time of internment without trial, there was a song in Northern Ireland with the chorus "Armoured cars and tanks and guns". The song included the words:

"Being Irish means they're guilty
So we're guilty one and all"

Racial profiling of the Irish in Britain made them a suspect community. Not until there was more finesse in policing, and draconian treatment of the Irish community in this country was seen to be counterproductive, did we start to see an improvement. Indeed, terrorism and incidents of terrorism were at their height when internment was in operation in Northern Ireland. It started to diminish only when the Secretary of State for Northern Ireland, now my right hon. and noble Friend Lord Merlyn-Rees, started to end internment without trial.

Patrick Mercer (Newark) (Con): Another part of the song that the hon. Gentleman quoted is:

"England's name again is sullied
In the eyes of honest men."

Does not that point to a lack of objectivity in that particular republican paean?

Mr. McNamara: Not for a member of the Irish community living in west Belfast, South Armagh, the

[Mr. McNamara]

Bogside, parts of north London or Birmingham. For them, England's action was sullied. One of the problems that we have had—indeed, that we have had with regard to human rights throughout the world—is answering questions about internment in Northern Ireland.

Jeremy Corbyn: To take things slightly further forward, after the Prevention of Terrorism (Temporary Provisions) Act 1974 was introduced, about 10,000 people were arrested. Few were charged and hardly any were convicted, but as far as I am aware they were all Irish people, so the Act had a huge effect on the Irish community. I am sure that my hon. Friend has read the briefing that Liberty sent out for the debate. It makes the point that, small though the numbers might be, all those currently held in Belmarsh are Muslims. Exactly the same arguments are going on throughout the Muslim community as those that went on throughout the Irish community 25 years ago.

Mr. McNamara: I agree entirely with my hon. Friend. I was about to make a comparison with

"Being Irish means they're guilty",

because many people in the Muslim community now think, "Being Muslims means we're guilty, so we're guilty one and all."

Relaxing the rules, as we did, on evidence and on charging did not defeat terrorism, but it did help to create the Birmingham Six, the Guildford Four and a whole series of monstrous miscarriages of justice. As that happened, the actual victims of terrorism were forgotten. How did we break the law? On Bloody Sunday, the Government permitted the unlawful use of lethal force and killed 13 civil rights protestors. In Gibraltar, the Government permitted extrajudicial assassination that was countenanced at the highest level and the SAS gunned down three IRA volunteers in cold blood, for which we were condemned by the European Court of Human Rights in Strasbourg. The British Government encouraged the creation of disinformation and dirty tricks units, allowed loyalist groups to be armed, and ran agents who committed murder with impunity. What did that achieve? Nothing; it prolonged the war and delayed the peace. When one teaches disrespect for human rights, changes the rules and breaks the law, where does it end? It ends in condoning terror, and in the murder of people such as Pat Finucane and Rosemary Nelson. My conclusions might be unacceptable to the Government, but we might have a bit more faith if they published the Cory report and established the inquiries that the Prime Minister promised—I strongly suspect that we will not have the separate public inquiries.

When the Anti-terrorism, Crime and Security Bill was first presented to Parliament, we were acutely aware of the risks of that sort of legislation. That is why the oversight regime is so important. The provisions of the Act must be renewed each year and it has a sunset clause that does not permit renewal beyond 2006. A special committee of Privy Councillors—we are indebted to all the Privy Councillor members of the committee who have spoken today—was charged with reviewing it.

The Home Secretary can take comfort in many of the positive things that have been said about his attitude to some of the cases. However, he should listen carefully to the advice he has been given, especially because he asked for that advice from Lord Newton and the Privy Counsellor Review Committee, Lord Carlile and the Joint Committee on Human Rights. I am pleased that there has not been a pre-emptory rejection of the Privy Counsellor Review Committee report, as happened in December, and that we have received some sort of reply. I am pleased that the Government have accepted the Joint Committee's recommendation that they should consider matters within a six-month period, particularly as it arose due to an amendment to the report that I suggested. The Joint Committee was far kinder when deciding the amount of time to allow—I would have given the Government only 28 days—but nevertheless the time period came about from the germ of my idea, which arose because experience shows that Governments suddenly decide to review emergency legislation two or three months before they must renew it. Allowing a specific six-month period in which they may review the legislation and come up with ideas and positive alternatives is thus important.

Derogation from the European convention on human rights and the use of powers to detain indefinitely has given rise to almost universal concern. I am gravely concerned about the position of 14 non-British nationals who are being held indefinitely in high-security prisons. Given the length of time for which they have been there, I believe that there may be a case for arguing that there could be a violation under article 3 of the convention because the detainees, who have no prospect of release, are the victims of a cruel or unusual treatment. The Government must remember that there can be no derogation from article 3.

I would also like to draw the House's attention to the fact that, when some of the cases were at SIAC, one of the witnesses giving evidence and who was hidden from the rest of the court, had dragged out of them the information that some of the evidence given in the cases may well—we cannot say positively—have been obtained by people interrogated abroad, who have been subject to torture and inhuman and degrading treatment. Such evidence would never be allowed in a British court, but it has been used as part of the intelligence summaries to keep people detained. The problem is that evidence obtained under torture has always been suspect. Those who are tortured or subjected to harsh and cruel procedures are human beings like the rest of us. Which of us here would not necessarily agree with an inquisitor subjecting us to torture, whether of a psychological or physical kind? However, it has been used to keep people behind bars. It is my considered view that part 4, providing for indefinite detention, is unacceptable and should not be renewed.

Several weeks ago, I was approached by the legal representatives of nine men currently held in Belmarsh, conveying to me a request from them that I should undertake a prison visit prior to today's debate to hear at first hand their views on the legality and the conditions of detention under which they are being held. I am aware—and I was aware when I made the application—that a number of individuals and agencies have undertaken visits in pursuance of their statutory obligations, but this was to be the first and only proposed visit sought by a Member of Parliament in response to a request from the prisoners themselves. I

very much regret, therefore, that last week I received a letter from the Prison Service declining my request for assistance in arranging such a visit. No alternative proposals were made.

I am familiar with security restrictions and difficulties posed by prison visits of a political nature. When Northern Ireland was beset by terrorist violence, I was able to visit both loyalist and republican prisoners in high-security wings without any obstacles being put in my way by the Prison Service in either Northern Ireland or the rest of the United Kingdom. That was the case under both Conservative and Labour Administrations. As a member of the Legal Affairs and Human Rights Committee of the Council of Europe, I was appointed rapporteur on the imprisonment of the detainees at Guantanamo bay. In June last year, the Parliamentary Assembly overwhelmingly endorsed my report finding their imprisonment to be unlawful.

I am concerned about unlawful detention—whether it is in a United States naval base in Cuba or in Belmarsh prison. Whatever the fig leaf provided by SIAC—it is a diminishing one—that justifies holding people at Belmarsh, the general principle is the same. The Foreign Secretary has rightly condemned what has happened elsewhere: people should either be put on trial or returned to the United Kingdom. We do not accept the same principle for people in Belmarsh. There is a degree of hypocrisy about that that I find particularly unacceptable.

We have been asked about the alternatives. Other speakers in the debate have given a range of alternatives, so I shall not rehearse the whole package again. However, one thing is certain. Whether we hold 20 men or one man in the conditions in Belmarsh and insist on having the derogation, we are lowering standards in our country, lessening our position in the world and will be unable to argue actively and promptly for human rights to be observed in other countries. More importantly, we are dealing unfairly and cruelly with the men who, at present, are behind the wire.

5.4 pm

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): I am one of those who opposed the Anti-Terrorism, Crime and Security Act 2001 when it was being debated on Second Reading. Having read the reports of the noble Lord Newton and the Joint Committee on Human Rights, I am bound to say that my conclusions from that time have been strongly reinforced.

Inevitably, this debate has quite rightly focused primarily on part 4 of the 2001 Act, and I shall refer to that in a moment. However, I shall begin by making two general observations. The first goes to the undesirability of emergency legislation, a point that the Newton report brought out very forcefully. There are a number of reasons for that, but the first is that because emergency legislation is rushed through, inevitably much of it is never scrutinised. We therefore make legislation that could be in place for a considerable time, but which has not been subject to parliamentary processes. My second reason, which is slightly different, is that the circumstances in which emergency legislation is pushed through—often circumstances of distress, high passion and drama—reduce the willingness of Members of Parliament properly to scrutinise it.

I am therefore very hostile indeed to emergency legislation. As my right hon. Friend the Member for North-West Cambridgeshire (Sir Brian Mawhinney) and the right hon. Member for Berwick-upon-Tweed (Mr. Beith) have stressed, the 2001 Act was also used as a vehicle for passing many other pieces of legislation that were sitting in the back cupboard of the Home Office. The Government wished to put those in place, and used this Act as a means of doing so. That was a lamentable abuse. I am very much against emergency legislation in general, and the way in which emergency legislation was used in this instance in particular.

My second general observation relates to the security services. We need to be very alert to the limitations and shortcomings of the security services. I speak as one who dealt with them for some seven years. When I was at the Foreign Office as Minister of State, one of my responsibilities, subject to the then Foreign Secretary, was to handle relations with the security services and GCHQ. In a more limited way, I had dealings with the security services when I was Under-Secretary at the Home Office, as I was responsible for the legislation on terrorism then going through the House.

I have come to some pretty clear views on the security services. I do not wish to be in any way disobliging to them, but we have to face some facts. First, inevitably, much of what they tell Ministers is uncertain, imprecise and not capable of any external verification. That is inherent in the nature of their work. Secondly, they operate in the shadows, so they are not subject to the public scrutiny to which other services are subject. For example, we would be astonished if the police service were allowed to prepare its briefs and give advice in the way in which the security services do. As it is, the police service has to produce its output to the courts, and the press, juries and lawyers can have a go at it, so its act is sharpened up as a consequence. However, the security services have none of those pressures. They just give private advice, fairly certain that no one will scrutinise carefully what they are doing, and that no one will embarrass them. Is it—I ask rhetorically—therefore surprising that they become rather set in their ways and complacent, always guard their backs and are perhaps not as robust in the quality of their work as they should be?

Moreover, the security services get things fundamentally wrong. I was one of those who voted against the war in Iraq, and one reason—although not the only one—was my absolute certainty that if the security services had advised the Government that Saddam Hussein was a serious risk to world peace, they were wrong. As it appears, I rather doubt that they did give that advice, but if they did, they were wrong. Consequently, I regard the work and activities of the security services as a pretty fragile foundation on which to deprive other people of their liberty. That is an important starting point for the House.

The Newton report, reinforced by the Joint Committee, has recommended that part 4 of the Act be replaced by permanent legislation with all possible speed. I agree with that view, and I hope that it will be replaced soon with legislation that does not involve a derogation from human rights legislation, does not rely on immigration law, and does not make a distinction between persons depending on their nationality or place of residence.

[Mr. Douglas Hogg]

My opposition to part 4 is one of principle. When the legislation was being debated, I went to the House on Second Reading to ask the House—and, indeed, myself—about the circumstances in which a person could be detained indefinitely. That is all set out in section 21 of the Act. Such detentions do not follow a conviction or even a finding of wrongdoing or an intent to do wrong. All that has to be satisfied is section 21, which provides merely that the Secretary of State should have reasonable grounds to believe that a person constitutes a threat, and suspect that the person is a terrorist or is associated with terrorism. Having reasonable grounds to believe or suspect such a thing is wholly different from a finding that a person has indulged in wrongdoing. I find it very difficult to accept that a person can be detained for a very long period of time on such a fragile foundation.

Mr. Cash: My right hon. and learned Friend is putting forward his argument very clearly, but there is a problem. Lord Hoffmann, who is by no means backward in the matter of human rights—indeed, he is one of the foremost proponents of them—made it quite clear in the case of Rehman only about a year ago that, in the context of the issues that we are now discussing, the courts had to have regard for the decisions taken by the Home Secretary on reasonable grounds. Would my right hon. and learned Friend like to ponder that decision, or does he simply disagree with it?

Mr. Hogg: I simply disagree with it. I do not think that anyone should be detained for a long period of time unless there is a positive finding of fact made by some judicial or quasi-judicial body to the effect that the person has either infringed the law or embarked on some other relevant wrongdoing. The fact that the Secretary of State may have reasonable grounds to believe or suspect that that is the case does not strike me as a good enough reason to detain the person.

The Minister for Citizenship and Immigration (Beverley Hughes): The right hon. and learned Gentleman brings us to an essential point. Given his strong feelings about not detaining a person in any circumstances if they have not been convicted of an offence in open court and subject to our usual criminal justice processes, what does he think should happen to individuals about whom the intelligence evidence is more than highly suggestive that they are planning acts of terrorism against citizens of this country? What is his solution to that dilemma?

Mr. Hogg: I shall come to that. My view coincides largely with what Lord Newton has said. To say that we should sentence someone to a long period of imprisonment because of intelligence information that is "highly suggestive" seems to infringe almost every principle for which I have ever stood, and I am not going to start infringing them now.

The right of appeal in the Act provides that SIAC has the ability to determine whether there are reasonable grounds for the Secretary of State to come to the suspicion or belief that he harbours on the matter. There is no revisiting of the underlying facts. The question and primary test is whether there were reasonable grounds for belief or suspicion, not whether the underlying facts were right or the individual has been guilty of wrongdoing.

What does SIAC see? It sees relatively little. It sees anyway only what the Secretary of State wants it to see. That was the point made by the hon. and learned Member for Medway (Mr. Marshall-Andrews), and it is entirely right. What does a detainee see? Very often, they see almost nothing. If one looks carefully at the report, one will see that the closed evidence is often the majority evidence. The closed evidence is disclosed to the special advocate, and from the moment the special advocate gets to closed material, he has no further communication with the detainee or the detainee's legal representatives. That is not a form of appeal that I recognise. It seems thoroughly bad.

My conclusion on part 4 thus far is that it is deeply offensive. The right of a power of detention is fatally flawed because it does not reflect any independent assessment of wrongdoing—far less a conviction—and in any event, there is a wholly futile appeal process.

My anxieties are reinforced when I read paragraph 200 of the Newton report on page 55, where it is said:

> "Given the novel and contentious nature of these powers we believe that there should be a continuous proactive effort to manage the individual cases of the suspects with a view to finding alternative ways of dealing with them".

That is wholly right. What is the conclusion? The committee states:

> "We were, therefore, surprised to learn that the authorities"—

they are the people for whom the Home Secretary is responsible—

> "... have given no thought to what change in circumstances might lead them to conclude that an individual should be released or dealt with differently".

In other words, once the authorities have the detainee in the bag, they leave him there and pay no more attention to his case. Who is responsible for those people in those authorities? The answer is: the Minister now sitting on the Front Bench, and her boss.

Vera Baird: It cannot be right that no more attention is paid to detainees once they are in detention, because we have learned this afternoon that two have been prosecuted on criminal charges and that, as I understand it, the evidence for that was found by the authorities after they had been detained. So they are not completely abandoned.

Mr. Hogg: The detainees are kept in the bag, and I have no doubt that some prosecution authorities review their cases, but they are different from the Home Office authorities. The Home Office is quite happy to leave them in the bag. That is what Lord Newton and his committee say. I regard that as a scandal, as I am sure, to be fair, does the hon. and learned Lady.

Mr. Cash: I am sorry to trouble my right hon. and learned Friend a second time.

Mr. Hogg: My hon. Friend never troubles me.

Mr. Cash: I am glad to hear it; I will put my question a bit more sharply. I was going to be a little more

temperate. He has just said that there would be no review when the person was in the bag and left there indefinitely. How does he equate that with section 26 of the Anti-terrorism, Crime and Security Act 2001, which specifically provides that

"The Special Immigration Appeals Commission must hold a first review of each certificate issued under section 21 as soon as is reasonably practicable after the expiry of the period of six months beginning with the date on which the certificate is issued"?

In addition, there is provision for a repeat.

Mr. Hogg: That is on the basis of information supplied by Home Office officials, in respect of whom Lord Newton made the precise criticisms to which I have drawn my hon. Friend's attention. That is one reason why the process is so perverse—and no doubt one reason why Lord Newton was so concerned about it.

Vera Baird: At each of the reviews, the detainee is entitled to be represented. I have seen and know well many of the representatives who feature in appeals on behalf of such detainees. I assure the right hon. and learned Gentleman that it would be unbelievable if they were not putting forward every change of circumstance so that SIAC could take it into account. Admittedly, it will judge that against the intelligence, but he is quite wrong to call such a form of appeal futile.

Mr. Hogg: The hon. and learned Lady must face up to two points. First, Lord Newton's committee and all the Privy Councillors unanimously concluded that there was a failure on the part of the Home Office properly to discharge its duties in this regard. That is set out clearly in paragraph 200, and I commend it to her. Secondly and quite differently, as regards the appeal, she will find it comprehensively described at paragraph 176 of the report. In particular, serious criticism should be directed at the fact that much of the evidence is closed evidence of which the detainee will be wholly ignorant. If she finds that a satisfactory process, I do not, and to be fair to her, I doubt whether she does either.

On one further point before I look to the future, I have a strong suspicion that the existence of part 4 powers, so that the person is in the bag, means that not very serious attention is given to whether that person can be prosecuted for substantive offences. Indeed, I suspect strongly that the fact that there are part 4 powers acts as a powerful disincentive to the Crown Prosecution Service and others when they come to consider whether or not they wish to prosecute, having regard to the uncertainties involved.

Mr. Marshall-Andrews: May I ask the corollary of the question that has just been put to the right hon. and learned Gentleman? Given that there are 17 people against whom it is perceived that there is so much evidence that it warrants their detention without trial over two years, is it not extraordinary and singular that only two of them have been prosecuted during that period?

Mr. Hogg: Yes, it is. I think that that makes the point that I have tried to make: once somebody is in the bag, why bother any further? It is a strong supporting piece of evidence to the effect that these part 4 powers are having a perverse effect and are themselves preventing prosecutions for substantive offences.

I want to look forward a little. I hope very much that there will be an implementation of the broad Newton recommendations. As a general proposition, I want these emergency provisions to be replaced by permanent legislation. I want terrorist offences for the most part to be dealt with in the mainstream of criminal law. I want to ensure that there is no further derogation from the human rights legislation, and, furthermore, that no distinction is made between defendants on the grounds of nationality or place of residence. The legislation should deal with terrorism qua terrorism and should not rely on the immigration laws.

Next, I believe that detention should only follow conviction for a substantive offence. Under no circumstances should long-term detention or any significant period of detention follow security-led information. I accept that there may well have to be changes to the law as to the admissibility of evidence—the points made about intercepts seemed entirely right. The practice may also have to change. The points about the juge d'instruction made in the Newton committee report are perfectly sensible, and we could no doubt expand on the use of special advocates. I further accept that there may be a residue of cases in which it is not possible to prosecute but there is some degree of risk. The House must wrestle with that.

I welcome the proposals in the Newton report that there may be restrictions falling short of detention that can properly be imposed: tagging, restrictions on banking transactions, surveillance and so on. I want to make two points, however. If those are to be invoked, it should be after a judicial or quasi-judicial process on the basis of statutory criteria that must be proved to the satisfaction of the tribunal. In those circumstances, I would be prepared to accept further restrictions, albeit falling short of detention. At the end of the day, I do not think that there are any circumstances in which I would support a policy that results effectively in internment without proper criminal process and above all without a proper conviction or judicial hearing.

Finally, let me say something about the Henry VIII clause, section 124. The Newton committee was rightly critical of it, because the Home Secretary is giving himself powers to amend both the Act and any pre-existing legislation to the extent that he thinks "necessary or expedient". Moreover, he can do so by means of the negative procedure, which is subject to annulment. In other words, we have given the Home Secretary power to amend any piece of legislation that he sees fit to amend, and he can do it without primary legislation—on the back of a short debate upstairs, if such a debate is secured. That is simply not worthy of this place.

5.25 pm

Mr. Andrew Dismore (Hendon) (Lab): This debate reminds me of last week's television series about Dunkirk. We lost that campaign because our generals had prepared for the previous war rather than the one that they were there to fight. They did not know our enemies: they did not know how ruthless they were, or what techniques they would use. I think that today,

[Mr. Andrew Dismore]

especially in the context of some of the comparisons with IRA terrorism, we too run the risk of fighting the last rather than the current war. We should be considering the nature of al-Qaeda, its aims and how it operates. We should bear in mind how different all that is from everything that we have experienced before in our fight against terrorism, whether it involves the IRA or other more recently identified terrorist organisations.

Al-Qaeda's world view is completely different from ours. It is not about dealing with developing world issues, or about the middle east; it is about overthrowing our way of life completely. I have read al-Qaeda's manifesto—I do not know how many other Members have; it was sent to me by a journalist—and it is clear that there is no room for compromise. These people's objective is to turn our country, the United States and the western world as a whole into a Taliban-style dictatorship, a theocracy under Islam. We cannot compromise or negotiate with them. Theirs is not like IRA terrorism, which had a political objective.

Moreover, members of al-Qaeda operate very differently from the IRA. They aim at soft targets, not high-profile targets. Their aim is to cause the maximum number of civilian casualties, as we saw on 11 September, and they are careless of their own lives: they go out deliberately to kill themselves by means of suicide bombing.

Mr. Gregory Campbell (East Londonderry) (DUP): I do not think a distinction should be drawn between the terrorism manifested by al-Qaeda and that of, for example, the IRA. Surely we should all expose terrorism, wherever it may originate—be it the "soft" terrorism that we see closer to home or the more ruthless, hard, rooted terrorism that we see internationally. We should expose and oppose all of it, to ensure that it is brought to an end.

Mr. Dismore: I hope the hon. Gentleman does not think that I am soft on IRA terrorism—far from it. My point is that we cannot fight old wars. We are fighting a new war against al-Qaeda, a different organisation with different aims over which we cannot compromise or negotiate, using entirely different techniques. If we do not recognise that, we have no prospect of winning this war.

I think that the report's recommendation on tagging is somewhat naïve, and also rather dangerous. Part of the problem is that we do not know the identities of those in detention, save one who has allowed himself to be named: Abu Qatada. If anyone thinks that Abu Qatada could have been tagged and had his finances controlled in such a way, they have another think coming. Let us not forget that even though he was under surveillance, when the new law was introduced he managed to give the security services the slip, and went on the run for nine months before he was tracked down. So the idea that he would somehow be tagged or brought to a police station, or confined to using only approved bank accounts, is complete nonsense.

There is a risk associated with this development. I fully accept the Home Secretary's word—indeed, I have had it independently confirmed elsewhere—that an extremely high threshold is applied before anybody is put into detention. But if there were the alternative further down the chain of tagging or reporting to a police station, the inevitable temptation would be to use that power more widely. In effect, that would lead to a greater infringement of the civil liberties of a wider group of people for whom detention may not be appropriate, but whom we would like to keep under surveillance through a cheaper method. That would be wrong. If certain people are so dangerous to our society that action needs to be taken, detention is the appropriate course. We should not try to widen the net, which could happen if we have these wider powers.

Nor is there any need to extend the powers beyond the exemption relating to al-Qaeda. The police would seem to agree with that view. A senior police officer told me that they have no desire, should the law be extended, for what they call a "Casablanca moment", in order to round up the usual suspects. They are quite satisfied with the current position.

The report contains a lot of common sense about intercepts, but we must recognise that they are not a panacea in themselves. They have, however, certainly helped in other jurisdictions. From what I have read about the case of Abu Qatada, for example, if intercepts had been admissible evidence he could well have been charged. But we must also recognise that simply having intercepts as admissible evidence is not the end of the story. The police would still have to prove their context—who was speaking to whom—which can often be extremely difficult evidentially. One way to do so might be to have a rebuttable presumption: a presumption, rebuttable by the suspect, that the person on the phone line is the owner or subscriber; otherwise, it could be extremely difficult to make use of the full evidential effect of that intercept.

We must also ask whether this law is going to be retrospective. I know that the House is very reluctant to consider retrospective legislation, but if we are contemplating allowing intercepts to be used as evidence, there is a lot to be said for allowing the law to be retrospective, so that it can be used on previously obtained intercept evidence. That could well provide us with the evidence that we need to prosecute those who are currently detained in Belmarsh. The intercept evidence on which they are probably detained could then be used for a criminal prosecution against them.

Vera Baird: I share my hon. Friend's view, but there is no difficulty in this regard. If the law on admissibility were changed, everything in existence could be admitted from then on. Indeed, I hope that that happens.

Mr. Dismore: I am grateful to my hon. and learned Friend for her comment, which I endorse.

The Newton report also refers to plea bargaining. I have always been a little suspicious of plea bargaining, particularly in the light of the problems associated with the "supergrass" trials of old, which led to serious miscarriages of justice. However, there is a separate issue, which is not necessarily plea bargaining, namely a different form of inducement in terms of co-operation with the police and security services. As I have said, we need to recognise that international terrorism is different in character and poses different challenges. We

know that when such people are in custody, it can take a long time to establish their identity because they often have multiple identities and aliases. It is necessary to work through interpreters, which takes a lot longer, and religious observance can also cause delay.

On interviewing, we must also consider the high-tech nature of international terrorism, which has not been a feature of previous IRA terrorism, the use of computers and the need to examine many hard drives. In such circumstances, we must look at other ways of seeking co-operation from suspects. Quite properly, they rely on the right to silence when advised to do so by lawyers, but in any event they have usually been trained in interview techniques and in how to avoid giving away information. Currently, the judges' rules prevent any offer of inducements to co-operate, but why could we not amend the law to allow suspects to give non-admissible statements in private for intelligence purposes only, which would not be used in evidence against them? Credit could be given for such co-operation if those suspects were subsequently prosecuted on other available evidence. Such statements would allow them to explain their involvement. People working in the security services have put it to me that several suspects over the past year were proud of what they had done and wanted to trumpet it, but were advised not to do so because of the impact on their prosecution. Had they been able to make a non-admissible statement, that might have been a way of securing information from them to fight terrorism while at the same time protecting their legal rights by giving them help, should they be prosecuted, in respect of sentencing.

One issue that has not emerged from the debate so far is the question of advance passenger information. It was referred to in the Newton report and is, I believe, an extremely important issue, which we are not taking as seriously as we should. There is clear evidence that we are behind the game on that aspect of the war against terror. As we know, the US is demanding advance passenger information on certain flights coming into the US. Australia does the same as a matter of course, but our approach is rather hit and miss. There is some evidence that the Home Office is now starting to take it seriously, but we are behind the game and we must beef up our information to ensure that we are more aware of the people who enter the UK by air. That, of course, poses the question of which people are entering the UK through other routes.

There has been much discussion of the concerns of the Muslim community about anti-terrorist legislation. It has been said that there have been many arrests, but no court cases and no—or very few—prosecutions. Part of the frustration arises from the fact the many of the cases are sub judice, so it is not possible to discuss or explain them. As those cases come to trial, the Muslim community will, with a degree of patience, be able to see that some very serious offences have been committed. Ultimately, the work of the police and security services will prove justified in that respect. We should remember that not only Muslim groups are proscribed organisations under anti-terrorism legislation, but other terrorist groups such as the Liberation Tigers of Tamil Eelam or ETA.

There is also the question of how we organise the security services and I am pleased that the Home Secretary has confirmed their expansion. There is little doubt that attacks have been stopped or disrupted: work on the ricin plot provides a clear example of a highly successful security operation. It is also clear that international co-operation has significantly improved over the years, particularly in the case of France, which was one of our main critics in the immediate post-9/11 period. There remains the risk of some of our efforts being dissipated. Although we have made London a hostile environment for terrorists, I question whether that position applies nationwide. Unless we ensure that the country is properly policed, the efforts made in London will be dissipated as people move out from the capital.

Part of the necessary work requires action on ordinary crime—document or credit card fraud, for example—using ordinary policing techniques, but further investigating and analysing those cases, and attacking terrorism by attacking the wider criminality that those offences show. Investigating those sorts of offences can in time lead to the discovery of terrorist activity and terrorist suspects. In that context, I am concerned that the campaign against terrorism is not one of the targets in the national policing plan. It has targets for many aspects of policing, but I understand that the fight against terror is not included in the plan.

The campaign is resource intensive, and we need to strive for a much more consistent performance throughout the country. That requires a consistency of capability throughout the country, which I am not sure that we have. In the end, there is a certain inevitability about having some form of national unit—perhaps based on the Metropolitan police with satellite units around the country—if we are to combat terrorism effectively and ensure that our country is safe, free and able to protect and maintain the liberties that we have debated so much this afternoon.

5.39 pm

Mr. William Cash (Stone) (Con): This debate must be judged in the context of the Civil Contingencies Bill. When the House discussed the range of powers being sought by the Government in that Bill, my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg), my hon. Friend the Member for Aldridge-Brownhills (Mr. Shepherd) and the hon. and learned Member for Medway (Mr. Marshall-Andrews) all made similar points.

We were all deeply concerned about the Civil Contingencies Bill, which may overlap the review period that will take place as a result of the Newton committee report. It is therefore even more important that the Bill be rectified to ensure that it contains the test of reasonableness, and that the courts' jurisdiction in these matters is not removed. The Bill's powers are so wide that they could even invade the territory of the 2001 Act.

I made it clear in earlier interventions that I have concluded that there is no serious alternative way of dealing with the problems presented by the terrorist threat that we face. Unlike the Civil Contingencies Bill, the 2001 Act contains a test of reasonableness to be applied to the Home Secretary's decisions. I wholly disapprove of the Henry VIII clause, but it is worth considering it in the context of Lord Hoffman's remarks in connection with the Rehman case, which took place only a year or two ago.

[Mr. William Cash]

A test of reasonableness means that judges can review the Home Secretary's decisions, albeit with some conditions. With great respect to my right hon. and learned Friend the Member for Sleaford and North Hykeham, he did not make it clear that the Special Immigration Appeals Commission could have regard to factors other than suspicion. I believe that courts have enough of an override capability to enable them to arrive at a proper review of decisions that have been taken, and I referred earlier to a recent case in which the Court of Appeal reversed a SIAC decision.

These are undeniably difficult issues, and the tone of the debate suggests that the House has been treading carefully through a minefield of problems. We have tried to give some indicators to the Government as to how to proceed in reviewing provisions that are on the statute book already. To that extent, the Newton committee report has served an extremely useful purpose. It has addressed some subordinate and supplementary questions in a way that I consider entirely helpful.

The central principle is whether the ultimate judgment in these matters should depend on the reasonable decisions of the Home Secretary. As long as the courts have the power to review those decisions, I believe that detention without trial is justifiable in these extremely difficult and dangerous circumstances. As I said earlier to my right hon. and learned Friend, we must also have regard to the power of SIAC to conduct the reviews.

In the Rehman case, Lord Hoffmann said that the events of 11 September 2001 in Washington and New York were

"a reminder that in matters of national security, the cost of failure can be high. This seems to me to underline the need for the judicial arm of government to respect the decisions of ministers of the Crown on the question of whether support for terrorist activities in a foreign country constitutes a threat to national security. It is not only that the executive has access to special information and expertise in these matters. It is also that such decisions, with serious potential results for the community, require a legitimacy which can be conferred only by entrusting them to persons responsible to the community through the democratic process. If the people are to accept the consequences of such decisions, they must be taken by persons whom the people have elected and whom they can remove."

In the context of the Civil Contingencies Bill, that makes my case, but in the context of the 2001 Act it makes the Government's case.

There have been no fewer than five reports criticising the arrangements set out in the Act, and there is no doubt that some extremely learned authorities have expressed grave concern about its wide-ranging powers. However, in the balance of the serious threat of the kind of terrorism that faces us and the necessity to maintain public safety—the first duty of Government—and national security, such powers are justified. In "Constitutional and Administrative Law", Bradley and Ewing make the point:

"It is thus up to the courts to ensure that these wide powers are not misused."

That is the position that the House should adopt. I do not say that because I want to be over-critical.

Mr. Marshall-Andrews: How can it be up to the courts when judicial review is expressly excluded from the procedure? Allied to that point, if the procedure is justified, how long is it justified to keep a man in detention without trial? Two years have elapsed and no evidence has been provided, which signifies the probability that there is none that will be admissible. How much longer should those people remain in custody?

Mr. Cash: The hon. and learned Gentleman says that judicial review is expressly excluded, but if he is referring—as I am—to the issuing of a certificate, the very use of the word "reasonable" in the context of section 21(1) of the 2001 Act gives the courts the right to question the proceedings. Furthermore, subsection (8) states:

"A decision of the Secretary of State in connection with certification under this section may be questioned in legal proceedings only under section 25 or 26".

to which I have already referred. That is not eliminating judicial review; it imposes degrees on the conditions for its use.

Sections 25 and 26 deal with appeals against certification and the review of certification. I have already covered that territory, but the provisions state that on appeal

"the Commission must cancel the certificate . . . if it considers that there are no reasonable grounds for a belief or suspicion of the kind referred to in section 21(1)(a) or (b), or"—

and this is the point to which I referred earlier—

"it considers that for some other reason the certificate should not have been issued".

This is a difficult area and I do not approach it with the same certainty as I approach the Civil Contingencies Bill, on which the hon. and learned Gentleman and I think on almost identical lines.

In the context of the debate and the report, however, I have to make a distinction, because we need to be immensely responsible in our attitudes. It may seem strange that a former shadow Attorney-General should line himself up with the Government, but it is important to make distinctions that are necessary in the interests of public safety and public security.

I am not unaware of the dangers inherent in moving into such territory. For example, I am extremely mindful of the statements that have been made in respect of habeas corpus. I have not yet heard them mentioned today, but they seem to be an essential ingredient in this matter. In one very important case, it was said:

"Habeas corpus is probably the oldest of prerogative writs. Authorising its issue in appropriate cases is regarded by all judges as their first duty".

That speaks for itself.

The importance that needs to be attached to dealing with the question in the context of article 5.4 of the European convention on human rights is self-evident, but I have argued from the Front Bench in the past—I will do so from the Back Benches for as long as is necessary—that such questions should not be driven by human rights legislation itself, as I rather suspect that the Newton committee was driven. Indeed, that was also evident in the report published today by the Joint Committee on Human Rights. I take a very different view.

Again, Lord Hoffmann said unequivocally in the case of Simms and O'Brien that Parliament has the right to amend or even repeal the Human Rights Act 1998, if unambiguous legislation is introduced expressly to do so. Therefore, to hinge the whole argument on human rights legislation raises the question of what is the right thing for Parliament to decide for itself to do in respect of the protection and security of the nation and the individuals who live in it.

Similar questions arose in the case of Liversidge and Anderson in the early 1940s. Again, that case was decided on the ground that the words "reasonable cause to believe" were included in the Defence of the Realm Act 1915. That was decided in a manner that Lord Diplock, Lord Reid and several other judges have condemned. So a whole stack of very important civil liberty questions lies at the heart of this matter; but, by a rational explanation and by considering the objective and purpose of the legislation under debate, I strongly say that the first duty of the Government and, indeed, the Opposition is to have regard to the safety and security of the people of this country, including my constituents.

I am more than prepared to suggest, therefore, that we should look at the legislation by all means and see whether we can come up with a sensible alternative, but let us not fall into the trap of putting the principle of jurisprudence above the security of the nation and the constituents whom we represent. That is genuinely what is at stake. Therefore, to that extent, I support the Government and disapprove of what the Newton committee report says on part 4.

5.53 pm

Vera Baird (Redcar) (Lab): The Home Secretary is on strong grounds to ask for the renewal of these provisions today. Clearly, everyone agrees that there is still a threat to the nation's security—something about which one, of course, wants to be profoundly sceptical, but no one seems to doubt that the threat exists. In addition, not only the Home Secretary but the courts and the Carlile review all agree that the individuals who are being detained are a threat to the nation. The Government, with their public protection hat on, SIAC, with its ability to peruse convention rights and civil liberties on behalf of individuals, and Lord Carlile, who scrutinised such things on behalf of the public, all agree about that. It is a strength, too, that the Home Office has used this power very sparingly. I take some cheer from that for another reason: it suggests that the intelligence services, too, have to some extent kept matters in proportion, because they have not gone around looking for enormous amounts of evidence to press against enormous numbers of people. That is a reasonable, and cheering, inference. One's view of the matter depends on whose eyes one looks at it through. My hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews) will not agree, but I am pleased that two people have been prosecuted since their detention on the basis of information that has since been made available, because that suggests that a degree of active investigation is continuing. Indeed, it must continue—there must be a permanent principle that prosecution is the right thing to do.

Some hon. Members have called this the British Guantanamo, but there is no real justification for that. Okay, it is detention without trial—I regret that and I do not like it—but the detention of those in Guantanamo Bay is not a scar; it is a suppurating boil on the face of democracy. People have been deliberately tipped into an offshore legal black hole—not because they are seen first and foremost as a threat to the nation, but because the authorities want to interrogate them while they are completely disoriented and out of touch with everyone else.

By contrast, the Home Secretary has told us that he uses a high test before he certifies, and I accept that. As soon as a certificate is issued, there is a right—albeit perhaps only nominal—to apply for bail. Although that is of course unlikely to succeed, it means that someone cannot be incarcerated and just left in prison, because they come to the attention of the judiciary immediately. Within three months, an appeal to SIAC is launched, followed by periodic reviews initiated by the authorities—the first after six months, and thereafter every three months. I do not accept that those appeals are futile, as the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg) suggested. He quoted the Newton report as saying that there has been an insufficiently proactive and focused case management approach to determining whether an individual should continue to be detained. That is a criticism of the authorities. Newton adds the caveat that there has not yet been a review because the cases have been under appeal almost from the start. That has been a protracted process owing to a whole range of factors, some of them outside the control of the Home Office and clearly in the camp of SIAC. As for a review brought about by the authorities themselves, we are not yet even into that territory. The people I know who will act for the detainees will not participate in futile appeals—they will be meaningful appeals, not least because of their presence.

It must be admitted that all the hearings will involve a partial recourse to secret intelligence. As a civil libertarian, I find that difficult to deal with. However, using a special advocate who takes instructions from the detainee and examines the evidence on his behalf, seems the best possible way of making that reasonable. He cannot speak to the detainee afterwards—that is right, although it must be difficult—but takes his comprehensive instructions first and does his best. I am satisfied that the special advocates whom I know will do a sound job and would not co-operate with a procedure that was merely a futile exercise to be gone through.

We have heard the criticism that this is detention on less than the civil standard of proof because it is based only on reasonable suspicion. That is unrealistic. I accept that my right hon. Friend the Home Secretary has adopted a far higher standard, and I am sure that it is not possible for SIAC to consider whether there are grounds for reasonable belief without considering the facts on which those grounds are based. Furthermore, it will do that with the jaundiced eye of a civil court that knows that its finding implies that someone has committed a crime, so it will adopt the ordinarily elevated standard of proof that a civil court adopts in that situation.

That said, 12 people have been in custody for almost two years without being told exactly what they are alleged to have done. They are in the particularly hopeless position of not knowing how long their detention will be; they are of necessity in a high-security

[Vera Baird]

prison that is usually reserved for the worst criminals, although there remains a very real possibility that they are not criminals at all, or that some of them are not; and their issue has never been tested. I would add that these powers apply only to non-citizens, all of whom are Muslims subject to immigration control. It is arguably legally discriminatory—the House of Lords will decide that soon—and is certainly extremely discriminatory in the real world. Moreover, Newton says that the threat, contrary to what appeared to be the case two years ago, when it came almost wholly from foreign nationals, comes almost equally from UK citizens, but the measure provides protection only against foreign nationals. Having derogated from the European convention, abrogated basic rights to freedom and risked community disharmony, we have at best gained only partial protection. It cannot last, and there is no basis on which it should be allowed to do so. It must be subjected, as we are said to be subject by al-Qaeda, to constant attack.

As my right hon. Friend the Member for Islington, South and Finsbury (Mr. Smith) said, we should be operating in the realms of criminal law, and should move towards that as quickly as possible. When I asked my right hon. Friend the Home Secretary whether, if we work hard at expanding the capability of the criminal law, we will succeed in getting rid of part 4, he said, very clearly, no. We have no option but to accept that today—everyone agrees that there is an emergency and a threat. We cannot possibly demand that the measure ends now, so we must vote for it tonight. However, it is my right hon. Friend who will, as many people have said, carry the can if any of the detainees cause trouble if he lets them out or gives up the right to detain them. He will be the last person to be convinced, so we consultees—we are all consultees in the process—have a task to perform. We have to work to try to get him to change his mind about part 4.

All of us who are consulted should aim to ensure that the criminal law can achieve the successful prosecution of British or foreign nationals who are terrorists. There is no other way in which can we persuade the Home Secretary that we can do without part 4, and we must do so by letting the provision fall into disuse and using the criminal law more often. I accept the point made strongly by the right hon. Member for North-West Cambridgeshire (Sir Brian Mawhinney) that verifying intelligence is simultaneously a great difficulty in the procedure and an inadequate basis for evidence. However, we must seek to crystallise intelligence into evidence so that it can be scrutinised in the way in which courts usually scrutinise and verify the evidence—frankly, it is very similar to intelligence evidence—which they hear day in, day out about organised crime. That evidence comes from informants, convicted criminals and, sometimes, deep, dark parts of the underworld. It is uncertain in nature, but courts scrutinise it once it has been put into a statement or an oral form, and make up their mind about it.

We must do the same with intelligence. As more than one Member has said, there is a genuine need to challenge the current culture of intelligence secrecy, which goes beyond phone tapping. If one were to suggest to the intelligence services that they submit a statement to the court, they would say that it would work out who it was from, how they got it, who told them about it and so on. Like any culture, if left unchallenged, the assumptions of that culture of secrecy will become set in stone. I suspect that that is happening, and I shall return to the subject when I deal briefly with phone tapping.

More intelligence should be admitted in criminal trials. We should not forget the powers that are already available. The Criminal Justice Act 2003 allows the admission of hearsay. It allows first-hand evidence—"I saw it". However, it also allows second-hand evidence—"he told me he saw it"—third-hand evidence, "he told me she said she saw it", and written instead of oral evidence. If that is good enough for ordinary criminal trials, it is clearly good enough for terrorist trials, and is a way in which intelligence evidence can be admitted. The weight put on it is a matter for the court, but it is available and is a mechanism that should be tried.

Witness protection measures are sophisticated and go far and wide. There are, for example, devices that distort voices. I appeared in a major case of organised crime in which an informant gave evidence. He was produced from nowhere in the sense that he had been circling in a car before he came into court. He was dressed like a sort of Indian mystic—he was covered from head to foot in white clothing and wore a patently false beard. One could not therefore tell whether he was tall or short, fat or thin, or anything else about him. Despite all that, he gave evidence from behind a screen and left through a back door. However, he was worth bringing to court because he had an impact on the case. Witness protection measures, even as bizarre as those, are used in the ordinary courts and can be used in the instance that we are considering.

As the Newton committee recommends, surveillance, although expensive, can be much more intensive than it currently appears to be and can be admitted. More overseas courts admit more surveillance than we have historically ever done. Again, I suspect that the intelligence culture of deep, dark secrecy is responsible for that.

Hon. Members have made points about phone tapping, but we are under increasing pressure to change the rule. In an intervention, I mentioned a case in which I appeared shortly before being elected. Members of an alleged international drugs ring were telephoning about day-to-day arrangements for dealing with the consignment. The phone taps that were picked up at the Dutch end were admitted into the Old Bailey and those that were presumably picked up at the English end—no one can say whether there were any, but it would be nonsense if there were not—could not be used. Our European partners will not tolerate for much longer a position whereby they can give us evidence to help get rid of international crime but we neither use our own nor give it to them. Clearly, there is plenty of scope and the sooner the review produces a positive answer, the better. Again, I suspect that the security services have been unduly cautious for a long time.

There is a further problem about admitting such material. If a prosecution wants to use 20 minutes of the product of phone tapping, when a person's phone has been tapped for six months, it would be necessary, for fairness, to disclose the whole six months to the defence so that it can ascertain whether anything helps to

exculpate the accused. Of course, that is enormously expensive, cumbersome and perhaps capable of more closely approaching a threat to the method of obtaining the material. However, I believe that there is scope for compromise, probably through an independent judge scrutinising the material. Again, it is a tactic that can be used.

There is therefore a rainbow of measures, some extant and some potential. They form a rainbow only in the sense of ultimately offering some light for detainees because they will facilitate bringing more of them to trial. I accept that the standard of proof that is currently used is high and we are therefore, at all stages, not far away from being able to try such people if only we are a little imaginative about criminal procedure. To try such people must be our aim, thereby reducing the need for the part 4 powers by removing the foreign nationals out of Belmarsh and into court and protecting us, through the courts, from the British national extremists, who, we are told, now constitute an equal threat.

We consultees must work with the Home Office ceaselessly and use our imagination to build on those and other possibilities, with the intention of shaving part 4 to the minimum and in the hope that we can entirely remove any need for it to survive.

I end on a note of uncertainty, which runs through my position on the matter. If we go through the process, work hard, smarten up the criminal justice system, put the part 4 detainees on trial but part 4 continues, we fail to convict them and they are acquitted, will they simply be detained again?

6.8 pm

Dr. Julian Lewis (New Forest, East) (Con): The limited amount of time and the number of hon. Members who still wish to speak means that I shall endeavour to be as concise as possible.

Most of the debate so far, including the erudite contribution of the hon. and learned Member for Redcar (Vera Baird) has rightly focused on the legal issues that confront the Home Secretary and the Minister. I do not envy either of them their dilemmas. They must consider, in the domestic context, what is known in the international context as the problem of pre-emption. The Minister summed it up succinctly in her intervention on my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg). However, my aim is to consider the security issues that have emerged concerning the disclosure of intercept data in criminal trials and the recruitment of extra staff by MI5. Most of us would accept that it is fundamental to counter-intelligence work to maintain a strong element of surprise and keep one's enemy guessing. It was therefore a little unexpected to read in *The Guardian* on Monday 23 February:

> "MI5 has won the backing of Tony Blair to allow the product of telephone taps to be used in court cases".

Historically, it has usually been the other way round: politicians usually agitate for the disclosure of such material; security professionals tend, for very good reasons, to resist them.

That point has been illustrated repeatedly over the past 80 years. One can go back to 1927 and the famous raid on the Soviet trade delegation and the ARCOS company. The Home Secretary disclosed the important techniques used by the security services, and we were unable to take similar action against Soviet dangers for many years after that. As recently as the first attack on the twin towers in the early 1990s, the Americans revealed information about their ability to listen to mobile telephone conversations, which ensured that they did not get that sort of warning when al-Qaeda tried again successfully in 2001. The danger of such disclosures is not only that terrorists learn what can be tapped; they may also learn what cannot be tapped and put that knowledge to use in lethal attacks in the future.

Let us consider what the would-be suicide terrorists and their co-ordinators will be trying to do in the months and years ahead. They will try to hide their affiliations; they will try to plan in secret; they will try to keep their communications secure and will therefore try to find out which communications systems cannot be monitored; they will try to find out what MI5 knows about them and their plans; and they will therefore try to infiltrate the Security Service to secure all those objectives. Conversely, the Security Service needs to operate in ways in which as little as possible of its intelligence-gathering capacity and its manning and recruitment are revealed.

That is why I am concerned about last weekend's flurry of publicity, and I am grateful to the right hon. Member for Berwick-upon-Tweed (Mr. Beith), who I am pleased to see is still in his place, for also voicing his concern. The Home Secretary sought to brush aside my interventions—rather flippantly, I thought—suggesting that the announcements made at the weekend were old reports about a process that had been ongoing for a long time.

It is a fact that all the reports that appeared—I have a sheaf of them from which I could quote at leisure—indicated that recruitment will primarily be for the future. The 1,000 extra surveillance officers will apparently be in place after a time-lapse of three or four more years. I cannot see what could be gained by advertising to people who have an interest in trying to get into the security services for nefarious purposes that the mass recruitment of Arabic speakers has yet to be completed. The matter should have been dealt with in delphic terms, and confirmed only after the process had been carried out.

David Winnick: Will the hon. Gentleman give way?

Dr. Lewis: I would rather not, because the hon. Gentleman's hon. Friends will not be able to speak.

I conclude—in line, I hope, with my promise to be concise—with two quotes from items in the press today. In *The Independent*, Dr. Brian Jones, formerly the leading nuclear, biological and chemical analyst for the Defence Intelligence Service, who has intimate knowledge of these matters, states:

> "From an intelligence and security perspective, it seems rather odd to so publicise a change to an organisation that normally operates with stealth and in the shadows."

Indeed, in *The Independent* today there is also a small item headed

> "Would-be spies rush to visit website".

Underneath we read:

> "Visits to MI5's website increased sixfold at the weekend after it was revealed that the security service intended to recruit 1,000 new staff to counter a feared al-Qa'ida attack on Britain.".

[Dr. Lewis]

I can only hope that the Security Service knows what it is doing in recruiting en masse in this very transparent way. It is a fact that would-be spies are rushing to apply. The question is: are they would-be spies on behalf of MI5 or are they would-be spies against MI5?

6.15 pm

Mr. Robert Marshall-Andrews (Medway) (Lab): I also shall be brief. I should like to start by making two general propositions.

The first is something that is blazingly obvious, which is that there are a large number of people in this country who are in prison and who deserve to be there. There are a large number of people in this country who are in prison for a long time and who deserve to be there. I can claim a small or modest part in the imprisonment of some of them at least, either because I prosecuted them or, possibly even more so, because I defended them from time to time. Whereas many deserve to be in prison, no man and no woman in this country deserves to have his or her civil rights abnegated, and there is no reason that I am aware of for that to happen.

As part of this debate, I wish to state that there are 17 people we know of whose civil rights have been totally abnegated. They have been in prison for years, without recourse to proper legal procedures, without trial, without knowledge of the reasons for which they are in prison, and with every single civilised practice that we have in criminal jurisprudence in this country in abeyance. The importance of this is that it is not their rights that are abnegated. It is not their individual rights that are the subject of abuse and attack, because civil liberty does not belong to individuals. Civil liberty is something that we own as a collective whole.

What abuses those people abuses me. Without wishing to paraphrase or misquote the great poet, I would add that what diminishes them also diminishes me. The fact that there are those in this society, in my society, in my country, who are in this position now is an abnegation of my liberty in the same way as it is an abnegation of theirs.

The second general point that I wish to make is about al-Qaeda, which poses two threats to this country, both of them grave. The first is a threat to the liberty, life and property of our individual citizens and those who are within our jurisdiction. That is a grave threat, a threat that al-Qaeda has already demonstrated the ability to carry out.

The second threat is infinitely more grave, however. It is the erosion of our civil liberty. Every time our civil liberty is eroded because of al-Qaeda it is a victory, not for the Home Office, nor for the security services, but for al-Qaeda itself. Every time we erode our civil liberties, and do it at al-Qaeda's behest, it is a victory for al-Qaeda, a victory infinitely more profound and infinitely more deadly than the injury or damage to property or even to life.

We have now taken draconian powers as a result of the emergence of that terrorist, criminal organisation. I shall give one example under the Terrorism Act 2000, which hon. Members may be interested in. It is now an offence to possess "Scouting for Boys". I have a copy; I have had it for a long time. It is an interesting book—now dated, of course—by George Baden-Powell. I have seen it on a list of books in an indictment. It is undoubtedly an offence to possess it. Why? It is because that little book tells one how to live in woodland, how to whittle sticks, how to build a bivouac, how to make a fire and how to survive. It is an offence to possess it, and it does not even have to be proved—I acknowledge the look of astonishment on the face of my hon. Friend the Member for Brent, North (Mr. Gardiner), who knows me well enough to know that if I am talking about law it is one of the very few things that I get right. It is an offence to possess the book at all under the Act—it does not even have to be proved that someone intends to use it for terrorist purposes. Let us not pretend that we have not ladled on our protections as thickly as possible.

May I pass over the excellent report that the Newton committee has produced? The committee has proved that on occasions the great and good can be precisely that, and has provided us with a report that is eloquent, intellectually sound, well argued and wrong in only a small number of particulars.

I pass on to the real point that I want to make. It will take me only two minutes, which means that I can leave my hon. Friend the Member for City of York (Hugh Bayley) some time effectively to wind up the debate for the Back Benches. I do not understand the rigorous distinction that has been drawn in the House between criminal activity and terrorism: doing so represents a grave danger. Terrorism is a crime—it is as simple as that. It is the terrorist who seeks warrior status and to be at war. The IRA persistently sought warfare status against us and we persistently denied it. Many of us cavil at the expression "the war on terrorism" because terrorism is the pursuit of serious crime—pure and simple—and should be treated as such.

We have all the ammunition, experience and criminal procedures necessary to prosecute terrorism as the most serious of crimes. If we did that, we would cease to dignify those whom we prosecute with the status of those held in Belmarsh, who are undoubtedly regarded as martyrs to, and warriors in, their cause. I can say straightaway that there would be no problem with evidence. We deal with covert surveillance in the courts every single day of the week. The system is now so effective and deadly that conviction rates have increased markedly in the past two years. We deal every day of the week with public interest immunity applications. People who prosecute go before judges and say, "I have an informant, but I cannot reveal his identity because he would be at risk." In cases of which I have experience, such informants were every bit as much at risk as would be those who informed on al-Qaeda or other such criminal groups. Judges are perfectly capable of protecting the identity of those who give such evidence. We can deal with that without any trouble at all. The problem of not dealing with the situation in such as way is, as I have said, that we create a reservoir of hatred and resentment, which is not the hallmark characteristic of the way in which we deal with our criminal law.

I simply conclude as I did the last time we had this debate. The exclusion of the courts and judicial review is an abhorrence within our system. It is a gross abuse of our civil rights that should not be tolerated. It is a common truth that we do not improve human behaviour by the denial of human liberties—that has never been done and never will be.

6.23 pm

Hugh Bayley (City of York) (Lab): I am grateful to my hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews) for being brief and giving me a few moments to speak in the debate. He is unlikely to be convicted and imprisoned for the possession of "Scouting for Boys"—he even forgot the first name of its author, so he clearly has not been reading it closely.

It is right and proper that the House has concentrated on the fight against terrorism and the security risks that face our country because that is what the Anti-terrorism, Crime and Security Act 2001 exists principally to address. However, I wish to speak briefly about one of the Act's criminal provisions that would have become void if this debate had not taken place and if there had not been a similar debate in the other place.

As I indicated earlier, I want to speak about part 12 of the Act, which deals with the problem of international bribery and corruption. I have a longstanding interest in the issue. I introduced a ten-minute Bill six or seven years ago, and I was delighted when the Government introduced measures in the Act to make bribery or corruption by British citizens or British companies abroad an offence in British law.

Legislation is necessary. It is estimated that corruption costs $1.5 trillion globally, some 5 per cent. of the world economy, and it makes business difficult in many countries. The CBI used to accept with great reluctance that bribery was a necessary way to do business in certain markets, but it dropped that approach some years ago because the level of bribe required in some markets simply got to the point where it was impossible to do business at all.

I became interested in the issue because bribery and corruption undermine development in many poor countries. When President Mobutu of Zaire was driven out of his country, his personal wealth was judged to be almost as great as his country's national debt. A case is before the courts in London in which the Government of Nigeria are seeking to have returned to Nigeria $1.3 billion that is currently in the bank accounts of the former Nigerian President, the late General Abacha. Such a sum represents 20 or 30 years of British aid to Nigeria. It becomes completely impossible to carry out development assistance in circumstances in which Heads of State, other leading public officials or politicians corruptly accept money of that order. Corruption at the top trickles down through the ranks of public officials and police and customs officers until it paralyses development.

The Newton committee agreed with the Joint Committee on the draft Corruption Bill that there should be a radical simplification of the bribery and corruption law in the forthcoming Bill. The Home Secretary in the discussion paper that he published today does not agree with all the arguments of the Newton committee, but I am sure that he remains committed to the principle of introducing new legislation on corruption.

Part 12 of the Act is essential—for the time being at least, until there is other legislation—to the United Kingdom's compliance with the 1997 Organisation for Economic Co-operation and Development convention on combating bribery. This year, the United Kingdom faces an evaluation by the OECD's working group on bribery to see whether we comply with the convention. Also this year, we face an evaluation by the Council of Europe's group of states against corruption of our compliance with the Council of Europe's convention on corruption, which was ratified by our Government in December last year.

Mr. Shepherd: The hon. Gentleman is making a most important contribution on an issue that has not been touched on in the debate. A report in today's *Financial Times* under the authorship of Laurence Cockcroft, the chairman of Transparency International (UK), refers to the

> "recent disclosure of a discreet briefing by Jack Straw, foreign secretary, last year to Foreign Office staff, in which he said UK business people caught making illegal facilitation payments to foreign officials would not be prosecuted".

Is the hon. Gentleman not alarmed and shocked at that?

Hugh Bayley: I am concerned to hear that, although I know that the Foreign Secretary has sent instructions to all posts abroad that they should report to the Foreign Office cases in which it is believed that there has been bribery or corruption of public officials in other countries by UK citizens. It is necessary to collect the evidence if we are to have prosecutions and convictions under the legislation. I am not in the business of drumming dozens of business men through the British courts and getting them sent to prison, but it is important for there to be a few cases so that the business community realises that this is a business practice that cannot and should not happen.

Through the good offices of the Solicitor-General, I have had the opportunity to meet her and her officials and the Serious Fraud Office, and I know that there are cases under investigation. I should hate to see the legislation in part 12 of the 2001 Act fall before new and better legislation is on the statute book, because all the effort that the Serious Fraud Office and others have put into gaining evidence, so that cases can be brought before the court to see how this legislation works in practice, would then be wasted. Dealing with any serious financial crime, and gathering evidence for prosecutions, is a costly exercise. It is especially costly and difficult when the evidence needs to be collected from abroad.

The United States has had legislation of this kind on its statute book for almost 30 years, and has brought some 29 cases against 23 companies and 54 individuals. Fines imposed have ranged from $10,000 to $21.8 million, and some company executives have been sent to prison. International bribery and corruption are serious offences, and are not victimless crimes. The people who have been bribed in the American cases include Presidents, Government Ministers, military officers and Members of Parliament in 34 different countries, including developed ones, ranging from Nigeria, Mexico and Iraq to Israel, Italy and Canada.

Unlike the US legislation, ours is new and cases have not yet been brought to court under it. I hope that the Minister can reassure me that the legislation in part 12 will remain on the statue book until such time as we have a new corruption Act. I welcome the commitment that the Home Secretary gave, in response to my intervention, that this issue will be addressed in the

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serious and organised crime White Paper. I hope that the White Paper will cover the enforcement of the law, as well as the legislative framework for this matter.

6.32 pm

Patrick Mercer (Newark) (Con): We have been extremely lucky in today's debate to have three members of the Newton committee with us: the right hon. Members for Islington, South and Finsbury (Mr. Smith) and for Berwick-upon-Tweed (Mr. Beith), and my right hon. Friend the Member for North-West Cambridgeshire (Sir Brian Mawhinney). They were all able to add much depth and clarity to a debate that I found useful and enlightening.

The Home Secretary started with a lengthy but clear exposition of exactly what the committee had said and his response to it. We did not need that to be quite so long, because it had all been trailed in the press several days in advance, so none of it came as much of a surprise. However, my right hon. Friend the Member for Haltemprice and Howden (David Davis) then made an extremely balanced and clear contribution, setting the agenda for the rest of the debate. He talked particularly about part 4 powers, and said that the fact that the Government had agreed to review not only those powers but the whole Act, including the details of intercept evidence, after six months would probably mean that the Opposition would support the Government on this measure.

The question of intercept evidence has been mentioned widely. The right hon. Members for Islington, South and Finsbury and for Berwick-upon-Tweed, the hon. Member for Walsall, North (David Winnick), my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg) and a number of others all talked about intercept. Although it is undoubtedly extremely important, perhaps I might add a note of caution from my practical experience of it. Intercept is not only, as the hon. and learned Member for Redcar (Vera Baird) said, a question of telephone tapping—although I know that she knows that. As we move away from the last war, as the hon. Member for Hendon (Mr. Dismore) said, and start to look at the new war—I shall be careful about using that phrase in the presence of the hon. and learned Member for Medway (Mr. Marshall-Andrews)—or at the new campaign, we have to understand that we will be intercepting not only clear speech on the telephone, but veiled speech on the internet, in e-mails and in other means of electronic communication, which it will be extremely hard even for trained analysts to understand.

That point was clearly brought out by the right hon. Member for Southampton, Itchen (Mr. Denham). Using such information as evidence will not be simple. The people involved do not use clear speech. They do not say, "Let's organise an attack for next Tuesday using three rocket launches and four people carriers." It is not done like that. Even in the days of the IRA, which was relatively unsophisticated, not a single terrorist in my experience used clear speech.

It is clear from the difficulties with flying aircraft back and forth to America that whatever is being intercepted is extremely difficult to interpret. Turning that interpretation into evidence will be very tricky. I thoroughly understand the Government's reservations and applaud the points made by my right hon. Friends the Members for Haltemprice and Howden and for North-West Cambridgeshire and other hon. Members, but using such evidence will not be as simple as it seems. Nevertheless, I appreciate that the Government have agreed to review the matter.

One or two other points emerged clearly from the debate. The hon. Member for Winchester (Mr. Oaten) was backed up by the right hon. Member for Southampton, Itchen and the hon. Member for Walsall, North. All spoke about the racial aspects of the legislation—how the Muslim community could feel particularly victimised. Indeed, the Muslim community in my constituency is extremely uneasy about the developments of the past two years. There is no doubt that the community feels scrutinised, if not victimised. I therefore ask the Minister what the Government will do about introducing a Muslim outreach programme such as that which the American Government so successfully implemented following 11 September 2001. How are we approaching that matter and how are we ensuring that such communities feel less uncomfortable? As my hon. Friend the Member for New Forest, East (Dr. Lewis) said, we depend greatly on those very communities for intelligence, information and recruits for our intelligence services, which I am told are developing and expanding considerably.

At least three colleagues spoke about allowing subordinate legislation to amend primary legislation—my hon. Friend the Member for Aldridge-Brownhills (Mr. Shepherd) made a powerful intervention on the subject. It is clear from his remarks, as well as those made by my hon. Friend the Member for Stone (Mr. Cash), that, hand in hand, the Terrorism Act 2000 and the Civil Contingencies Bill are changing the face of legislation. We must be desperately careful that extreme measures do not lead to extreme legislation which, to paraphrase the hon. and learned Member for Redcar, we later regret or have to allow to wither on the vine rather than use day to day.

We have been told clearly—almost to the point of nauseam—that extra resources will be given to MI5, but where will extra resources come from for MI6, GCHQ, the National Criminal Intelligence Service, Customs and Excise, immigration services and the host of other agencies that collect information or intelligence? May I go one step further and ask the Minister to what extent those disparate organisations will be streamlined as a result of the White Paper on our intelligence services?

There has been a lot of exposure in the press about lack of economies of scale in our intelligence agencies. At least two contributors, my right hon. and learned Friend the Member for Sleaford and North Hykeham and the hon. and learned Member for Redcar, have expressed their reservations about the use of intelligence, the gathering of it and the virtue of it. Only by streamlining our intelligence services will economies of scale be reaped. Only by doing that will we be able physically to produce a set of intelligence that it may be possible to interpret so that it can be used as evidence in court. I would be grateful for the Minister's comments on that.

Although I do not believe that this matter has been covered tonight, I would be extremely interested to know what measures the Government intend to take against those people who are recruiting the British suicide bombers whom we have seen in action recently. To the best of my knowledge, three Britons have now destroyed themselves with suicide bombs, and I believe that they were recruited in this country in such a way that it was probably not a criminal act. What will we do about those leaders who choose to suborn the people whom they are meant to lead? What powers will we have to prevent that sort of recruiting, which manifests itself clearly in terror overseas and no doubt in due course here at home?

I want to underline the points made by several Members that this legislation puts too much emphasis on what has existed previously. The idea of internment—that is what it is—has clearly not worked in the past. We have been through that, and looked at the lesson. We cannot try to reintroduce internment even in a modified or attenuated version as we see in Belmarsh today. Can the Minister assure me that we will look at new ways of dealing with this matter?

We are blessed with excellent security services. It has already been mentioned that this time last year we were facing an attack in this country by a chemical or perhaps a biological agent—the information can be interpreted in two ways. Ricin was going to be used in north London. Similarly, in the middle of February last year, armoured vehicles were deployed around London Heathrow airport to protect us from a surface-to-air missile threat. Both those victories—victories they were—were based on solid and profound intelligence. We deterred both those operations. Had we not done so, I suspect that the whole nature of today's debate would have been different. We have the men and women of our intelligence agencies and our police force to thank for that.

My last point has been made clearly, not least by the hon. and learned Member for Medway: we cannot allow our liberties to be compromised by bad laws. We must uphold the laws of this land. We must have effective and proper laws that reflect our particular brand of liberal democracy. If we do not, we give way to the pressures of the terrorists and we become as bad as they are.

6.43 pm

The Minister for Citizenship and Immigration (Beverley Hughes): First, this has been an outstanding debate. We have had some powerful and thoughtful contributions, which were almost exclusively on part 4, which I will address in a moment. I want to start with the issues that have been raised about other parts of the legislation.

The shadow Secretary of State spoke about freezing orders and identity fraud, and he has seen the reply in our response to the Newton committee. On the freezing orders, it is important that he notes that while we have used the Terrorism (United Nations Measures) Order 2001 up to date, there may be some time in the future when we will need to act on our own quickly. It is therefore important to keep that power in place. More generally, in relation to other parts of the legislation, the fact that some powers may not have been used much does not detract from their deterrent effect. That is an important point that the police and others have made to us.

My hon. Friend the Member for City of York (Hugh Bayley) made specific points about part 12 and the bribery provisions. I am well aware of his long-standing interest in bribery, particularly bribery overseas. That relates to his concern about international development. *[Laughter]*. I am sure that my hon. Friend and his constituents will understand what I meant. I was casting no aspersions. Anyway, I can reassure my hon. Friend that we would not want to lose the powers in part 12 until alternative legislation was in place.

We heard speeches about other parts of the Act from two members of the Newton committee, the right hon. Members for North-West Cambridgeshire (Sir Brian Mawhinney) and for Berwick-upon-Tweed (Mr. Beith). I echo the Home Secretary's thanks to all members of the committee, particularly those from whom we have heard today. I will not comment on all the issues that they raised—I hope they will understand—but I trust they will accept that the Government's response to the report is serious and considered. The Government have a duty to respond to reports, and it is in the nature of things that we will not agree with everything in them, but according to my count we have agreed with, or said we are already consulting or acting on, about 60 per cent. of the committee's recommendations. I hope its members will accept that our disagreement with some does not negate our view of the seriousness of the work that has been done and the important contribution that it has made to the debate. Indeed, the Home Secretary's document states that the committee's work and that of Lord Carlile have helped to shape the debate that we hope will take place shortly.

Inevitably, today's debate has mostly concerned part 4 powers and whether, as the committee suggests, they should be replaced as a matter of urgency. The House has discussed the various alternatives that the committee, and Members who have spoken today, have suggested. My right hon. Friend the Home Secretary has already explained why the part 4 powers were introduced, and why we still need them. I think that the unprecedented and horrific attacks on 11 September, followed by the attacks that have been mentioned today—in Bali, Saudi Arabia, Casablanca, Jakarta and Istanbul—are testimony to the need for those provisions. It is clear that international terrorists remain willing and able to attack British interests at home and, indeed, abroad, as we saw in Istanbul. The absence of a successful attack so far on the United Kingdom or other western targets could lead some to conclude that the threat has been reduced or confined to parts of the world where such an attack would have little impact on us, but that is not so.

Mr. Cash: In the context of the potential for something of that kind to happen, may I point out that the Civil Contingencies Bill would almost certainly become operative? Given that the Home Secretary supports the Bill, will the Minister assure us that the test of reasonableness inherent in the 2001 Act will be applied to it, and that there will be no ousting of the courts' jurisdiction? After all, the Bill will overtake and possibly subsume the provisions of the Act.

Beverley Hughes: I know that the hon. Gentleman is very exercised about the Civil Contingencies Bill. I can tell him that alongside the written statement on

[Beverley Hughes]

resilience that we placed in the public domain today are powers in the Bill—I think they are the powers that concern him—to be used in such emergencies. They are intended to enhance our resilience in the event of an attack, and will be used only in those extreme circumstances.

As Members know, the threat is real and the risks high and long-term. We face a public emergency that threatens the life of the nation. I am grateful to my hon. and learned Friend the Member for Redcar (Vera Baird), who summarised the various sources of consensus on that point, but let me now explain why we think this particular threat presents us with challenges that are very different from those we have experienced so far. It is perpetrated by people in different groups in many different countries—and by people in loose, fluid federations—with no obvious political objective except destruction. That means that those groups are very difficult to penetrate, and gathering and evaluating intelligence is very difficult.

Moreover, the tactics, which include suicide bombings, mean that prosecution after the event is, by definition, totally irrelevant. So prevention of such attacks is critical, which means that our main source of evidence has to be intelligence and similar material, not evidence after the fact. Taking all those factors in the round, the hallmarks of our normal judicial system that we value highly—open court; defendants hearing all the evidence; bringing to court witnesses, whose lives would then be threatened—offer us no realistic prospect of prosecution in key cases. That is the dilemma that we face in the light of this new kind of terrorism.

So how are we facing this threat? First—this point is worth making, because it was not made particularly strongly today— we are prosecuting where we can under existing terrorist legislation and the criminal law. There have been six prosecutions under the Terrorism Act 2000 and convictions under other legislation. It is important to note that many convictions in relation to terrorist activity are not necessarily prosecuted under that legislation, but under alternative criminal legislation, a recent example being the arrest and charging of Mr. Badat in Gloucestershire. Initially, that arrest was made under the 2000 Act, but inquiries led to his being charged under the Explosive Substances Act 1883. Other current cases, such as those involving ricin, and the offences arising from the death of DC Oake, may involve the laying of other kinds of charges.

Sir Brian Mawhinney: In looking at this issue, will the Minister reflect on the evidence that the Home Office gave to us in what was probably the most unsatisfactory of our evidence sessions? We asked what the Government's view would be if people whom they suspected of being terrorists were prosecuted under the rest of the legislative programme and sent to normal prisons. We asked what their assessment was of the risk of such people's propagating their terrorist philosophy, were they to be exposed to a range of people with whom they would not have contact under the terms of restraining terrorist legislation. The Home Office gave no effective answer. This is an issue that needs to be explored.

Beverley Hughes: The right hon. Gentleman raises an important point, but I can assure him that the Prison Service and the other relevant agencies have well-established systems for dealing with people who present such a risk when in custody. We will use whichever means we can to get the maximum number of prosecutions, and the maximum level of sentence for any person whom we suspect of terrorism, whether it means using criminal law or not.

In terms of how we are dealing with the current situation, we also have the part 4 provisions. I want to make a couple of points about the Special Immigration Appeals Commission and the way in which the certification process has been used. Members need to understand that SIAC is not an inferior type of court. In fact, by definition it is a court of superior record, which is chaired by a High Court judge. There are hearings in advance of individual appeals that deal with disclosure. The special advocates have played a powerful and important role in challenging material that the Secretary of State has put to SIAC. During the appeals themselves, and in examining social security witnesses, the advocates have actively challenged material and raised relevant points of law. It is very important that Members understand the SIAC process.

I also want to put on the record a rebuttal of the contention of the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg) that because such people are in detention, the agencies would take their foot off the pedal in terms of reviewing cases and considering whether information has changed. That is not true. Every case is kept under active review by the Home Office, the police and the security services both prior to individual appeals and as part of the six-monthly and three-monthly reviews.

On the certification process, it is important to understand that Lord Carlile stated that the Secretary of State used his powers proportionately and certified people only in appropriate cases. Members will know that in the 11 individual appeals that SIAC has determined, all the certificates were upheld.

That said, it is right and important, for the reasons identified by hon. Members in the House today, that we debate widely how we should respond to the threats of the future and whether, as the Home Secretary said earlier, we can establish incrementally additional means of dealing effectively with the threat that we face.

The Newton committee—others have agreed today—believes that the powers of detention should be replaced, that all terrorists should be dealt with by the same route regardless of nationality and through means that do not require a derogation. That would be the ideal, but the question is how, at the same time as achieving those objectives, we can provide an effective response to the particular characteristics of the new terrorism that we face. That point was powerfully made by my hon. Friend the Member for Hendon (Mr. Dismore).

Some alternatives have been proposed. The hon. Member for Newark (Patrick Mercer) himself provided a good critique of the limitations of intercept evidence. Terrorists know that we intercept them and the quality

of the information that we glean is variable as potential usable evidence. Intercept evidence, investigating magistrates and surveillance all have potential as a package, but the difficulty is that, either alone or together, they do not overcome one of the main problems—the nature of the intelligence that we would want to present and how we protect the lives of the agents who provide much of that intelligence, often by infiltrating small groups of people.

My hon. and learned Friend the Member for Redcar spoke about using hearsay evidence. If a person were to say in court that someone told them that such and such a thing either happened or was said, the agent could and would be identified. I hope that our forthcoming debate will address that major obstacle.

We are not currently convinced that any of the alternative proposals mentioned today, even if taken together, provide a workable alternative to the part 4 powers. As the Home Secretary said, we face a challenge and the Government—and, indeed, the whole House—would be criticised if the country suffered a terrorist attack and we had not taken the necessary precautions. We need to balance the need to protect the nation with the need to protect the individual freedoms and liberties that are at the heart of our democracy.

The rights of the individual are central, but they are not confined to the rights of the suspected terrorist. Every member of the public, every family, every child has the right to expect the maximum security and freedom from harm in a mature democratic society. Our dilemma is how best to balance the rights of that majority and the rights of the few. It has to be a balance. To argue, as some have done today, that the rights of suspects—or the rights of the individual theoretically—in any process of prevention or prosecution must be supremely paramount is to deny the citizen's right to security. In our view, to say that the processes and principles of law as we know them already are the only ones possible is to deny the nature of the terrorism that we are dealing with.

As we go forward, I hope that we can maintain the spirit that we have had today. We have made an excellent start, and I enjoin the public to join in the debate, as it is in their main interest that the Government are acting.

Question put, That the amendment be made.

The House divided: Ayes 68, Noes 313.

Division No. 59] **[6:59 pm**

AYES

Baker, Norman
Beith, rh A. J.
Brake, Tom *(Carshalton)*
Breed, Colin
Brooke, Mrs Annette L.
Bruce, Malcolm
Burnett, John
Burstow, Paul
Cable, Dr. Vincent
Calton, Mrs Patsy
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Chidgey, David
Corbyn, Jeremy
Cotter, Brian
Davey, Edward *(Kingston)*
Doughty, Sue
Etherington, Bill
Ewing, Annabelle
Foster, Don *(Bath)*
George, Andrew *(St. Ives)*
Gidley, Sandra
Green, Matthew *(Ludlow)*
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Heath, David
Hoey, Kate *(Vauxhall)*
Hogg, rh Douglas
Holmes, Paul
Hughes, Simon *(Southwark N)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Lamb, Norman
Laws, David *(Yeovil)*
Llwyd, Elfyn
McDonnell, John
McNamara, Kevin
Marsden, Paul *(Shrewsbury & Atcham)*
Marshall-Andrews, Robert
Mawhinney, rh Sir Brian
Moore, Michael
Oaten, Mark *(Winchester)*
Öpik, Lembit
Price, Adam *(E Carmarthen & Dinefwr)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Sanders, Adrian
Sedgemore, Brian
Shepherd, Richard
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Stunell, Andrew
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tonge, Dr. Jenny
Tyler, Paul *(N Cornwall)*
Webb, Steve *(Northavon)*
Weir, Michael
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wishart, Pete

Tellers for the Ayes:
Richard Younger-Ross and Bob Russell

NOES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, John
Bayley, Hugh
Begg, Miss Anne
Beggs, Roy *(E Antrim)*
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunkett, rh David
Boateng, rh Paul
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burnside, David
Byers, rh Stephen
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Gregory *(E Lond'y)*
Campbell, Ronnie *(Blyth V)*
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Coleman, Iain
Colman, Tony
Connarty, Michael
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Corston, Jean
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna

Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Hermon, Lady
Hesford, Stephen
Hill, Keith *(Streatham)*
Hinchliffe, David
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kemp, Fraser
Kennedy, Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Leslie, Christopher
Levitt, Tom *(High Peak)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McDonagh, Siobhain
MacDonald, Calum
MacDougall, John
McFall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, rh Peter
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Miliband, David
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Morley, Elliot
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purnell, James
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Smyth, Rev. Martin *(Belfast S)*
Soley, Clive
Spellar, rh John
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Stringer, Graham
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dan *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Wicks, Malcolm
Wilkinson, John
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Mr. John Heppell and Paul Clark

Question accordingly negatived.

Main Question put and agreed to.

Resolved,

That this House takes note of the Privy Counsellor Review Committee Report on the Anti-Terrorism, Crime and Security Act 2001 Review (HC 100), which was laid before this House on 18th December 2003.

EUROPEAN COMMUNITY DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees).

PROTECTING THE EUROPEAN COMMUNITIES' FINANCIAL INTERESTS

That this House takes note of European Union Documents No. OJ C286, Vol. 46, the European Court of Auditors 2002 Annual Report; No. 11954/03 and ADD 1, Commission Report evaluating the activities of the European Anti-Fraud Office; No. 11993/03, Commission Annual Report 2003: protection of the financial interests of the Communities; Third activity report of the European Anti-Fraud Office for the year ended June 2002; and Fourth activity report of the European Anti-Fraud Office for the year ended June 2003; and supports the Government's continuing efforts to promote measures to improve financial management and combat fraud against the European Community's financial interests.—*[Jim Fitzpatrick.]*

Question agreed to.

PETITION

Fireworks

7.15 pm

Dr. Howard Stoate (Dartford) (Lab): I have pleasure in presenting a petition initiated by my constituents Mrs. Jess Southerton and Mrs. Susan Stewart and signed by more than 750 of my constituents, mostly from the village of Hartley. My constituents welcome recent legislation restricting the sale and availability of fireworks to the general public, but feel that further legislation banning the over-the-counter sale of fireworks to the public is necessary in view of the large number of domestic accidents and injuries caused by the inappropriate use of fireworks by untrained members of the public that continue to occur to residents and animals in communities such as Hartley.

The petition states:

The Humble Petition of residents of North Kent sheweth

That the over the counter sale of fireworks to the general public, who are untrained in the correct handling and use of fireworks for use in private firework displays, unnecessarily endangers the health and safety of their users, as well as onlookers and passers-by, and causes unnecessary distress and nuisance to neighbours, domestic animals and livestock.

Wherefore your petitioners pray that your honourable House will take such measures as lie within its power to prevent the over-the-counter sale of fireworks to the general public at all times.

And your Petitioners, as in duty bound, will ever pray.

To lie upon the Table.

Lindisfarne Gospels

Motion made, and Question proposed, That this House do now adjourn.—*[Jim Fitzpatrick.]*

7.17 pm

Joyce Quin (Gateshead, East and Washington, West) (Lab): I am very pleased to be given this opportunity to urge the Government to take steps to ensure the permanent return of the Lindisfarne gospels to the north-east of England. I am also pleased to see in the Chamber several of my right hon. and hon. Friends who take a great interest in this issue, including my right hon. Friend the Member for Tyneside, North (Mr. Byers) and my hon. Friends the Members for North Durham (Mr. Jones), for Middlesbrough, South and Cleveland, East (Dr. Kumar) and for Tynemouth (Mr. Campbell), as well as my hon. Friend the Member for Wrexham (Ian Lucas), who, although he does not represent the north-east, comes from my part of the north-east in Gateshead. I am pleased that the right hon. Member for Berwick-upon-Tweed (Mr. Beith) is here, because I am aware that the issue crosses the party divide. I pay tribute to other colleagues, including my hon. Friend the Member for Houghton and Washington, East (Mr. Kemp), who has taken a long-standing interest in the subject.

I had a vivid realisation of just how dear the Lindisfarne gospels are to the hearts of people in the north-east some three years ago, when the originals were displayed in the Laing art gallery in Newcastle upon Tyne for three months. The number of visitors was very considerable—approaching 200,000, which, I understand, is double the number of visitors to the British Library in the same period. Having been one of the people who stood in line to view the gospels on that occasion, I well remember the excitement and exhilaration felt by those queueing.

It is important to stress to people from outside the north-east that the gospels, more than any other work of art, encapsulate the cultural achievement of what is described as the golden age of Northumbria—the age of Cuthbert, Aidan and the Venerable Bede. As such, the gospels are a huge and powerful symbol of the region's proud past, but I should like to argue that they can be something more—an inspiration for the region's future. The campaign to secure the return of the gospels has existed for a long time, and will, I am sure, continue until success is achieved. I pay tribute in particular to the work of the Northumbrian Association, which has led an active campaign in recent years. I also acknowledge the efforts of previous Bishops of Durham and the current bishop in support of the campaign. Five years ago, the previous Bishop of Durham inaugurated a debate in the other place about the return of the gospels. Interestingly, he won the firm support of the Earl of Carlisle, whose family were connected with Sir Robert Cotton, who acquired the gospels 100 years or so after they were looted from the region at the time of the dissolution of the monasteries. It was good that someone connected to the person who bequeathed the gospels to the British Museum was calling for their return to the north-east.

I am pleased that the press in the north-east, including *The Journal* in Newcastle this week, have supported the campaign to return the gospels. Indeed, a number of

[Joyce Quin]

well-known north-east personalities, including this week Brendan Foster, who is well known to my right hon. Friend the Minister for Sport and Tourism, have spoken out in favour of their return. In any debate about the relocation of national treasures, worries are expressed about the setting of dangerous precedents and the fact that many more demands for relocation may follow. However, having visited the British Library and seen the works on display, I know that there are many works, manuscripts and books from different parts of the United Kingdom, including a fair number from the north-east of England. However, I do not know of any campaigns, and do not expect any, in favour of the relocation of those objects, which do not have the special significance or iconic status of the gospels. A helpful precedent would be an event that took place a few years ago, when the stone of Scone was returned to Scotland. It was a special object with iconic status, and its return has similarities to the case for the return of the gospels.

I stress very strongly that the issue is not related in any way to that of the Elgin marbles, and should not be confused with it—they are completely different. The reason is obvious: the north-east is a part of the United Kingdom, and we are talking about the relocation of an item of our national heritage within our nation. Indeed, north-eastern taxpayers pay taxes towards the upkeep of the British Library just as much as taxpayers in London or anywhere else in the country do. National treasures do not lose their status as national treasures by being located outside the capital. Indeed, if the Lindisfarne gospels came back to the north-east, their status as a national treasure would be enhanced, not diminished.

It is appropriate that my right hon. Friend the Minister for Sport and Tourism will respond to our debate, as he and I have worked together enthusiastically to promote policies of decentralisation and devolution. I therefore hope that he agrees that the Government's record in promoting decentralisation in a range of policy areas including culture is laudable. Returning the Lindisfarne gospels would work with the grain of the Government policy of ensuring active regional and decentralisation policies in the cultural sector. Moreover, returning the gospels would boost the already important tourism industry in the north-east, and thereby boost the wider north-eastern economy.

As a Member representing part of Gateshead, I am conscious of the important link between culture and economic regeneration, which has been given dramatic emphasis in cultural developments such as the renaissance of the Gateshead quays and the important boost to the region's image provided by cultural innovations and attractions such as the angel of the north. Returning the gospels would be a significant further step in the economic regeneration of the region and the enhancement of its image, the importance of which should not be underestimated when attracting investment to the region and portraying it as an attractive region in which to work and live.

So far, the British Library and the Government have resisted the permanent return of the gospels to the north-east and I should therefore like to attempt to forestall some of their arguments against our campaign. First, the library points to the fact that, recently, high-quality facsimiles have been available. That is true; they usefully contribute to making the gospels visible in several different locations.

Mr. Kevan Jones (North Durham) (Lab): My right hon. Friend knows about the connection between the gospels and St. Mary and St. Cuthbert's church in Chester-le-Street. Its fight to have a facsimile on permanent display is obviously commendable but it would add to the history trail in the north-east if the gospels were on permanent display somewhere in the north-east. That would recognise the cultural and historical significance of the north-east to the development of Christendom in this country.

Joyce Quin: I greatly appreciate my hon. Friend's point. The importance of Chester-le-Street in the story of St. Cuthbert and in that of the gospels should be commemorated in the way he suggests. However, what appeared to be a special deal between the British Library and the region on the availability of a limited number of facsimiles has been somewhat undermined by the fact that the firm responsible has produced approximately 980. They are now viewed as a commercial venture rather than a sensitive response to the region's case. Nevertheless, their existence suggests a strong case for the British Library to have a high-quality facsimile and for the originals to be located permanently in the north-east.

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): I hope that the right hon. Lady will recognise, in pressing her powerful case, that in the view of the inhabitants of Holy Island, whence the gospels originated, the British Library has been helpful in making available a virtual version there and in supporting the presentation of information about the gospels on the island. I would not like the British Library simply to be criticised when it has given that help.

Joyce Quin: I appreciate that point and I know that people on the island value the help. The island is a tremendously important tourist asset for our region, attracting almost 1 million visitors each year. Since the right hon. Member for Berwick-upon-Tweed has intervened, I acknowledge the cross-party support for the issue. The hon. Member for Hexham (Mr. Atkinson) has also been supportive.

When I recently revisited the British Library and looked at the Lindisfarne gospels in the John Riblat gallery there, I was interested to note that they are not highlighted in the way that I believe that they would be if they were permanently housed in the north-east. A leaflet about the John Riblatt gallery sets out its 10 highlights but the Lindisfarne gospels are not included. The British Library understandably views them as an important manuscript and in the context of the evolution of book production. However, the Lindisfarne gospels are much more to the people of the north-east of England.

Those who want to retain the originals in London argue that they can be kept in appropriate conditions for their conservation. However, the gospels were exhibited in the Laing art gallery without conservation problems. I hope that my right hon. Friend the Minister will be

sympathetic to the point that, if we have a decentralised cultural policy for exhibitions, we should have such a policy for cultural skills and the ability to look after objects in the region where they are found. As a Gateshead Member, I know the expertise on conserving paintings that exists in the Shipley art gallery. I am therefore sure that skills can exist in the region. Sometimes, it can appear patronising when such doubts are raised.

I have mentioned the number of visitors on Holy Island. In Durham, there are half a million visitors a year. There was a huge turnout of support for the gospels when they were in the Laing art gallery. Therefore, I believe that the region is a very suitable location for exhibiting the gospels. Although many of our London museums are wonderful, there is often such a concentration of treasures that it is difficult to single out particular treasures in the way that the gospels when they were exhibited in the Laing art gallery so well illustrated.

Sometimes the objection is also raised that scholars tend to congregate in the capital and they need access to the gospels. Some scholars I am sure would be able to look at the facsimile versions, but others could be attracted to the north-east, not least because we have five very good universities. The rather amusing brief on this subject provided by the Northumbrian Association says that pioneers from the north-east thoughtfully provided the railways for people to get from London to the north-east, and, through Joseph Wilson Swan, provided the electric light so that the gospels could be well viewed when they got there.

I also note the content of parliamentary answers. For example, I have here an answer to a written question given by the former culture Minister, my right hon. Friend the Member for Newport, East (Alan Howarth), who mentioned having more regular displays of the original gospels in the north-east than has so far occurred.

My right hon. Friend the Minister will understand that I want the permanent return of the gospels to the north-east. But at the same time it would be good if the Government could at least signify their willingness to have more regular displays of the original in the region, perhaps annually, or to facilitate a delegation of Members and representatives of organisations in the region to put their case to the board of the British Library.

In her 1981 book about the Lindisfarne gospels, Janet Backhouse, then assistant keeper in the department of manuscripts in the British Library, recognised that

"this particular book has never been regarded merely as a museum curiosity of interest only to scholars . . . but has kept something of the mystique of a holy relic even into the 20th century".

We could now add "the twenty-first century". She also noted in that book that local awareness of the importance of the gospels remained very much alive.

I conclude by telling my right hon. Friend that this would be an ideal year to decide on the permanent return of the Lindisfarne gospels, because September marks the 900th anniversary of the arrival of the body of St. Cuthbert in its permanent home in Durham cathedral. Perhaps even better, the gospels could be returned before 20 March, which is St. Cuthbert's day.

I believe, and I am sure that many of my right hon. and hon. Friends also believe, that the case for returning the Lindisfarne gospels to the north-east is overwhelming. Therefore, I urge the Government to respond positively to our campaign.

7.33 pm

The Minister for Sport and Tourism (Mr. Richard Caborn): I congratulate my right hon. Friend the Member for Gateshead, East and Washington, West (Joyce Quin) on securing this debate. As she said, we have stood shoulder to shoulder on the whole question of devolution, and I have no doubt that we shall do so later this year on the referendum for a "Yes" vote for further devolution to the north-east. There is no greater advocate for the north-east than my right hon. Friend, particularly with regard to devolution.

I come to the subject of the debate, the Lindisfarne gospels, an issue of particular resonance to the people of the north-east. I welcome the opportunity to discuss it more fully in the House tonight.

The Lindisfarne gospels are unique, unquestionably one of our greatest national treasures and a world heritage item. Now believed to have been created in the early part of the eighth century at the monastery of Lindisfarne, by a single author, they contain both the Latin text and the oldest surviving English example of a translation of the gospels. This remarkable work is a testament to the historic cultural diversity of the British Isles. They were created at a time when the monastery of Lindisfarne had a central role in fostering a spirit of collaboration and reconciliation during a period of great uncertainty and political change—history does keep repeating itself. To understand the spiritual and artistic roots of the great work is to understand much about its time.

It is both clear and right that the Lindisfarne gospels are a source of great pride to the north-east. They hold an iconic status and it is understandable why people want them to be displayed in the region. It is for that reason that my right hon. Friend views their return as important. However, I can equally appreciate the rationale behind the British Library's view.

We do not know the location of the gospels prior to the 17th century, but by 1702, they were in the possession of the antiquary Sir Robert Cotton, whose collection was given to the nation. They were part of the founding collection of the British Museum, and were thus transferred to the British Library when it was created in 1972 as the National Library. The Lindisfarne gospels, as part of the British Library collection, are the property of the British Library Board, and they are held for the nation. The Government's view remains that the decision to return the gospels is rightly one for the British Library Board.

Mr. Stephen Byers (Tyneside, North) (Lab): My point is about the role of the board. It would be helpful if my right hon. Friend could say whether there have been any discussions with the board with the purpose of achieving a meeting between the board and the delegation to which my right hon. Friend the Member for Gateshead, East and Washington, West (Joyce Quin) referred, because that would demonstrate his good will toward the campaign. I know that my right hon. Friend answers

[Mr. Stephen Byers]

in a ministerial capacity, but he will have a degree of personal sympathy toward the case that is being put for the Lindisfarne gospels. May I give him a word of warning? We feel that the Government have a responsibility in the matter, and there might come a time when they will have to indicate to the British Library Board the strength of feeling not only in the region, but in a broader area than the north-east—as we can see from the attendance in the Chamber—about the rightful place of the Lindisfarne gospels.

Mr. Caborn: As I have said, the matter is the responsibility of the board, not the Government. However, if my right hon. Friend the Member for Gateshead, East and Washington, West wants to lead a delegation to put points to the board, I understand that it would respond favourably to such a request. I shall tell the board and my officials tomorrow that I would welcome a meeting between a delegation led by my right hon. Friend and the board. Points about the feeling in the north-east could then be put forcefully to the board.

As I said, the decision is one for the British Library Board. As with all our national museums and galleries, the Government have an arm's-length relationship with the British Library, under which it can, and should, take decisions about its collections and future free from political intervention.

Mr. Kevan Jones: Is not the root cause of the problem the London-centric policies in this country? I doubt whether many of the individuals on the board represent anyone apart from an elitist group of individuals representing London. Is not the fact of the matter that whatever provocations I, as an elected north-east Member, or other hon. Members might make, unless we are in the London-centric clique, the board will frankly not listen to what we will say?

Mr. Caborn: I do not think that that line of thinking should be taken with the British Library Board, because it would not get an especially good reception. If I may give a little advice, I suggest that it might be more useful to keep to the facts that my right hon. Friend presented in her contribution this evening.

The British Library Board cannot freely dispose of any artefacts within the collection to other countries or collections. It must secure those artefacts and items for successive generations. I think that most hon. Members would accept that the British Library is one of the pre-eminent libraries in the world. As my colleague, the Minister for the Arts, commented recently in another debate about cultural property—unfortunately she cannot respond to this debate because she is on ministerial business in the States—such important works should be viewed within the context of institutions that have a powerful national, and international, reach.

The British Library Board has to preserve and interpret these as well as other outstanding works in its collection. This places on the board an important responsibility. However, the British Library can, and does, take other courses of action to ensure that access to the gospels is as wide as possible, particularly for those to whom they have particular significance, namely the people of the north-east. If the meeting takes place with the board, my right hon. Friend the Member for Gateshead, East and Washington, West may be able to raise some of the points about the publicity given to the gospels that she has made in the debate.

In recent years, the British Library has made great efforts to bring the gospels, with its other treasures, to the attention of visitors to the British Library, both on-site and online. Since the opening of the St. Pancras site, the gospels have been on permanent display in the John Ritblat gallery of treasures from the collection, under stringently controlled conditions, and placed alongside other landmarks of literary and human achievement. Entry to the gallery is free and it is open seven days a week.

In April 2003, the library opened a new exhibition dedicated to the gospels, entitled "Painted Labyrinth—The world of the Lindisfarne Gospels". This displayed the gospels in the context of other eighth century artefacts. The exhibition was a huge success, both critically and in terms of visitor numbers. Alongside the exhibition, the British Library produced a virtual exhibition, accessible through its website. The virtual exhibition was also hugely popular. In addition, the library is well advanced in a project to produce an electronic facsimile of the gospels on CD-ROM.

British Library staff are also working closely with teachers in the north-east to produce gospels school packs and resource boxes. These are intended to be distributed to local schools, teaching children about the rich history of this unique part of the United Kingdom. The British Library has also been at the centre of development of innovative new technology to allow visitors, both on-site and online, unprecedented access to the library's treasures. Indeed, the development of the "Turning of the Pages" interactive digital display allows the visitor to look at, and turn each page virtually, allowing increased access and interpretation without in any way harming the manuscripts themselves.

The need to care for the collections must at all times be balanced against the need to provide access, and the British Library has actively sought to loan the gospels, when it can, to the north-east. However, due to their fragility, the gospels have been on loan only five times since entering the collection. Three of those have been to the north-east over the past 20 years. As my right hon. Friend pointed out, the most recent loan was to the Laing gallery in Newcastle in 2000.

In early 2003, the British Library made further moves to preserve the integrity of the gospels as works of art, while ensuring that they are made accessible in the north-east. The library entered into an agreement with Faksimile Verlag for the production of "state of the art", museum-quality, full-colour facsimiles. Part of this agreement was to provide two facsimiles to the north-east—one to Durham cathedral and the other to Holy Island, as my right hon. Friend said. A third facsimile is on a seven-month tour of the north-east. It has already visited Bede's World in Jarrow, Hartlepool museum and Hexham abbey. Today, I understand, it is

being shown to Durham county council staff before going out on a tour of schools in County Durham. While on display at Bede's World last October, visitor figures increased by a staggering 34 per cent. in comparison with October 2002. That gives a clear indication of the success of this initiative.

The decision of how to care for the gospels must be a matter for the British Library Board. I believe that the British Library has discharged its responsibility to make these treasures publicly available with imagination and determination, and has shown that such works can be made accessible through a variety of means to perform their original role—that of inspiring and symbolising aspects of human history and the human spirit.

I understand the strong points that my right hon. Friend and others have made in this short debate and I hope that they will be put to the British Library Board. We will see the response to that, but I reiterate that overall responsibility rests with the British Library.

Question put and agreed to.

Adjourned accordingly at sixteen minutes to Eight o'clock.

House of Commons

Thursday 26 February 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

TRADE AND INDUSTRY

The Secretary of State was asked—

Post Office Closures

1. **Simon Hughes** (Southwark, North and Bermondsey) (LD): How many post offices in Greater London closed in each year from 1997 to 2003; and how many she expects to close in (a) 2004 and (b) each of the next two years. [156251]

The Minister for Energy, E-Commerce and Postal Services (Mr. Stephen Timms): Data for Greater London are available from March 2000. Post Office Ltd. closed 10 branches in the year to March 2001, 16 to March 2002, 44 to March 2003 and 89 in the nine months to December 2003. The current programme will lead to a national network of urban post offices that can prosper, given today's requirements, with at least 95 per cent. of urban residents living within a mile of a post office and the majority within half a mile. There is no predetermined list or number of future closures.

Simon Hughes: People will need to take time to digest the Minister's figures, but Postwatch suggests that about 160 of the current 214 that have been considered have already been closed or are ready to close. We are likely to have 14 out of 15 London post offices closed, at this rate. That is a slash and burn policy. What will the Minister do to change it and to listen to the hundreds of thousands of people who say that they value their local post office and want it to stay?

Mr. Timms: The hon. Gentleman is quite wrong about the numbers and the nature of the exercise that is taking place. Just before the switch to direct payment started last year, 43 per cent. of benefit recipients were paid through their bank accounts rather than by giro, compared with just 26 per cent. in 1996. The needs of customers in London are changing—and changing quickly—and the post office must change as well.

Our response was to invest half a billion pounds in technology so that a modern banking service could be provided at every post office branch in the country, and to support a programme to reduce the density of post offices in urban areas so that the size of the network reflects the business available. Across London, and across the whole country, the outcome will be a post office network that serves benefit recipients and many new customers, too. As I said, 95 per cent. of people living in urban areas will still be living less than a mile from their nearest post office, and most of them less than half a mile.

Huw Irranca-Davies (Ogmore) (Lab) *rose—*

Mr. Speaker: Order. I would like to call the hon. Gentleman, but unless he represents Greater London I cannot do so.

Mr. Mark Field (Cities of London and Westminster) (Con): This is an important question, so in considering the urban reinvention programme will the Minister ensure that attention is given to the significant number of post office closures that have taken place in London during the past seven years? Does he agree that that context needs to be considered in relation to the closure programme over the next two or three years?

Mr. Timms: That is absolutely right, which is why the process we have been going through since last September sets out for each area what the ultimate configuration of the post office network will be, and takes account of all the changes that have already taken place. In that way, everybody can see where this process is leading. Through the consultation, which is important in this exercise, we can make sure that we end up with a configuration that best meets the needs of all our communities in London, as elsewhere in this country.

Nuclear Liabilities Authority

2. **Norman Baker** (Lewes) (LD): What progress is being made towards the establishment of the nuclear liabilities authority. [156252]

The Secretary of State for Trade and Industry (Ms Patricia Hewitt): The Energy Bill, which will establish the nuclear decommissioning authority, is currently going through Grand Committee in another place, with Report scheduled for mid-March. The Bill will be introduced in this House as soon as the legislative timetable permits. We are hoping that the Bill will receive Royal Assent by July, and our goal remains to have an operational nuclear decommissioning authority by April next year.

Norman Baker: Does the Secretary of State agree with Sir John Bourn, who said that British Energy's recent activities highlighted

"the importance of monitoring and managing previously identified risks to ensure that the taxpayer is well protected"?

Will she confirm that this authority will cost the taxpayer tens of billions of pounds to clear up the nuclear legacy? In particular, will she explain why we are being asked to pay £300 million to clear up a site in the United States at Springfield because of a flight of fancy of British Nuclear Fuels Ltd? When will we get a grip on the situation? How many schools and hospitals could that have bought?

Ms Hewitt: Of course I agree with the comments of Sir John Bourn, and I note that the National Audit Office report on British Energy makes it absolutely clear that British Energy's collapse was not inevitable, that it contributed significantly to its own financial difficulties, and that the Government's actions in respect of the company were at all times appropriate and proportionate to the actual risk. As I have told the House on many occasions, we have the ultimate responsibility for ensuring nuclear safety and security of electricity supply, and that is why we have accepted, as any Government must, the responsibility for the clean-up costs for those historic nuclear liabilities. The company is in the process, I hope, of completing its restructuring plan, and we are awaiting completion of the state aids clearance on which we are working with the European Commission.

Mr. Tom Watson (West Bromwich, East) (Lab): I thank my right hon. Friend for taking a courageous step forward in finally grasping the nettle in dealing with the UK's legacy of nuclear waste. Of course, the NDA is only one part of the equation. Will she take this opportunity to reiterate her commitment to making Nirex independent of the nuclear industry, so that we can say finally to the British people that we have a settlement, and that one institution is dealing with the long-term management of that waste?

Ms Hewitt: My hon. Friend makes an extremely important point. I am discussing that issue with my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs, and I hope that we can settle Nirex's long-term future very soon.

Malcolm Bruce (Gordon) (LD): Will the Secretary of State tell the House how much she thinks the nuclear liabilities contingency will be by 2010, and how much will have been drawn down? When does she expect a decision on British Energy from the European Commission, and why does she think that it is justified to put taxpayers' money at risk to bail out a company, its shareholders and directors because of that company's management incompetence, as confirmed by the National Audit Office? Should it not be allowed to go bust, just as any other business would in normal circumstances?

Ms Hewitt: I have repeatedly made it clear that we stand ready to deal with the administration of that company if necessary. However, I have also made it clear that we believed that it was in the national interest to allow private sector restructuring to take place if that were possible. Either way, we would have had to take responsibility for those historic liabilities and, as I have said, we expect the average cost to the Government to be £150 million to £200 million a year for the next 10 years. Those costs will fall thereafter. We are working with the Commission on state aid clearance, and we hope that that process will be completed by about the middle of this year.

David Taylor (North-West Leicestershire) (Lab/Co-op): The proposed nuclear decommissioning agency will be working with a new Government policy that envisages that the restoration of decommissioned sites for unrestricted use will not always be the best practical environmental option. Given that, does the Secretary of State agree with the suggestion made in the *Nuclear Engineering International* magazine this month, which I know she will have read? It predicts that the remote sites, such as Sellafield and Dounreay, are highly unlikely to be fully restored, and are in fact being retained and kept waiting in the wings as locations for new nuclear power plants and future nuclear waste repositories. If that suggestion is accurate, is it not shocking?

Ms Hewitt: I am very grateful to my hon. Friend for drawing my attention to that article, which, I have to confess, I have not read. With the nuclear decommissioning agency, we are ensuring that we will have a competitive market for the very important business of nuclear clean-up. On new nuclear power stations, the suggestion that he cites that article as making is simply wrong. We have clearly set out in the energy White Paper our position on new nuclear build. Our current position is that we have to put all the emphasis on greater energy efficiency and renewable energy to ensure that we meet not only our security of supply targets, but our environmental targets.

Small Motor Repairs Businesses

3. **Mr. David Cameron** (Witney) (Con): What steps her Department has taken to help small businesses in the motor repairs industry. [156254]

The Parliamentary Under-Secretary of State for Trade and Industry (Nigel Griffiths): The House will be delighted to hear that, since we extended the small firms loan guarantee scheme to include motor repairers 10 months ago, 69 loans have been guaranteed to the motor repair sector. Since the scheme was extended, applications have increased by 40 per cent. I know that the hon. Gentleman will want to join me in congratulating the sector on taking up that Government help.

Mr. Cameron: Can the Minister explain why small garages are being sent such mixed messages about LPG—liquefied petroleum gas? On the one hand, the Department of Trade and Industry has launched "Boost LPG", a programme to encourage garages; on the other, the Department for Transport has stopped making Powershift grants to car owners to convert their cars. Is the Minister aware that if people ring Powershift they find that it has never heard of "Boost LPG", and that if they ring "Boost LPG" they find that it has never heard of Powershift? What would he say to garages, such as Ernigrip in Enstone in my constituency, that have spent thousands of pounds tooling up to convert cars to LPG, only to see what even the most kind-hearted Back Bencher would call a bit of a shambles from the Government?

Nigel Griffiths: I notice that the hon. Gentleman calls for more Government money to go to people who want to convert. I wonder whether he has cleared that with the shadow Chancellor of the Exchequer, whether the shadow Chancellor has costed it and which further cuts he will propose to achieve that. However, I share the aim of many other hon. Members of ensuring that there is

diversity of supply. I recognise the role that LPG can play in providing clean fuel, and I would advise the hon. Gentleman to back what he rightly described as the DTI's position on the matter, which is very clear.

Mr. Roy Beggs (East Antrim) (UUP): The top priority concern of the 60,000 small businesses in Northern Ireland, including motor repair industries, is insurance. Already, average increases are about 62 per cent. Sole traders have seen premiums rise by more than 100 per cent., and 21 per cent. face closure. Some 99.98 per cent. of small businesses believe that the Government have not yet done enough about that. What are the Government doing to address the problem of the huge rip-off of insurance for small businesses?

Nigel Griffiths: We very much see insurance as a matter for the private sector companies that are providing it. We also wish to ensure that this is a regulated and fair market. Our concern is such that a working group—under the chairmanship of the Minister for Work, my hon. Friend the Member for Kilmarnock and Loudoun (Mr. Browne)—of which I was a member, has considered this matter. Premiums have risen for a number of reasons, a key reason being the market. Working with the insurance industry, we have come up with three areas of concern and action. Those have been welcomed by the small business groups that have been involved in advising us. We must ensure that insurance is available to all car owners and to the garages that carry out the repairs. I do not think that the problem is as acute as the hon. Gentleman suggests, but I am willing to consider any evidence that he cares to submit to me.

Mr. Henry Bellingham (North-West Norfolk) (Con): Is the Minister aware that, over the past seven years, more than 4,000 small garages have closed? Most cited the main reason as excessive regulation. For example, it is extremely costly and bureaucratic for a garage to open an MOT inspection centre. Furthermore, garage mechanics are now banned from wearing vinyl gloves in case they get eczema. More and more obstacles are being put in front of small independent businesses. The Minister said that he is the champion of small businesses, and he talks about the loan guarantee scheme, but what more can he do to stop the closure of these small businesses that are the lifeblood of rural economies.

Nigel Griffiths: We have done a lot to help those businesses. I mentioned earlier that we have helped them by extending the small firms loan guarantee scheme. Under that scheme during the previous Conservative Administration, those rural motor businesses were not entitled to those guarantees. We have given them other help as well. They are among the up to 700,000 small and medium-sized enterprises that can benefit from the flat-rate VAT scheme. By raising the audit requirements, we no longer require 219,000 businesses to spend up to £275 million a year. Those are tangible benefits. There are lots more, and I think that we are shortly coming to a question that will allow me to elaborate on that.

Renewable Energy Target

4. **Andrew Rosindell** (Romford) (Con): If she will make a statement about the prospects for achieving the 2010 renewable energy target. [156255]

The Minister for Energy, E-Commerce and Postal Services (Mr. Stephen Timms): The target that 10 per cent. of our electricity should come from renewable sources by 2010 is certainly achievable. That has been confirmed by my Department's renewables innovation review, which we shall publish on our website shortly. We have also put in place a framework of measures that we are confident will deliver that target.

Mr. Rosindell: I take it from the Minister's reply that he expects the Government to achieve the target that they have set out, despite the fact that the current 3 per cent. target is not even being met, and that industry leaders believe that the 10 per cent. target for 2010 is unrealistic. Does the Minister now accept that the Government's preference for and reliance on expensive, unsightly and unreliable wind turbines will not achieve the 10 per cent. goal? Does he agree that, if we are to get anywhere near that target, the Government must diversify the types of renewable energy sources that they prefer and use?

Mr. Timms: No, I do not agree. The target is certainly realistic, and we have made a lot of progress towards it. We certainly had a low starting point—the previous Conservative Government expressed little if any interest in renewable energy. We are now, however, making the progress that we need to make. The first big offshore wind farm—at North Hoyle, off the coast near Rhyl—started providing electricity to the grid last autumn. We made a big announcement about further offshore wind developments before Christmas, and I also announced in December an extension of the renewables obligation forward to 2015, to boost investor confidence. That, too, is helping. I welcome the projection announced this week by the British Wind Energy Association that 500 MW of wind capacity will be built this year, and 750 MW next year. We are making substantial progress and focusing very attentively on ensuring that we hit the target.

Miss Anne Begg (Aberdeen, South) (Lab): Perhaps I can help the Minister in giving his answer to the hon. Member for Romford (Mr. Rosindell). Many exciting developments beyond wind power are being researched at Robert Gordon university in my constituency, involving obtaining energy from the marine environment, particularly tidal races. I know that the Minister is in Aberdeen quite often. The next time he is in the city, will he undertake to visit the university to look at those developments and to see how they can help to fulfil the renewables obligation?

Mr. Timms: I know of the work to which my hon. Friend refers. A DTI-supported wave power device has been plugged in at the marine energy test centre in Orkney this week—a centre supported by the DTI, along with the Scottish Executive. As my hon. Friend says, there are some very attractive developments in wave and tide power, and also in other renewable energy

technologies. I expect them to make a substantial contribution to UK electricity generation, but probably in the period beyond 2010 rather than before it.

Richard Ottaway (Croydon, South) (Con): The Minister will be aware that Powergen is trying to build a wind farm on the breakwater at Portland Harbour, but is he also aware that the Royal Yachting Association has described the harbour as

"one of the most important areas for recreational and competitive sailing in the UK"?

Is he aware that it has now been established as a site for the Olympic games? Given all that, would it not be a good idea for him to have a word with the Department for Culture, Media and Sport and engage in some joined-up government? Will he confirm that this particular proposal will not have his support?

Mr. Timms: I am aware of the project, and of the hon. Gentleman's interest in it. I have also seen the press coverage. As Powergen has made clear, the project is at a very early stage and a good deal of consultation will be required, as well as an impact assessment. All the factors that the hon. Gentleman has mentioned will be taken fully into account during that process.

Mr. Bill O'Brien (Normanton) (Lab): I support the Government's programme for renewable energy and its extension beyond 2010. Would my hon. Friend consider clean coal technology as a source of renewable energy that would also renew jobs in mining, and could make a substantial contribution to energy production?

Mr. Timms: I think that that could make an important contribution to a low-carbon economy in the future. That is why, for some time, we have supported research on the subject. I was in Washington last week, and as my hon. Friend knows the Americans are very interested in clean coal technology. We are working on some ideas with them.

Call Centre Relocations

5. **Mr. Philip Hammond** (Runnymede and Weybridge) (Con): What steps she is taking to reduce unintended incentives to financial services companies to relocate call centres outside the European Union. [156256]

The Secretary of State for Trade and Industry (Ms Patricia Hewitt): Financial services companies take into account cost, quality, customer reaction and many other factors when making decisions about whether or not to off-shore their call centres. We will continue to ensure that the UK is an attractive place to do business, in this and other sectors.

Mr. Hammond: The Secretary of State will be aware of the concern about the exodus of call centre jobs overseas. I know that she is looking carefully at ways of making the UK an attractive place for the call centre industry, but there is no point in her trying to support the sector if her colleagues in Government introduce further disincentives for centres to remain in the United Kingdom.

The Secretary of State will be aware that not only are labour costs lower outside the European Union, but financial services companies outsourcing their call centres outside the EU are not subject to a 17.5 per cent. VAT charge, which would not be recoverable. Is she also aware that Customs and Excise now proposes to tighten the grouping rules, so that for many financial services companies outsourced call centre work in the UK will be subject to an immediate additional 17.5 per cent. cost, leading inevitably to a further exodus abroad? Will she please undertake to talk to the Chancellor of the Exchequer and try to achieve some joined-up government?

Ms Hewitt: The British Bankers Association has said that tax is not a major factor in decisions on outsourcing, and I am a little surprised to hear the hon. Gentleman criticise Customs and Excise for tightening arrangements to prevent tax avoidance.

The current VAT rules—agreed by the Conservative party in 1992—do not create a level playing field, which is why my right hon. Friend the Paymaster General is currently negotiating to ensure that in future VAT on services will be charged wherever those services are consumed. That is the answer to the problem, which in any event is a very minor factor, if a factor at all, in decisions to off-shore.

The important point is that when workers are displaced in Britain they should be able to look for support to a Government who are investing in innovation, business creation and skills. They would receive no such support from the Conservatives, whose shadow Chancellor has now committed himself and his party to cutting all public spending in those vital areas.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): Does my right hon. Friend agree that although call centre work is not the most high tech and innovative, it provides a good, steady income for many of our constituents? Would she talk to her opposite number in the Department for Transport about the fact that the rail industry, which is heavily subsidised, is talking about taking its call centre for railway timetables abroad? It seems strange to subsidise a timetable service that is taken away to somewhere like India.

Ms Hewitt: My hon. Friend makes an important point, but I should stress that we are seeing an increase of call centre employment in Britain. BT, which was criticised for investing in three call centres in India, has invested in 31 call centres here in Britain. Other companies have come back to Britain after having tried call centre operations in India. Each company should consider for itself what the balance of advantage is and how it can deliver the best quality services to its customers.

None of us should make the mistake—I know that my hon. Friend is not doing so—of thinking that one more job in India is one fewer in Britain. It is not. As the call centre industry in India grows, so it will grow in this country, as we have larger markets for our exports and more effective partnerships between companies here and those abroad.

Mr. Quentin Davies (Grantham and Stamford) (Con): Is not the Secretary of State extraordinarily complacent and misinformed about this issue? How can she argue that 17.5 per cent. is an insignificant cost handicap for a company that is contemplating an investment? She cannot have had any experience of investment appraisal if she says something like that. We all know that the Government are wasting a lot of money on a burgeoning bureaucracy, so are desperate to get money out of the public by any means, fair or foul. What they are doing is crazy. They will not make any more money. All that will happen will be that employment will be exported outside the European Union and these call centres will be established elsewhere, so the Government will not get the 17.5 per cent. anyway.

Ms Hewitt: The hon. Gentleman is talking nonsense. I have already said that we are seeking to change the VAT rules to provide a level playing field for VAT, so that wherever services are delivered, they will be taxed on the same basis, whether they are provided by a UK-based company in-house, outsourced or offshored. The hon. Gentleman ignores the fact that, as the British Bankers Association has said, this is not a major factor in decisions. I refer him to the decisions of the Alliance and Leicester, the Royal Bank of Scotland and many other companies, which have said that they will stay in Britain so as to get the quality of customer service that they want. They are reinforced in their decision by knowing that, as every independent survey shows, the Government have created one of the best environments for business and investment in the developed world.

David Cairns (Greenock and Inverclyde) (Lab): I welcome my right hon. Friend's commitment to the UK call centre industry, especially in financial services, as the mortgage centre of the Royal Bank of Scotland is in my constituency. An issue that is worrying me is the level of basic skills training that people need in these jobs, which are not as basic as people think. The RBS has told me that when it advertises—it recently advertised in Greenock for 150 new jobs—some of the people who turned up did not have the basic skills that my right hon. Friend and I would take for granted, such as the ability to hold a telephone conversation for 20 minutes. When framing our training and skills programmes, will she ensure that she does not end too far up the chain, as basic skills are needed to keep these jobs in the United Kingdom?

Ms Hewitt: My hon. Friend makes a very important point. I recently had the pleasure of visiting one of the RBS's call centre operations. It is essential that we get investment not only in basic skills, but in the higher level skills that will ensure that we remain competitive in call centre operations and in many other sectors. We are working with the Call Centre Association, employers and unions to achieve that. That is why it is important that the Government go on investing in education, adult skills and lifelong learning. The Conservative party has already made it clear that it would cut that investment.

Small Businesses (Regulation)

6. **Sir Nicholas Winterton** (Macclesfield) (Con): What steps she has taken to reduce levels of regulatory requirements on small business enterprises. [156257]

The Parliamentary Under-Secretary of State for Trade and Industry (Nigel Griffiths): We have taken a number of measures to cut form filling and red tape. I mentioned just now the introduction of the flat-rate VAT scheme to cut paperwork and burdens for up to 700,000 small and medium-sized enterprises. We are raising the audit requirement to save 219,000 businesses up to £275 million a year. Let me now add another measure. We have abolished automatic fines for late payment of VAT. In the financial year 1996, the Government took £99 million from small businesses in such fines. I shall be happy to give the House more examples of then and now.

Sir Nicholas Winterton: There are many small business enterprises in Macclesfield, generating many thousands of jobs. Despite what the Minister has just said, how does he respond to the fact that, according to the Library, there were 3,990 new regulations in 2003 alone, as HMSO confirms on its website? In the six full calendar years of the Minister's Government, new regulations total 23,322, 53 per cent. up on the number under the last Conservative Government. What will he do to reduce regulations in a meaningful way?

Mr. Griffiths: The vast majority of those regulations do not affect the hon. Gentleman's constituents. About 40 per cent. of the regulations that I looked at regard road closures and the like, which are necessary. We must strip those out of the statistics that the hon. Gentleman gave and focus on regulations that do burden business. I have given some examples of regulations that we have tackled, but I am far from complacent on this matter.

I would also refer to independent studies. The most recent from the World Bank, "Doing Business in 2004"—a survey of 130 countries—ranked Britain in the top 10 countries with the fewest regulations. The Organisation for Economic Co-operation and Development has found that Britain has almost the lowest administration costs of any EU country, as well as fewer regulations for entrepreneurs than any other EU country, and Government policies have contributed greatly to this.

That is the message I would want the hon. Gentleman forcefully to give his constituents, including the manufacturers in his constituency. I share the hon. Gentleman's passion for manufacturing.

Mr. Martin Salter (Reading, West) (Lab): Does my hon. Friend accept that some reality must be injected into the argument that regulation on small business is necessarily bad? For example, there was the conduct of the gangmasters whose callous disregard for human life led to the death of the Chinese cocklers in Morecambe bay, something the hon. Member for Congleton (Ann Winterton) seemed to think was funny—

Mr. Speaker: Order. The hon. Gentleman is out of order.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): The Government said in their White Paper that they felt that the new companies law would reduce the burden on small business by making it much clearer how company law operated by bringing it together in one Bill—a Bill that creates a minimum standard for small business. However, we have not yet seen that Bill; it has still not appeared. Can the Minister give small business some hope that the Government intend to produce it, and say when they will do so?

Mr. Griffiths: If the hon. Gentleman looks at the latest surveys from the Forum of Private Business or the Federation of Small Businesses about the concerns of their members, he will see that that concern does not rank among them. Therefore, other matters are receiving priority. The measure to which the hon. Gentleman refers is important and will be brought forward at the appropriate time.

Mr. Stephen O'Brien (Eddisbury) (Con): The House will recall that the Chancellor said in his pre-Budget report last year that

"in total the Government is announcing today 147 regulations for reform or removal".

Rather than hearing the Minister smugly patting himself on the back, small businesses throughout the country are desperate to hear how many of those 147 regulations—the specific list of which was leaked by the Government only to the *Financial Times*, in order to secure a headline, and was not announced to the House—have today actually been reformed or removed.

Nigel Griffiths: About 50 per cent. of the 147 regulations are directly focused on business and are being tackled. The regulatory reform action plan contains not 147 measures but more than 650, which contrasts with the problems that so many businesses faced a decade ago. One of the successes of the way in which we have tackled red tape and the burdens on business is the current record number of people working in Britain. That too contrasts with the burden of regulation and other factors that brought about not record numbers of jobs, but record bankruptcies in the 1980s and 1990s.

Mr. O'Brien: It is no good relying on the figure of 650, because only 250 of those measures have been tackled to date, and few of those—about 25 per cent.—relate to tax or regulation. So the hon. Gentleman's answer will receive a massive raspberry from the UK's vital small businesses, not least because they are at the sharp end of this Government's relentless addiction to heaping on business regulatory burden upon regulatory burden at the rate of 15 regulations every working day, the cost of which hits small businesses disproportionately hard.

Let us consider another regulatory threat to our small businesses. Will the Minister state here and now that preserving the UK's opt-out from the EU working time directive is a red line issue, not another white flag issue, for this Government? And will he tell us whether he will be disciplining all his Labour MEP colleagues who just two weeks ago voted to remove that very same opt-out?

Nigel Griffiths: The measures that this Government have taken have achieved the successes in business that even the hon. Gentleman, I notice, does not rebut. But then, he cannot really do so, because the Leader of the Opposition said on 22 June:

"It's true that we still have less red tape and lower taxes just than most of our competitors in Europe, in the European Union".

We also know what Digby Jones of the CBI has said about regulation in Britain compared with Europe. We have reversed two decades of Britain's being over-bureaucratic compared with Europe, which is why so many businesses are growing. It is also why ours is the only one of the advanced countries in Europe and the G7 with an economy with consistent levels of growth, and consistent levels of business and wealth building, in the past seven years. On visiting any other European country that numbers among the advanced economies, one would see decline and the problem of mass unemployment. That is why we know that the actions that I outlined earlier are making an important difference, and nothing that the hon. Gentleman says will deflect us from our drive to ensure that the appropriate regulations are in place to protect people, while ensuring that we have record business growth.

Sakhalin Oil and Gas Project

7. **Mr. Elfyn Llwyd** (Meirionnydd Nant Conwy) (PC): What the status is of the application for Export Credits Guarantee Department support from the Sakhalin II phase 2 oil and gas project. [156258]

The Minister for Trade and Investment (Mr. Mike O'Brien): In October 2002, we received an application for cover for the Sakhalin II project. No decision on ECGD cover has yet been taken, pending a full assessment.

Mr. Llwyd: I am grateful to the Minister for that response. Is he aware of the study by Richard A. Fineberg Research Associates on the seismic risk associated with the onshore portion of the phase 2 pipeline? That study found that the Sakhalin Energy Investment Company, led by the Royal Dutch/Shell Group, has underestimated the number of active fault lines that the buried pipeline will have to cross. Apparently, it has also underestimated the increased risk of the pipeline rupturing—a risk associated with its being buried, rather than elevated above the fault, as was the case with the trans-Alaska pipeline system. What account will the Minister take of the potential impact on the critically endangered western grey whale of constructing offshore production platforms?

Mr. O'Brien: The issues that the hon. Gentleman raises are very serious and they will form part of the overall environmental assessment that has to be made. We will have to look not only at any seismic implications of the project, but at the impact on fisheries, the social impact, and the implications in terms of oil spills and human rights. Importantly, as he said, the western grey whale is a critically endangered species. It is believed that only 100 remain and I have personally written to the chief executive of the project expressing my concern. Before I approve any support for the project, however,

I will need to be confident that, among other things, the best scientific advice is available not only on the seismic and other environmental issues, but on the whales.

Dr. Vincent Cable (Twickenham) (LD): When my former colleagues in the oil industry and others approach the Minister for help, why cannot they be told that it is possible to buy private political risk insurance and medium-term credit in the market? Why does the taxpayer have to underwrite it?

Mr. O'Brien: If the hon. Gentleman talked to business interests in Britain, which I urge him to do—he clearly does not do so enough—he would find that they regard the support from the Export Credits Guarantee Department as absolutely vital to the future success of British industry, particularly our high-tech industry. The way in which the hon. Gentleman and his Liberal Democrat colleagues intend to destroy, as it appears, ECGD support for British industry is something that our industry must be deeply concerned about.

Mr. James Arbuthnot (North-East Hampshire) (Con): I am delighted to say that I entirely agree with what the Minister has just said. The Export Credits Guarantee Department used to be the best in the world, but does the Minister accept that Department's own judgment last year that it provides generally less cover than other export credit agencies and at generally greater cost than other such agencies in the world? Is that good for British business?

Mr. O'Brien: The hon. Gentleman might like to consider the reason why ECGD is having more difficulties than some other export credit guarantee departments. Could it be attributable to the fact that, in 1993, the Conservative Government decided to privatise the most profitable area of ECGD, so the cross-subsidisation that takes place in other export credit agencies across the world cannot take place in the UK? That has damaged British industry in the long term, and we believe that we are now putting in place the best possible means of ensuring support for British industry. That is what we intend to do.

Electricity Prices

9. **Julie Morgan** (Cardiff, North) (Lab): What investigation she has conducted into the differences in the price of electricity among the countries and regions of Great Britain. [156261]

The Minister for Energy, E-Commerce and Postal Services (Mr. Stephen Timms): The most important reasons for variations in retail electricity prices are differences in local transmission and distribution charges and differing customer willingness to switch to competing suppliers.

Julie Morgan: Will the Minister confirm that south Wales domestic electricity prices are the highest in Britain? Will he look further into the problem and try to do something about it?

Mr. Timms: My hon. Friend is certainly right that the cost of electricity for domestic customers in Cardiff and south Wales is relatively high by comparison with other areas. According to energywatch, however, a typical domestic customer in south Wales could cut the electricity bill by 10 per cent. by switching from the former local monopoly supplier. Fewer customers appear to have done that in south Wales than elsewhere. Energywatch does publish easy-to-use price comparisons and it might be helpful if my hon. Friend pointed out the benefits of shopping around, which can be significant.

Bob Spink (Castle Point) (Con): So what are the Government doing to increase the transparency of the pricing of electricity, to encourage customers to make that move?

Mr. Timms: That is an important area and, as I said, energywatch is doing valuable work in producing easy-to-use and simple price comparisons so that people can easily make the requisite comparisons.

Helen Jackson (Sheffield, Hillsborough) (Lab): Does my hon. Friend acknowledge that high electricity prices, together with steep rises in the price of scrap steel, are having a serious impact on the UK steel industry—which probably has the highest fixed energy costs of all industries, which it cannot reduce? What action will the Government take to control energy prices in that crucial industrial sector? If none is taken, the steel industry will seriously suffer.

Mr. Timms: My hon. Friend makes an important point. We keep a close watch on energy prices because of their impact on UK competitiveness. Current changes in gas pricing, for example, will affect not only the UK but other countries throughout Europe. The competitive market for energy provides the best assurance of the lowest-possible prices but we shall continue carefully to examine the implications of energy costs for UK companies.

Mr. Julian Brazier (Canterbury) (Con): In view of the blast against privatisation that we have just heard from Minister for Trade and Investment, will the energy Minister confirm that since privatisation, large British organisations have enjoyed the second-lowest electricity prices in the European Union and that all other organisations enjoy the lowest?

Mr. Timms: There are significant benefits from the structure of the UK energy generating industry and the Government are firmly committed to ensuring that competitiveness is retained.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): My hon. Friend will agree that the cheapest electricity on the wires is from coal, which is much more flexible than other sources. The UK coal industry is facing a crisis, with Hatfield colliery facing immediate closure—and Hatfield leads into the country's largest coal reserves. Will my hon. Friend review the situation in respect of that colliery, so that coal reserves on the east coast are not lost?

Mr. Timms: We have a substantial programme of coal investment, involving aid totalling £60 million—

including £15 million earmarked for Hatfield colliery. We all hope that a private sector financing package will present itself before the end of March, to take forward the development of the new seam at Hatfield and take advantage of the £15 million grant offer.

Company Takeovers

10. **Tony Lloyd** (Manchester Central) (Lab): What representations she has received on the laws governing company takeovers. [156262]

The Minister for Industry and the Regions (Jacqui Smith): We have held widespread discussions and received representations—in particular, during negotiations on the takeovers directive. We will be consulting further on the detail of its implementation.

Tony Lloyd: Professional football is enormously important in the life of the nation and to many of our fellow countrymen and women. Many football supporters are extremely agitated by the acquisition of Chelsea and there is constant speculation about a takeover of Manchester United, which is destabilising. The ordinary supporter would like it clearly recognised by the Government that the public interest should not be not confined to the interests of shareholders and that football fans ought to have their views considered and taken on board. Will my right hon. Friend make it clear that any proposed acquisition of a Premiership club or even of a smaller club in the Football League will be considered in terms of the public interest, and that the Government will take powers to ensure that the rights of football supporters are recognised?

Jacqui Smith: Football clearly embraces and promotes great passion and emotion—though perhaps not quite as great as that shown by Manchester United's captain last night. Any business must pay attention to the needs of its customers, even when they are Manchester United fans. However, we must not lose site of the fact that football clubs are businesses. Manchester United, as a company, has chosen to raise money from investors by having its shares listed on the stock exchange.

It would not be appropriate for me to comment on specific takeover speculation, but I assure my hon. Friend that robust safeguards are in place, under the City takeover code overseen by the takeover panel, to ensure that all shareholders—including those who support football clubs as fans—are properly protected. Concerns about competition are met by competition legislation, which safeguards against any company assuming a dominant position in a market.

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): The Minister will know that the takeover of the one-stop shops by Tesco means that the one in Nyetimber in my constituency is to close its post office counter, even though the existence of that facility was used to justify the closure of the post office in Pagham. As a result, there is no now post office for the people of Pagham. Will the Minister or one of her colleagues meet a delegation from Pagham to discuss how we can restore postal services to the people there?

Jacqui Smith: My hon. Friend the Minister for Energy, E-Commerce and Postal Services has already spelled out the action that we are taking to ensure that we maintain the post office network necessary to serve people's needs. However, I am sure that the Post Office will look carefully at how it can maintain the service that the hon. Gentleman has referred to, for the good of his constituents.

MINISTER FOR WOMEN AND EQUALITY

The Minister for Women and Equality was asked—

Gender and Poverty

17. **Tom Brake** (Carshalton and Wallington) (LD): What discussions she has had with the Chancellor of the Exchequer regarding gender and poverty in the United Kingdom. [156271]

The Minister for Women and Equality (Ms Patricia Hewitt): I have had a number of recent discussions with my right hon. Friend the Chancellor of the Exchequer about issues that impact on gender and poverty, including child poverty and pensions.

Tom Brake: I am grateful for that response. What progress has been made in the pilot project described in an article in the *Financial Times* on 27 November entitled "Brown to Focus Spending on Sex Appeal"? Will the project's findings be made public? Will any feedback from the pilot in respect of spending by gender be included in discussions of the comprehensive spending review?

Ms Hewitt: I am delighted to say that my right hon. Friend the Chancellor for many years has undertaken gender analysis of, for example, the impact of Budget measures. I am not aware of the details of the pilot project to which the hon. Gentleman refers, but I shall write to him about it. However, I have no doubt that my right hon. Friend will make further provision in the forthcoming Budget to ensure that we reduce the poverty of women in our country, and to improve their well-being.

Ms Julia Drown (South Swindon) (Lab): One reason why women are poor is that they do the bulk of caring, for young people, the elderly and people with disabilities. I appreciate that the Government have acted to give carers better support, but when does my right hon. Friend expect that carers—and in the main they are women—will get all the support that they deserve? When will they know that they will get a decent income, in their working lives and when they retire?

Ms Hewitt: My hon. Friend makes an extremely important point. My right hon. Friend the Secretary of State for Work and Pensions has taken steps already to improve the home responsibilities credit, for example, and to ensure that women in the lower-paid, part-time jobs which those with caring responsibilities often undertake can get access to the full coverage of the national insurance scheme. Those and similar measures are already making a real difference to carers. I agree with my hon. Friend that more needs to be done, although it is a question of priorities. However, she is

right: to ensure that women in the future do not suffer the poverty in retirement suffered by women today, we must continue to pay attention to the needs of younger women with caring responsibilities.

Mrs. Caroline Spelman (Meriden) (Con): I am glad that the Minister for Women has acknowledged that women in retirement suffer particularly from poverty. I am sure that she is aware of the research by Age Concern and the Fawcett Society, which shows that one in four single women pensioners live in poverty, that twice as many women as men rely on means-tested benefits in retirement, and that for every pound that a man receives from a pension, a women receives 32p. That is a shocking state of affairs. The same research shows that up to 380,000 of the poorest women pensioners do not claim the pension credit to which the right hon. Lady referred. Three quarters of women near retirement age say that they are unhappy with the Government's handling of the pension situation. Does she accept that the Government are not doing enough to reach the poorest elderly women?

Ms Hewitt: I have great respect for the hon. Lady, but I am astonished by her ability to ignore her party's polices and the impact that they would have on women pensioners in particular. We are, of course, aware of the greater poverty that women suffer in old age, and we are, of course, doing something about it. I know from my constituency that the pension credit has already made an enormous difference to women who, in the past, were sometimes left living on even less than the basic state pension. By guaranteeing an income of at least £102 a week for single pensioners, we have done a great deal already to support elderly women in retirement. The introduction of the state second pension and its extension to women who care for young children or disabled adults will make a great difference to the next generation of retired women, about whom I am also concerned.

Angela Eagle (Wallasey) (Lab): The Conservative party says that it will abolish the second state pension, which is one of the most progressive—

Mr. Speaker: Order. The hon. Lady should try again. The Minister is not responsible for Opposition policy and cannot answer.

Angela Eagle: I stand corrected—I thought that the point was relevant. Even as we speak, recipients of the second state pension are building up extra entitlements that will enable them to live properly in retirement. Just in case the second state pension is under threat, will my right hon. Friend undertake to campaign about the enormous benefits that it provides?

Ms Hewitt: My hon. Friend is absolutely right—in all her comments. Perhaps not enough people know about the state second pension. It will benefit nearly 2.5 million carers who care for young children and older or disabled relatives. It will make an enormous difference to the problem of poverty in old age. I happily assure her that our Government at least will maintain the state second pension and will not abolish it.

Sandra Gidley (Romsey) (LD): Is the Minister aware that the UK has a comparatively high level of low-birth-weight births? One quarter of such births are to mothers who are dependent on income support, which can be as little as £39.90 for 16 to 17-year-olds. It has been established that £39.90 is insufficient to provide a healthy diet and ensure the health of the next generation. Has the Minister made plans to improve the situation?

Ms Hewitt: I have discussed that issue with my right hon. Friend the Minister for Children. Part of the problem is the issue of teenage girls on little or no income and from poor family backgrounds having children at very early ages. I am sure that the hon. Lady will welcome the increasing success of our programme to reduce teenage pregnancies. Where young mothers have babies, the programme to help them stay in education and improve their prospects and those of their children is also beginning to show good results.

Commission for Equality and Human Rights

18. **Vera Baird** (Redcar) (Lab): If she will make a statement on progress towards a commission for equality and human rights. [156272]

The Deputy Minister for Women and Equality (Jacqui Smith): The Government are committed to the creation of a commission for equality and human rights to champion equality and human rights, to give better support and advice to individuals, businesses and communities and to crack down on discrimination. We have created an expert taskforce to provide advice on the role and priorities of the commission. Its discussions have already been productive and its advice will inform the forthcoming White Paper.

Vera Baird: I am pleased by the progress that the taskforce is making. Will my right hon. Friend address concerns that gender may be sidelined by bringing it together with disability and race? The public sector has a duty to promote race equality and will soon have a duty to promote disability rights. Although a duty to promote gender equality was announced, the public sector is not currently subject to it. Will it be imposed and, if so, when?

Jacqui Smith: As my hon. and learned Friend points out, we made a public commitment on that duty. The commission will contribute to all the strands that it will cover, not least of which is gender. One of our priorities in designing the new commission is to ensure that no one strand will trump another. In fact, a single champion for equality and diversity across all strands will be more powerful and influential, and better able to deliver results than each strand working separately.

The other key issue is that women do not exist in isolation. It is sometimes the case that women who are disabled, who are older, who come from certain ethnic or religious backgrounds, or who are lesbians are likely to face additional discrimination. The commission will be uniquely placed to enable all parts of an individual's identity to be taken into account, benefiting women across the board.

Business of the House

12.30 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): Will the Leader of the House please give us the business for next week?

The Leader of the House of Commons (Mr. Peter Hain): The business for next week will be as follows:

MONDAY 1 MARCH—Remaining stages of the Asylum and Immigration (Treatment of Claimants, etc) Bill.

TUESDAY 2 MARCH—Second Reading of the Pensions Bill.

WEDNESDAY 3 MARCH—Opposition Day [6th Allotted Day]. There will be a debate on trade justice for the developing world followed by a debate entitled "Crisis in the Protection of Vulnerable Children". Both debates arise on an Opposition motion.

THURSDAY 4 MARCH—Motion to approve a money resolution on the Carers (Equal Opportunities) Bill followed by a debate on women, equality and human rights on a motion for the Adjournment of the House.

FRIDAY 5 MARCH—Private Members Bills.

The provisional business for the following week will include:

MONDAY 8 MARCH—Consideration of Lords Amendments to the European Parliamentary and Local Elections (Pilots) Bill.

TUESDAY 9 MARCH—Opposition Day [Unallotted Day]. There will be a debate on a motion in the name of the SNP/Plaid Cymru, subject to be announced.

WEDNESDAY 10 MARCH—Second Reading of the Justice (Northern Ireland) Bill *[Lords]*.

THURSDAY 11 MARCH—Estimates [2nd Allotted Day]. Subject to be confirmed by the Liaison Committee.

FRIDAY 12 MARCH—Private Members' Bills.

I should also like to inform the House that the business in Westminster Hall for March will be:

THURSDAY 4 MARCH—Debate on the Report from the Transport Committee on ports.

THURSDAY 11 MARCH—Debate on the Report from the Culture, Media and Sport Committee on privacy and media intrusion.

THURSDAY 18 MARCH—Debate on the Report from the Science and Technology Committee on the scientific response to terrorism.

THURSDAY 25 MARCH—Debate on China.

Mr. Heald: I thank the Leader of the House for the business. Was he as flabbergasted as I was by the remarks this morning by the right hon. Member for Birmingham, Ladywood (Clare Short)? One understands the difficulties, but when will we hear a Government response on the issue?

The Prime Minister has just announced a new commission for Africa and a new emphasis on Africa. Is it not about time that we had a debate on Zimbabwe—we have not had one since 1997—now that the Government's quiet diplomacy has obviously failed? Is it not about time that the Government gave some clear guidance to the England and Wales Cricket Board about whether it should cancel its tour?

I have pressed the Leader of the House on several occasions to tell us when the Penrose report is to be published. Hundreds of thousands of pension scheme members are worried about the loss of their life savings, and there is also concern on both sides of the House about the issue. Is it right that we are to have the statement next week? The rumour is that it will be on Tuesday. Is the Leader of the House able to give us clear information about that so that we do not have to wait for the Sunday newspapers, as we so often do these days?

The Leader of the House knows that we would like early debates on the airports and defence White Papers. Can he help us on those? When will the draft Mental Health Bill be produced for pre-legislative scrutiny? He will know that many Members on both sides of the House are concerned about that. Will we have to wait to hear about that in the Sunday papers, or will he tell us about it today?

Last week, the Government made announcements about the reform of the examination system, immigrants' benefits and substantial changes to the civil service and we had the inspired leak about genetically modified foods. To round off the week in recess, the Prime Minister gave an interview in the *News of the World* about proposing drug testing for school students. Does the Leader of the House agree that it is an important principle that announcements should be made in this place? When he said on the "Today" programme on Monday that there were too many announcements to inform Parliament about all of them, was he being serious and, if so, will he tell us what sort of announcement he will not be informing Parliament about? Will it be the tricky ones, or does he just want to leave something for the Sunday papers?

Mr. Hain: On the last point, if the hon. Gentleman looks at the "Weekly Information Bulletin"—as I am sure he has done—he will see that from 6 to 12 February there was a whole list of written ministerial statements—

Mr. Eric Forth (Bromley and Chislehurst) (Con): Written!

Mr. Hain: Indeed, written ministerial statements, because the time of the House could not be constantly filled up with statements. The Government are held accountable to the House through those statements—on top of which, the Government, whether the Prime Minister or other members of the Cabinet, have given regular statements, weekly statements, on all those key issues. May I suggest that that was a typically fatuous question from the shadow Leader of the House? On that point—*[Interruption.]*

Mr. Speaker: Order. Members should let the Leader of the House answer—that is how we handle things.

Mr. Hain: May I express surprise about the titles of the Opposition motions? I am grateful to the shadow Leader of the House for the advance notice, as it is in the interest of Members to know what next week's business

will be, but I am very surprised that there is to be no Opposition debate on public spending levels, given the plans, as announced by the shadow Chancellor, to cut public spending in the first two years after the next general election by up to £18 billion. Surely, if the right hon. Gentleman is confident about that, there should be a debate in Opposition time on their spending plans.

The shadow Leader of the House said that he was flabbergasted by the statement made by the right hon. Member for Birmingham, Ladywood (Clare Short). May I simply repeat what the Prime Minister said? It was a deeply irresponsible statement, and that says it all.

The Prime Minister's announcement this morning of the commission for Africa was very important, because of the poverty that Africa has been trapped in for a very long time.

Mr. David Wilshire (Spelthorne) (Con): Why was it not made here?

Mr. Hain: The Prime Minister has repeatedly made statements and answered questions on Africa over the past few years. He is a Prime Minister who has taken more interest in rescuing Africa from poverty than any of his predecessors. On Zimbabwe, the same is true. When I was a Foreign Office Minister, I remember regularly making statements to the House, answering debates in Westminster Hall and answering questions in robust terms. If behind the question put by the shadow Leader of the House is the view that Robert Mugabe's Zimbabwe is being dragged into a desperate state by that tyrant, I agree. We are working continuously with other African leaders to bring that situation to a conclusion, so that the people of Zimbabwe can be liberated from that tyranny. I notice, however, that there is never any suggestion from the Opposition for an alternative policy to deal with Zimbabwe.

On the planned, or proposed, English cricket tour, discussions have been going on, as the hon. Gentleman knows. Ultimately, the decision is for the English cricket authorities; they have sought and been given advice. Their adviser, Des Wilson, has drawn up a framework for taking a decision, and a decision will, ultimately, be taken.

The hon. Gentleman asked about the Penrose report. The Financial Secretary to the Treasury has said on several occasions, most recently only a couple of weeks ago on 12 February, that the Treasury plan to publish the report in full as soon as possible and that it will answer questions following publication. He asked when, and whether it would be next week. When is when we are ready to do so—*[Interruption.]* I understand the concern of Members and all our constituents about the matter, but the hon. Gentleman should appreciate that the Government will give a considered response when we are ready to do so, so that we can take the matter forward.

On the defence and airports White Papers, and all the others, I have already answered those questions, as the hon. Gentleman has put them to me before. On the draft Mental Health Bill, a great chunk of it has already been subject to consultation and pre-legislative scrutiny, as he knows. The question is when the remaining issues are to be considered, and we shall take that forward when we are able to do so.

Mr. Paul Tyler (North Cornwall) (LD): I want to request an urgent statement for next week. The Prime Minister has been answering media questions this morning, but does the Leader of the House accept that he is principally accountable to the House? As there are extremely important topical issues—not least, of course, the collapse of the case against Katharine Gun and the disclosures of the former Secretary of State for International Development—for the remit of the Butler inquiry, will the Leader of the House ask the Prime Minister to come before the House on that specific issue, which only he can answer?

If it was so necessary to persuade members of the United Nations Security Council to support the second resolution, why did the Prime Minister later assure the House that that resolution was not necessary before he took the country to war? Will the Leader of the House ensure that the Prime Minister comes to answer that question and to explain precisely how the implications of those cases relate to the remit of the Butler inquiry? For example, the Attorney-General has already indicated in the other place that the Foreign Secretary must answer questions about GCHQ. He has already said that there are important issues that are the Prime Minister's responsibility, and the later statement from the Solicitor-General cannot possibly cover that. So when will we get that opportunity to question the Prime Minister?

Will the Leader of the House confirm whether the full advice and instructions given by the Foreign Office legal team to the Attorney-General before he produced his opinion on the legality of the Iraq invasion will be made available to the Butler inquiry and made public? As he knows, my right hon. and learned Friend the Member for North-East Fife (Sir Menzies Campbell) has consistently asked for that to be made public. The leader of the Conservative party did not regard it as important that we saw the legal advice on the invasion of Iraq—he wanted to go to war anyway—but we have consistently asked for that, and we now believe that it is extremely important.

I have a constituency interest in GCHQ: the listening post is at Morwenstow in my constituency. I want to know whether my constituents are being put in an invidious position by what they are being asked to do. The Prime Minister set up the Butler inquiry. He, and only he, can answer to the House on its remit.

Mr. Hain: I do not know where the hon. Gentleman was yesterday, but the Prime Minister was here, answering questions put to him by hon. Members from across the House, and the hon. Gentleman could have put any question to him if he had been called. The Prime Minister is here every week. He appears before the Liaison Committee. He makes statements to the House. He is a Prime Minister who is more accountable to the House than any of his predecessors, and the hon. Gentleman ought surely to recognise that.

On the Gun case and the events that transpired yesterday, as the hon. Gentleman knows, the Solicitor-General is about to make a statement to the House, and the hon. Gentleman will be able to pursue any question that he wants then. The Attorney-General has already made a statement in the other place.

On Iraq, the issue has been debated up and down, inside out. No doubt the hon. Gentleman can continue to debate it if he wishes, but the position has always been

[Mr. Hain]

clearly stated by Ministers—whether the Prime Minister, the Foreign Secretary or the Secretary of State for Defence. We worked night and day to try to get the second resolution. That was our preference. We wanted United Nations backing. That was not possible, and action was needed to follow to get rid of Saddam Hussein, which was accomplished.

On the Attorney-General's advice—again, as the Prime Minister has made it clear this morning, and he would have made it clear if he had been asked yesterday by the hon. Gentleman or any of his colleagues if they had taken the opportunity to do so—such advice is never published, and it never has been by previous Governments. That is the situation—frankly, it is irresponsible to suggest otherwise—but, as he also knows, a summary of the essential point that the Attorney-General was making appeared in an answer to a parliamentary question, as appropriately tabled. In fact, the House was informed of the gist of the advice, but it has not been the practice to publish the Attorney-General's advice because Law Officers' advice is not published. It is private advice to the Government.

Huw Irranca-Davies (Ogmore) (Lab): Yesterday, Baroness Scotland visited my constituency to speak about antisocial behaviour, and two people were at the back of the hall: one was the new community beat officer and the other was the new community support officer in Pencoed. If the Opposition are not minded to do so, will my right hon. Friend arrange a debate on the £18 billion of cuts and on how many police and community support officers would go and how many police stations would close as a result in my constituency?

Mr. Hain: I am very tempted indeed to discuss with the Chancellor the opportunity to do that, because my hon. Friend is absolutely right to suggest that his constituents—indeed, the whole House—would wish at an appropriate time to discuss the consequences of the £18 billion-worth of cuts over two years, following the next general election. As he rightly suggests, that figure includes a cut in policing budgets of up to £1 billion. Those cuts would have a catastrophic effect on the recruitment of new police officers and the provision of extra resources to tackle crime that has been taking place under this Government. In contrast, under the previous Government, the number of police officers was reduced and crime went up—a dangerous situation for everyone concerned.

Mr. Roger Gale (North Thanet) (Con): Some time ago, I sent three letters to the Prime Minister asking him to correct the erroneous impression that the Wild Mammals (Hunting with Dogs) Bill introduced by the hon. Member for Hastings and Rye (Mr. Foster) was killed off by the Lords, when it never reached the upper House. I finally managed to wring an answer out of the Prime Minister on the Floor of the House, because the letters were not answered.

The Prime Minister seems to be having problems with his correspondence again. I recently wrote to him asking him to place in the Library a copy of the threatening letter that he sent the director-general of the BBC in 2003 and to list the threatening phone calls made by Mr. Alastair Campbell on his behalf to the BBC between March and April 2003. The Prime Minister seems to be unable to answer those questions, so can the House have a debate on the Floor of the House so that we can question the efficiency of the Downing street correspondence unit?

Mr. Hain: The hon. Gentleman can apply for any debate on any issue that he likes, including that one. However, may I just say that the Prime Minister does not send threatening letters to anybody?

Mr. Alan Meale (Mansfield) (Lab): The Leader of the House may not be aware of the fact that decades ago MPs on both sides of the House representing the east midlands campaigned to establish an independent news and current affairs centre for the east midlands based in Nottingham. Like Members from the east midlands and me, he will be alarmed to learn that this morning ITV announced the proposed closure of that centre, which is to be moved to the west midlands, with the loss of 200 jobs. Will he do everything in his power to ensure that we have an urgent debate on the issue?

Mr. Hain: My hon. Friend will have the opportunity to put that to my right hon. Friend the Secretary of State for Culture, Media and Sport at Culture, Media and Sport questions on Monday 8 March. However, I well understand his anxiety about job losses and the concerns of people in the east midlands that there should be proper independent television coverage and programmes that reflect local and regional interests. I am sure that the television chiefs and the Secretary of State will want to bear in mind what he said.

Pete Wishart (North Tayside) (SNP): Has the Leader of the House had an opportunity to look at early-day motion 657, which stands in my name and asks the Chancellor of the Exchequer to get his teeth into the sticky problem of discarded chewing gum?

[That this House despairs at the disgusting problem of discarded chewing gum which blights the streets of every city and town the length and breadth of the country; notes the efforts of local authorities in trying to address this problem, but acknowledges that despite these efforts discarded chewing gum continues to present an intractable problem; calls on the Chancellor to introduce a chewing gum levy on the chewing gum manufacturers, so that for every packet of chewing gum bought a couple of pence is taken in the form of a levy to be then given to local authorities to address this problem; and calls on the chewing gum manufacturers to do more to make sure their product is fully bio-degradable and non-adhesive.]

I am sure that the House is aware of the appalling mess that blights every town and city the length and breadth of the country. Will the Leader of the House chew over my request for a debate, and consider my modest proposal for a 2p levy on chewing gum manufacturers so that that horrible mess can be addressed?

Mr. Hain: I will chew it over.

Mrs. Anne Campbell (Cambridge) (Lab): May I bring to the attention of my right hon. Friend early-day motion 652 on private Members' Bills?

[That this House believes that, under the present sitting hours, Private Members' bills should be taken on Tuesday evenings after 7:00pm, which would make all Fridays non-sitting days for honourable Members; further believes that this would allow honourable Members to be able to use Fridays for working in their constituencies, thereby enabling them to foster closer relationships with businesses, schools and organisations which function from Mondays to Fridays; and further believes that it would enable more honourable Members to be present in the House and take part in the debates and votes on private Members' bills.]

The motion was tabled three days ago, and has already attracted 58 signatures. It proposes that private Members' Bills, instead of being heard on a Friday, should be debated on Tuesday evenings after 7 pm. What progress has my right hon. Friend made with the Modernisation Committee on the issue?

Mr. Hain: We have not had an opportunity to consider any detailed propositions such as the one suggested by my hon. Friend. I have noted the early-day motion, and am struck by the fact that it has cross-party support. It needs to be taken seriously, and I urge her and her colleagues, including Members who signed the early-day motion, to have discussions with other colleagues who have taken a different view of the original decision to change the hours to see whether a consensus can be built around the issue or a variation of it. If I can find an early consensus on the sitting hours of the House I am willing to table a motion, but I am not willing to table an early motion on a proper review in the absence of any such consensus.

Mr. Peter Atkinson (Hexham) (Con): Will the Leader of the House allow us to have a debate on agriculture, as there are many issues that we need to discuss, not least the new subsidy arrangements announced by the Government two weeks ago and which, either by accident or design, will have a serious impact on the income of upland livestock farmers in England, including those in my constituency in Northumberland? Those farmers look after some of the most loved landscapes in England, including the Lake District, the Pennines, Dartmoor and Exmoor. We need a debate to find out how we can rescue them from impending financial disaster.

Mr. Hain: I recognise the hon. Gentleman's concerns. As he knows, the Secretary of State has made a statement on the likely outcome of European future financing and her plans in respect of England. However, when he talks about financial problems, he should recognise that his party now advocates a cut in agricultural and rural support programmes. The problems in his constituency will not be solved by Conservative party policy, and I suggest that he change his stance.

Mr. David Chaytor (Bury, North) (Lab): My right hon. Friend will know that the decision to allocate secondary school places to children in London under the new unified pan-London admission system is imminent, and that that is a very important matter for thousands of parents and children in London and in other parts of the country where similar allocations are in the course of being made. In view of increasing parental pressure and competition for places in good schools and the increasing number of appeals against decisions by admission authorities, does my right hon. Friend accept that it is time to have a debate on the Floor of the House about the operation of school admissions, especially secondary school admissions, and specifically about the role of the schools adjudicator, two of whose decisions, in Wandsworth and Hertfordshire, were recently overturned by the courts? Will he find time for a debate on the whole issue of secondary school admissions in the near future?

Mr. Hain: I recognise my hon. Friend's continuing expertise on, interest in and advocacy of comprehensive schools through the campaign for comprehensive education, and I know of his concerns about such matters. My hon. Friend is of course free to apply for a debate, but I am sure that the Secretary of State for Education and Skills will want to pay close attention to his comments.

Mr. Adrian Flook (Taunton) (Con): As we just heard, two weeks ago the Secretary of State for Environment, Food and Rural Affairs came to this House to make a statement about common agricultural policy reform. In that statement, she said that people on Exmoor will benefit from those reforms, but I am afraid that that is manifestly not the case. Will the right hon. Gentleman ask her to come to the House to correct those comments; and in his reply to me, will he refrain from giving us a party political tirade, because this is about European money, not domestic taxpayers' money?

Mr. Hain: I understand the hon. Gentleman's point about Exmoor. He is right to raise the matter, and the Secretary of State will certainly want to take account of his remarks if the impact is as he describes it. As my right hon. Friend said, the effects are balanced right across the country. Moreover, I am sure that the hon. Gentleman agrees that reform of the original subsidy system, which was provided by a bloated and inefficient common agricultural policy, was much needed. I am grateful to the hon. Gentleman for nodding. Although the general terms of the Secretary of State's announcement were welcomed, I understand that its application to his own area is an issue, and my right hon. Friend will want to take close account of his remarks.

Glenda Jackson (Hampstead and Highgate) (Lab): May we have an early debate in Government time on early-day motion 691, which stands in my name and in those of colleagues?

[That this House applauds the courage and patriotism of GCHQ translator Katharine Gun who made public information about a memo from the US Government National Security Agency requesting UK assistance with a covert surveillance campaign of the United Nations Security Council members such as Mexico and Chile prior to voting on a resolution which would have endorsed the proposed invasion of Iraq in March 2003; welcomes the decision to drop the charges against her for breaching the Official Secrets Act; considers that the actions of Ms Gun qualify her as a whistleblower—an employee who, on the basis of principle, exposes a malpractice or a miscarriage of justice that deserves public attention; calls on the Government to reform the Official Secrets Act so

[Glenda Jackson]

that whistleblowers are able to have a public interest defence so that if a jury can be persuaded that a breach of the Official Secrets Act is in the public interest this should be an absolute defence; and calls on the Government to make a statement on the information made public by Ms Gun.]

The motion, while praising the courage of whistleblower Katharine Gun and welcoming the decision, albeit somewhat late in the day, to drop all charges against her, calls on the Government to reform the Official Secrets Act to afford whistleblowers the defence of public interest, which, if a jury is so persuaded, will be deemed an absolute defence?

Mr. Hain: My hon. Friend will know that the Government introduced both legislation to protect whistleblowers and the Freedom of Information Act 2000, so our record in this respect is very good indeed. However, she is of course able to apply for a debate and to question the Solicitor-General when she appears in the House shortly.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): I am aware that following this business we are to have a statement by the Solicitor-General. Having listened to the Attorney-General's statement in the other place this morning, I am sure that it is apparent to most observers that it raises more questions than it answers. Speaking as a one-time procurator fiscal depute, it is surely apparent that someone in Government has danced with tackety boots all over the notion of independent prosecutors bringing prosecutions in the public interest. It is inevitable that in the course of the next few days more information will come into the public domain about the case and the decision to drop proceedings. Will the Leader of the House give me an assurance that when it does, we will be allowed the opportunity to discuss it fully?

Mr. Hain: The hon. Gentleman is hunting for conspiracies that do not exist. The Solicitor-General's statement, like the Attorney-General's statement, will be crystal clear on the matter. The decision was taken by the Crown Prosecution Service on evidential grounds following consultation with independent prosecuting counsel and the Attorney-General. Such decisions are essentially for the independent prosecuting counsel. There is no point in the hon. Gentleman's shaking his head—that is the fact of the situation.

Jeremy Corbyn (Islington, North) (Lab): Will the Leader of the House make time as early as possible next week for a full debate on all the security information that was sought before the conflict in Iraq, particularly the bugging operation that apparently went on at the United Nations? Does he not think that the British public and taxpayers who pay for all this have a right to know what went on, who made the decisions, and who authorised that bugging to go on, if it did? In the interests of transparency, an early debate would be very welcome.

Mr. Hain: As my hon. Friend knows, the Butler inquiry was set up specifically to look into the whole question of intelligence in relation to this issue. As regards the latest allegations, the Prime Minister made it absolutely clear this morning that Governments and Prime Ministers do not comment on security or intelligence matters. If we, or they, did, that would endanger the whole security of the country and the operations of the security services. Even if my hon. Friend is successful in getting a debate, he will not find it very profitable to have done so.

Mr. Andrew Rosindell (Romford) (Con): The Leader of House will have noted early-day motion 683 on the 300th anniversary of the British link with the territory of Gibraltar.

[That this House notes with great pleasure that this year sees the celebration of the 300th Anniversary of relations between Gibraltar and the United Kingdom; further notes during this long period of time the closeness of that relationship and the ongoing support of Gibraltar to the United Kingdom, especially during periods when the support of Gibraltar was of crucial importance; further notes, with pride, the deep commitment of Gibraltar as a member of the British Islands and Mediterranean Region of the Commonwealth Parliamentary Association to the principles of the Commonwealth in which it is a highly respected member; and believes there is a need for the fullest cooperation and understanding between the two countries in any decisions that may need to be taken that would in any way affect Gibraltar and this should only be done with the fullest involvement and co-operation of the elected representatives of Gibraltar and its people.]

The Leader of the House will be aware that next week a special service of thanksgiving will take place in London to celebrate that great anniversary. As he is renowned for his campaigning for democracy over many years, will he bring to this House at the earliest possible opportunity legislation to give the people of Gibraltar the same democratic right to vote to elect a Member of Parliament to this House that is enjoyed by everyone else in the United Kingdom?

Mr. Hain: The answer to that question is no.

Jon Trickett (Hemsworth) (Lab): Can the Leader of the House find the time to discuss the miners' compensation package? Such a debate would allow those of us who represent mining constituencies to congratulate the Government on recognising the suffering that miners underwent during their years of working underground. It would also allow me to raise the case of my constituent Mr. Harry Fletcher, who is 80 years old, worked underground all his life creating wealth for this country, and now suffers from the most severe vibration white finger imaginable. His records have been lost and there is no longer any living witness to the fact that he was employed underground, which has led to the denial of his application for compensation. Will the Leader of the House allow us to debate that matter on the Floor of the House or, if not, will he at least bring that case to the attention of his right hon. Friend the Secretary of State for Trade and Industry?

Mr. Hain: I will certainly do that. As a representative of a former coal mining community, in concert with my hon. Friend I know that these cases worry many of our constituents who are in an appalling state of health,

whether caused by vibration white finger or lung disease. I am sure that everything that can be done to assist with his constituent's case will be done by the Minister for Energy or the Secretary of State. However, I remind him, and I am sure that he will want to agree, that there have been record payouts of hundreds of millions of pounds—indeed, getting on for £1.5 billion—across the country to rescue the sick miners concerned or their families from the appalling destitution into which they have fallen as a result of the ill health that they have suffered.

Mr. Eric Forth (Bromley and Chislehurst) (Con): Will the Leader of the House reconsider the sleight of hand that he practised in not giving a proper answer to my hon. Friend the shadow Leader of the House? When asked why we are not getting proper oral statements from Ministers in this House during which they can answer questions from Members, the Leader of the House resorted to some slick comment about written ministerial statements. Even he must understand that there is a difference between a written ministerial statement, which cannot be questioned by Members, and a proper oral statement when Ministers come to the Dispatch Box and are prepared to answer questions from Members of Parliament from both sides of the House. When will the Leader of the House stop taking refuge in this ridiculous written ministerial statement procedure and get his colleagues to come and answer properly at the Dispatch Box?

Mr. Hain: Does the right hon. Gentleman really think that it is better to have the procedure of planted questions—

Mr. Forth: No.

Mr. Hain: I presume, then, that he agrees that written ministerial statements are a good idea.

Mr. Forth: No.

Mr. Hain: He cannot have it both ways. He must surely agree that written ministerial statements are a preferable alternative to planted questions.

The right hon. Gentleman is practised at perpetuating the myth that there was sleight of hand. Cabinet Ministers have made masses of statements, and they make them every week. If he looks at the record of this Parliament, he will find that we are at least as accountable to the House as previous Governments. During the first six years and nine months of his premiership the Prime Minister spent 107 hours and 30 minutes in the Chamber, whereas John Major's equivalent period was 87 hours and 30 minutes—an extra 20 hours of accountability to the House by our Prime Minister. The Prime Minister has made 61 statements, compared with just 46 by John Major. That shows much greater accountability to the House by a Labour Prime Minister than by his Tory predecessor.

Mr. Stephen McCabe (Birmingham, Hall Green) (Lab): Has my right hon. Friend had a chance to consider the demands of the Doctors for Reform group, which yesterday called for everyone in the country to be forced to purchase medical insurance, whether they can afford it or not? May we have an urgent debate on that important matter and on today's further revelations that, far from being an independent organisation, this group is a Tory front organisation dedicated to undermining and dismantling the NHS? When a group parades as independent, surely Members of the House have a right to know what its true political affiliations are, particularly when the issue is the sensitive one of health spending and the protection of the values of the NHS, and particularly when the group is clearly—

Mr. Speaker: Order. There are other Members' contributions to be considered.

Mr. Hain: I agree with every word of my hon. Friend's question. Indeed, I would be enthusiastic about the prospects for a debate on those lines, because a clear divide is opening up between this Government, who believe in publicly funded health services from which people can seek relief from pain or proper treatment free at the point of use, and an alternative point of view—advocated by the Conservatives, and probably also by this front organisation—of moving towards increasing privatisation, robbing the national health service of up to £2 billion to walk down the road to private hospitals. That is the choice—a high-quality publicly funded national health service under Labour or privately funded health provision under the Conservatives.

In respect of one other matter, may I correct a mistake that I inadvertently made about business in Westminster Hall for Thursday 4 March? The debate will in fact be on the report from the Transport Committee on overcrowding on public transport, not, as I think I said, on ports.

Mr. Graham Brady (Altrincham and Sale, West) (Con): The Leader of the House has made great play of the amount of time that the Prime Minister spends in the House of Commons. Is it not important, however, that, when he is here, what he says is factually accurate? If it is not, he should come to the House to correct it as quickly as possible. During yesterday's Prime Minister's questions, he committed a clear error of fact when he said

"the right hon. and learned Gentleman is wrong; the guidance"—

he was referring to drug testing in schools—

"is to be issued next week."—[*Official Report*, 25 February 2004; Vol. 418, c. 279.]

That guidance was issued on 16 February, so the Prime Minister made a clear error of fact and should correct it. When will he come to the House to do that?

Mr. Hain: On the general matter of Prime Minister's questions—*[Interruption.]* I will answer the hon. Gentleman's point specifically. The Prime Minister has answered a massive range of questions, including one on Buddhism in relation to one hon. Member's constituency. I am advised that the drug guidance to head teachers and schools is being issued on 9 March, which accords absolutely with what the Prime Minister said yesterday, so the hon. Gentleman should withdraw his question.

Jim Sheridan (West Renfrewshire) (Lab): My right hon. Friend may be aware of early-day motion 665, which stands in my name, in relation to profits in the oil, gas and banking industries.

[Jim Sheridan]

[That this House recognises the excessive profits recently recorded in industries such as oil and gas and banking; and therefore calls on the Government to use its influence to ensure these profits are fairly distributed between shareholders, employees and consumers who have all contributed to these profits rather than the executives who award themselves large bonuses or other hidden benefits.]

Will my right hon. Friend use his tremendous influence within the Government to ensure that executives in those industries have a moral responsibility to ensure that these excessive and record profits are shared among shareholders, employees and especially consumers? Their contributions have led to the profits being gained, and they should not go into the coffers of chief executives.

Mr. Hain: I understand my hon. Friend's point. The staff concerned will want to be properly remunerated, and the senior managers concerned will want to be fairly remunerated, but not by being given exceptional rewards for mediocre performance. His question is important and he is free to apply for a debate to raise the issues involved.

Mrs. Patsy Calton (Cheadle) (LD): Will the Leader of the House give urgent consideration to holding a debate on the flawed processes surrounding consultation and decision making on the network reinvention programme for post offices? On 16 February I received a letter from Eddie Herbert, the north-west area head for post office reinvention, about Turves Road post office in my constituency, in which he stated that he was still having to take time to consider the consultation responses that he had received. I learned yesterday, however, that the meeting between the Post Office and Postwatch was held on 16 February—the same day that he wrote to me to say that he was taking more time to consider responses. May we please have a debate on the Floor of the House that will enable us to explore this and other flaws in the process?

Mr. Hain *rose—*

Mr. Speaker: Order. Before we go any further, I remind Members that they must be fair to other Members. Long questions mean only that other Members' questions will be cut out.

Mr. Hain: I understand the hon. Lady's concerns about consultative processes conducted by Post Office managers. I, and many other Members, have received many representations about flaws in that process. I am sure that the Post Office managers concerned, and the Secretary of State, will want to take careful note of what she says.

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): In the run-up to the publication of the defence White Paper, my newspapers regularly carried scare stories about the demise of the Cheshire Regiment. Will my right hon. Friend join me in praising the great work done by the regiment, and will he reconsider his answer to the shadow Leader of the House and grant an early debate on the defence White Paper so that we may praise the work of the county regiments and expose the proposed Tory cuts in defence?

Mr. Hain: I am inclined—*[Interruption.]* I see that Conservative Members are joining my hon. Friend in exposing the mistaken policies of their party. I join him in praising the brilliant standards, reputation and courageous work of the Cheshire Regiment over many generations. Its future, and that of other regiments, would be jeopardised by the cuts of £1.5 billion planned by the Conservative party in the first two years following a general election.

Mr. John Wilkinson (Ruislip-Northwood) (Con): In reply to my hon. Friend the shadow Leader of the House, who complained about the plethora of Government news announcements made in the recess, the Leader of the House, sounding more like a partisan news manager than the custodian of our democratic principles, called in aid a long list of written ministerial statements. Does he not notice that three of the eight statements on today's Order Paper concern important issues relating to Northern Ireland business, which are the concern of this House and on which we need to question Her Majesty's Government, as the devolved institutions of the Province are in abeyance?

Mr. Hain: Notwithstanding the specific question that the hon. Gentleman asks, my point is that surely an above-board written ministerial statement on such questions is preferable to the practice adopted by Governments over the decades—and quite possibly the centuries—of planting questions so that they can answer them to make ministerial statements. That is common sense. In addition, as the hon. Gentleman will appreciate, many oral statements are made by Cabinet Ministers, virtually every week, and they are here to answer questions almost every day of the week as well.

Mr. Kelvin Hopkins (Luton, North) (Lab): My right hon. Friend will be aware that many thousands of people in my constituency and elsewhere are in desperate need of rehousing, and that there are not enough houses for them. In recent discussions with private builders and construction trade unions, it has become obvious that builders are interested in the development of executive homes, on which they can make a big profit, not in the building of social housing on brownfield sites for local authorities or housing associations. Will my right hon. Friend make time for a debate in which we can look at the possibility of developing once again a substantial public sector house building industry, which could provide homes for people in my constituency and elsewhere?

Mr. Hain: The Government have initially been focusing on investment and improvement, rather than on new house building, which is a much-needed task, as I know my hon. Friend will agree. He nevertheless makes an important point on the need for more social housing. That is why the increasing investment going to local government—on a massive scale under this Government—and into housing provision is very important. That contrasts with the policies proposed by the Opposition, who would make cuts of £2.5 billion in local government spending in the first two years following a general election, if they were to come to office.

Katharine Gun

1.12 pm

The Solicitor-General (Ms Harriet Harman): This morning, my right hon. and learned Friend the Attorney-General made a statement in another place about the prosecution of Katharine Gun. I apologise to the shadow Attorney-General and to the hon. Member for Torridge and West Devon (Mr. Burnett), who speaks for the Liberal Democrats on these issues, for the lateness in getting the Attorney-General's statement to them. His statement is as follows.

Yesterday, at the central criminal court, the Crown offered no evidence in the case of Katharine Gun. Ms Gun had been charged under section 1 of the Official Secrets Act 1989. The effect of offering no evidence was that the case against Ms Gun was discontinued. Before I answer the questions that hon. Members will put to me today, I hope that it will help the House if I explain the process in respect of prosecutions under the Official Secrets Act.

Prosecutions under the Official Secrets Act are governed by the normal rules applied by the Crown Prosecution Service when considering any prosecution: the code for Crown prosecutors. There is an additional requirement for the Attorney-General's consent before a prosecution can go ahead under the Official Secrets Act. May I say at the outset that when making decisions under the code for Crown prosecutors, the CPS acts in the public interest? It takes independently the decisions for which it is responsible. I also remind the House that when making decisions on whether to consent to a prosecution, the Attorney-General makes his decisions in the public interest, not in the interest of the Government.

When the CPS is considering a prosecution under the Official Secrets Act, the normal code rules require that it first consider the sufficiency of the evidence—evidence to make out the case and evidence to rebut any defence that might be available and that might be raised. It will not take further action if it thinks that there is insufficient evidence. If its view is that there is a realistic prospect of conviction—that is, the evidence is sufficient to make it more likely than not that a jury would convict—it then considers the public interest test. In the Gun case, the evidential test was met in the view of counsel instructed by the CPS, and in the view of the Director of Public Prosecutions. The evidential test having been met, the CPS next moved on to the public interest test. That test is, quite simply, to ask whether the prosecution would be in the public interest. As this prosecution was taking place under the Official Secrets Act, it also required the consent of the Attorney-General.

When considering whether to consent to a prosecution under the Official Secrets Act, the Attorney-General carries out a Shawcross exercise, whereby he seeks the views of any ministerial colleagues who may have an interest in the case. That is so that he can be informed of their views on the public interest considerations of the case within their ministerial or departmental responsibilities. When those ministerial views are expressed, the Attorney-General takes them into consideration when deciding whether to give his consent.

In the Gun case, the view of the independent prosecutor, senior Treasury counsel Mark Ellison and his junior Ed Brown, on the review of the evidence available at that time was that the evidence afforded a realistic prospect of conviction. The Crown Prosecution Service applied for the Attorney-General's consent, and he undertook a Shawcross exercise by way of a Shawcross letter to the Secretary of State for Foreign and Commonwealth Affairs, in view of his departmental interest. That letter was copied to other interested ministerial colleagues. Views were expressed that, as always with the Shawcross exercise, the decision was the Attorney-General's. He gave his consent to the prosecution on 13 November 2003.

Under the code, it is the obligation of the prosecutor, as a case progresses, to keep under review the prospects of a conviction resulting. If, on that review, the prosecutor forms the view that the evidence is such that there is no longer a realistic prospect of conviction, it is his or her duty to withdraw the prosecution. Counsel reviewed this case. The decision not to proceed with the prosecution was made by the CPS, after consultation with the Attorney-General. It was based on the advice of senior Treasury counsel in the case. The evidential deficiency related to the prosecution's inability within the current statutory framework to disprove the defence raised on the particular facts of the case. The view of senior Treasury counsel and the DPP was that there was no longer a realistic prospect of conviction.

The prosecution consulted the Attorney-General before offering no evidence in this case. However, the decision not to pursue the case was that of the Crown Prosecution Service, as it was based on the view that there was no longer a realistic prospect of conviction. The Attorney-General made it clear, however, that he agreed with it. At the central criminal court on 25 February 2004, senior Treasury counsel informed the court that the prosecution was offering no evidence, as there was no longer sufficient evidence for a realistic prospect of conviction. Perhaps at this point I may tell the House of a statement made this morning by the Director of Public Prosecutions, Ken Macdonald. He said:

> "Senior Treasury Counsel prosecuting this case gave advice, with which the Director of Public Prosecutions fully concurred, that there was no longer a realistic prospect of convicting Katharine Gun.
>
> As has been commented upon there was, in this case, a clear prima facie breach of section 1 of the Official Secrets Act 1989.
>
> The evidential deficiency related to the prosecution's inability, within the current statutory framework, to disprove the defence of necessity to be raised on the particular facts of this case.
>
> This determination by the prosecution had nothing to do with any advice given by the Attorney General to Government in connection with the legality of the Iraq war. It was also a determination made by the prosecution in advance of the defence request for disclosure which came on 24 February 2004.
>
> The Attorney General was consulted and concurred.
>
> But the decision to offer no further evidence was one made by the Crown Prosecution Service as an independent prosecuting authority. It was a decision taken solely on legal grounds and in accordance with the Code for Crown Prosecutors, free from any political interference."

That was the DPP's statement.

I recognise that many in the House will want to know more about the detailed basis on which counsel concluded that there was no longer a realistic prospect

[Ms Harriet Harman]

of conviction. However, as the matter concerns issues of intelligence, it is not appropriate for me to go into that, even to this House.

As for the impact of the decision on the conduct of future prosecutions, the substantive law is always kept under review, and the effect of particular prosecutions on the substantive law considered.

Mr. Dominic Grieve (Beaconsfield) (Con): May I first thank the Solicitor-General for giving me an advance copy of the statement? I make no criticism of the slight lateness of its arrival, and I accept her apology for that. I should also like to say at the outset that I see no reason to express any criticism whatever of the conduct of the Attorney-General, on the facts as they are available at present, or indeed of the Solicitor-General. Nevertheless, this case raises some very important and worrying features.

It is an unusual feature of the case, as the Solicitor-General will confirm, that the facts of Ms Gun's actions were not in dispute. The defence that had been raised was one of necessity. When was that defence first expressed? Was it, as has been suggested and as I believe to be the case, in the numerous interviews that took place between Ms Gun and her interviewers, under caution, in the spring and summer of last year, leading to her being charged with this offence in November?

Was it the case that, prior to charge, the Director of Public Prosecutions and the Attorney-General were consulted, so that the Shawcross exercise of which the Solicitor-General spoke was carried out? If so, why did the evaluation of the chances of conviction change so dramatically between the date of charge in November and the events yesterday? When did it become clear that the case would not succeed? When was it decided by the Attorney-General that it should not go ahead? I have heard what the Solicitor-General said about that decision being made prior to a request for further material from the prosecution on 24 February, but will she be more specific about that? I understand that the Attorney-General had discussions with the Foreign Secretary on 14 and 24 February. Will she amplify from that when the decision was taken?

Why was the view changed? There is no suggestion in this case that a defence statement had yet been served, because none was required prior to the plea and directions hearing. It was suggested by the Attorney-General in his statement in the House of Lords that new material had come to light. I appreciate that the Solicitor-General will not be able to comment on specific material, but will she tell the House why that material was not available earlier? Was the material produced for the prosecution by those supplying it with information within the intelligence services, or was it served by the defence?

I understand that the Attorney-General properly consulted Cabinet colleagues, as he is entitled to do under the Shawcross rules. As I said earlier, I believe that he consulted the Foreign Secretary on at least two occasions. Will the Solicitor-General tell us whether, in addition to that, the Prime Minister was consulted about this case at any time between its first investigation and its discontinuance?

It has been widely suggested and publicised that the discontinuance followed a request by the defence for a copy of the Attorney-General's advice on the Iraq war. I cannot see a reason why the Solicitor-General cannot indicate whether such a request was made prior to discontinuance yesterday, and I would be grateful if she would tell the House whether that was indeed the case. I would obviously agree with her if she were to confirm that that document would be covered by privilege and therefore be unobtainable, unless of course the Government chose to waive the privilege upon it.

The Attorney-General made an important point in his statement, which was repeated by the Solicitor-General:

> "The evidential deficiency related to the prosecution's inability within the current statutory framework to disprove the defence raised on the particular facts of the case."

That is a very serious statement, and if that is so, is the Solicitor-General saying that, under the Official Secrets Act, no defence of necessity can be rebutted, so that in future no such prosecution can ever succeed, allowing anyone who chooses to leak official documents—potentially causing great damage to our freedom—to escape conviction? Or is she saying that, as Official Secrets Act prosecutions usually require the withholding of certain material from a jury under public interest immunity, resulting in the acceptance by the jury of the good faith underlying the prosecution process brought by the state, that the current state of public distrust of the Government over their actions in Iraq has rendered the process of justice impossible in this instance? Whichever is the case, this is a disastrous state of affairs for the due process of justice in this country.

In the House of Lords, the Attorney-General suggested that a review of the Official Secrets Act was to be conducted. Will the Solicitor-General tell the House when that might happen, and when a statement might be made to the House of the implications of this case? There have been previous requests by many people to see a copy of the Attorney-General's advice. There are perfectly good legal reasons for not making it available, but does the Solicitor-General agree that it is open to the Government, if they so choose, to waive their privilege and to allow the advice to be made available to the public? Will she consult her Cabinet colleagues about whether that might help to restore faith in the administration of justice in this country? There are very serious matters that go way beyond the issues surrounding the case in the Solicitor-General's and Attorney-General's statements. I very much hope that the Solicitor-General can clear up some of these matters.

The Solicitor-General: The hon. Gentleman asked whether the defence of necessity was disclosed at an early stage and therefore considered by those who had conduct of the prosecution. It is clear that it became evident at an early stage, if not from the outset, that it was a realistic prospect that Ms Gun might raise the defence of necessity. That was known and considered before the charge. Prior to the charge, the Shawcross exercise was undertaken. The Attorney-General has to consent to a prosecution going forward.

The hon. Gentleman asked why the evaluation had changed. That is a difficult question for me to answer as fully as I would like to. He will know from his experience

at the Bar that evidence comes and goes, and that a case has to be kept under constant review. If at any point counsel with the conduct of the case decides, on the balance of all the admissible evidence that might go to the proving of the charge or the rebutting of the defence, that there is no longer a realistic prospect of conviction, it is counsel's duty to make his view known that that is the case.

The hon. Gentleman asked when the Attorney-General decided not to go ahead with the case, but I can tell the House that it was not decided by the Attorney-General. He was told of the view of Treasury counsel, with which the Director of Public Prosecutions concurred, relating to the lack of sufficiency of the evidence. The Attorney-General was told about, and agreed with, the view of Treasury counsel, but it was actually the decision of the prosecuting authorities, not the Attorney-General.

I ask the House to understand the separate nature of the Attorney-General's discussions with the Foreign Secretary. The Shawcross exercise means that the Attorney-General will consult his ministerial colleagues in deciding, as part of his consideration, whether a prosecution is in the public interest. He will do that because the prosecution might affect the Departments for which they are responsible.

That isquite separate from the issue of evidential sufficiency. As the Attorney-General explained in the other place this morning, the discussions that he had on 14 and 24 February were about the evidential questions. As a matter of courtesy, he was reporting to the Foreign Secretary on the evidential issues that had arisen, and discussing them with him. He was not asking for the Foreign Secretary's views on whether the prosecution was still in the public interest, nor was he giving the decision on the sufficiency of evidence to the Foreign Secretary. He was not consulting the Foreign Secretary; he was simply explaining to him, and discussing with him, the evidential position. No defence statement had been served—this brings us back to the issue of the defence of necessity—but obviously counsel for the prosecution, and the prosecution as a whole, are under a duty to anticipate what any defences might be.

The hon. Gentleman asked whether any request by the defence for the Attorney-General's legal advice to the Prime Minister on the legal basis for the use of force in Iraq would have been covered by privilege. That question did not arise, and therefore the question of whether the Attorney-General had to decide whether he would claim legal privilege did not arise either, because the request for disclosure had not been made.

The hon. Gentleman asked about the future of section 1 of the Official Secrets Act. He asked whether it was now the case that no defence of necessity could ever be rebutted. All I can say is that before we rush to any conclusions about where this case leaves the state of the law, careful consideration must be given—and no doubt will be given—by the Home Secretary. It will be for him to come to the House if he has any views that he wishes to convey to it about the state of the Act. As for whether the prospect of a conviction receded because of the anticipation of public distrust of the Government—I think that that is what the hon. Gentleman was alleging—that was not an issue in relation to the discontinuance of the case.

The hon. Gentleman asked when the Official Secrets Act would be reviewed. I think that that is a matter for the Home Secretary. As I have said, in all cases in which there has been a significant event in the course of a prosecution, the implications for the substantive law that might arise from that prosecution are always considered. I said no more than that.

The hon. Gentleman asked whether the Government should waive confidentiality—whether either the Prime Minister or the Attorney-General should waive the normal rule, which is that legal advice to Government is confidential. He suggested that it should be waived. I remind him that because of exceptional public interest in the question of the legal basis for the use of force in Iraq, the Attorney-General did, on 17 March, set out the basis on which he believed in the lawfulness of the use of force in Iraq; and he was able to reaffirm this morning, in another place, that his opinion of whether his view of the law was right had not changed.

No doubt many people will have examined the law on the use of force, and, as we know from lectures and newspapers, many of them do not agree with the Attorney-General. I should point out that when the Prime Minister appoints the Attorney-General, he cannot shop around for legal advice. If the Attorney-General tells him that he cannot do something, he cannot do it. He is obliged to take the Attorney-General's advice: that is the basis and the nature of the appointment. Similarly, if the Attorney-General tells the Prime Minister that he is entitled to do something, the Prime Minister is entitled to rely on that, irrespective of whether many other people take a different view.

I realise that I have left many questions unanswered, but I can at least explain to the House what the Attorney-General's responsibilities are under this procedure, and make it clear that he fulfilled them with integrity.

Mr. John Burnett (Torridge and West Devon) (LD): I thank the Solicitor-General for giving me notice of her statement.

When deciding whether to proceed with a prosecution, the Attorney-General must be convinced first that there is a realistic chance of success and secondly that it is in the public interest to proceed. He believed that both conditions were met in this case. My understanding is that the evidential test was passed on the basis of Ms Gun's first interview. Despite what the Solicitor-General has just said, I am still not sure what has changed since that first interview, and what assessment was made subsequently to change the decision to prosecute.

The Solicitor-General has said that it was clear at an early stage that Ms Gun would raise the defence of necessity. I concede—and it is entirely proper—that we must safeguard our intelligence. The defence made a submission two days ago seeking disclosure of the Government's legal advice on the legality of the Iraq war, because it believed that unless the Government could prove they were acting legally, Katharine Gun had the defence of acting in the public interest. Yesterday, Treasury counsel informed the court that the prosecution was to be abandoned. The Solicitor-General will be aware that there has been considerable speculation that it was abandoned because the

[Mr. John Burnett]

Government feared that at the trial evidence would be adduced of the grave misgivings of many officials in a number of Departments of State about the legality of the war with Iraq. I respect both the Attorney-General and the Solicitor-General, but unless they put in the public domain, or submit to Lord Butler's inquiry, the compelling legal reasons for the withdrawal from the prosecution, we can only assume that the law officers have capitulated to the Executive, and have failed in their duty to the House and the country.

The Solicitor-General: I take exception to the suggestion that the Law Officers have done that, and that the Attorney-General failed to carry out his duties as he was required to in this matter. Let me say most emphatically that he did not. If the hon. Gentleman accepts what I said in my statement, he will agree that that is not what has happened.

The hon. Gentleman said that many officials had misgivings. That might well have been the case, but the question of whether the Prime Minister had a lawful basis for the use of force is one on which he takes the advice of the Attorney-General. It is not for him then to second-guess that by taking the view of many officials who have misgivings. The system has to run like that. I assure the House that the enabling that is conferred on the Prime Minister by the Attorney-General's saying that he can do something is matched by the Attorney-General's ability to tell the Prime Minister or his ministerial colleagues that they cannot do something. It works both ways.

The hon. Gentleman asked me whether there was a connection between the discontinuance of the case and the request for disclosure. I can reaffirm that the discontinuance was not connected to a request for disclosure of the Attorney-General's full legal advice or the anticipation of such a request being made. I hope that the hon. Gentleman will accept that. I may not have been able to answer many other questions that he would like to put, but I hope that he accepts that there is no connection between the anticipation of a request or the submission of a request for disclosure of the Attorney-General's advice on the legality of the war in Iraq and the discontinuance of this case.

The hon. Gentleman mentioned that the Attorney-General must consider two things when giving his consent to a prosecution under the Official Secrets Act: the evidential test of whether there is a realistic prospect of a conviction and the public interest test. I remind him of something that I know he knows, which is that the evidential test does not become a matter for the Attorney-General's consent. The evidential test remains the custody of the prosecution. Consent is a wider and different issue about the public interest. The evidence was regarded as sufficient and the Attorney-General was asked whether the case was in the public interest. What changed was that, as the case progressed, Treasury counsel took the view that there was no longer a sufficiency of evidence, and he brought that to the Attorney-General's attention. At that point, the Attorney-General was not considering whether the case was in the public interest, but whether there was sufficiency of evidence.

Hon. Members will know that there must be evidence not just that supports the charge, but to rebut the defence. The evidence that is available changes over time in every case. Much has been said about this being a sudden decision. The House would rightly criticise the authorities—*[Interruption.]* Sorry, am I taking too long?

Hon. Members: Yes.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I do not think that it was anything I said, but I was intending to say that the exchanges between Front-Bench Members have now taken half an hour. I appeal to hon. Members. There is time-limited and important business still to come, and notwithstanding the legal complexities of this subject, I would appreciate brief questions and equally brief answers.

Glenda Jackson (Hampstead and Highgate) (Lab): Are the views expressed under the Shawcross exercise furnished to the defence, and did they contribute in any way to the decision that was taken yesterday?

The Solicitor-General: As I understand it, the Shawcross letters are not furnished to the defence. They go to the Attorney-General's decision whether the prosecution is in the public interest, and are not a matter of evidence.

I apologise to the House for taking so long to answer questions put by Front-Bench Members, but these are complicated and nuanced issues of some constitutional depth. I would rather choose my words carefully and get it right than mislead the House. However, I realise that other hon. Members have tabled urgent questions and they want to be able to ask them.

Mr. Nigel Jones (Cheltenham) (LD): GCHQ is in my constituency, and Katharine Gun is one of my constituents. I have supported her through the recent difficult months, during which she has felt vulnerable, and I felt the relief that she experienced yesterday. Have the Government given any thought to compensation for legal costs and any other compensation that it may be appropriate to give Ms Gun to help her to rebuild her life?

The Solicitor-General: Obviously, it will be for the defence to apply for legal costs if it is so minded, and the processes will be applied in the usual way.

Mr. Harry Barnes (North-East Derbyshire) (Lab): On the public interest test, is my right hon. and learned Friend aware that, through the Enterprise Act 2002, the Department of Trade and Industry has virtually scrapped public interest concerns in its area of responsibility? How safe is the public interest in the Government's hands?

In her statement, my right hon. and learned Friend referred to ministerial colleagues who may have an interest in the case, because of public interest considerations. Is not there a distinction between ministerial interests and the public interest?

The Solicitor-General: Ministerial interest is not a question of curiosity, but whether Departments are affected by the scope of the issues in any particular

prosecution. My hon. Friend asked whether the Department of Trade and Industry takes the public interest sufficiently into account. I was not aware that DTI prosecutors no longer operate the evidential and public interest tests. If that is so, I will correct the position, but that is not the situation as I understand it.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): Is not it plain that Katharine Gun was going to allege that what she did was necessary and justified? Is not it astonishing that the Government did not feel able to rebut that contention? Does not the right hon. and learned Lady understand that many of us who opposed the war strongly suspect that in the Government's possession are documents that they would have been obliged to produce that would have shown that the war was unlawful and unnecessary? It was because of their reluctance to put such documents before the court that they felt unable to rebut the defence.

The Solicitor-General: No, that was not the case. It is not a question of a judgment having been made that if we went ahead it would have involved us putting forward these documents, so we decided to pull the plug. That was not the case. All I can refer to in relation to the evidential obstacles is what I said in my opening statement, and that is the position.

John McDonnell (Hayes and Harlington) (Lab): The trial of Katharine Gun would inevitably have had to address the question whether Mr. Frank Koza, senior official of the United States National Security Agency, had requested the Government's help on an eavesdropping "surge" on delegates from six non-permanent members of the United Nations Security Council. This is a matter of the gravest public interest, which has been heightened today by my right hon. Friend the Member for Birmingham, Ladywood (Clare Short), who was asked whether British spies were

"instructed to carry out operations within the UN on people like Kofi Annan"

and she replied, "Yes, absolutely."

What route is available to us now to seek the truth before the House?

The Solicitor-General: I can at least reassure my hon. Friend that, in all respects, the Government act within international and domestic law in their dealings at home and abroad.

Mr. William Cash (Stone) (Con): I hope that the Solicitor-General will understand when I say that I found much of what she said pretty unconvincing. Surely it is in the public interest to prosecute such a blatant breach of the Official Secrets Act. The Shawcross exercise seems to have played an enormous part in the decision-making process. It certainly leaves me unconvinced by the explanation that we have just been given.

With respect to the right hon. and learned Lady's assertion that the Prime Minister is obliged to take his law from the Attorney-General, I refer her to a letter I received from the previous Clerk of the House, Sir William McKay. He quotes Balfour in 1901, and says:

"'The Law Officers have no control over the legal action of the government. A minister is not obliged to take his law from the Attorney General'. Accountability thus rests with the (ministerial) decision-taker."

Therefore, it is open to the Prime Minister and the Foreign Secretary to release the opinion of the Attorney-General, and should do so.

The Solicitor-General: I remind the hon. Gentleman that the decision on any action by a Department of State or the Prime Minister is for the Minister concerned or the Prime Minister. The legality of the action is a question for the Attorney-General. That is quite straightforward. It is not open for a Minister to obtain the Attorney-General's legal advice, for the Attorney-General to say "That is not within domestic or international law" and for the Minister then to go ahead and do it. That is not what happens. If it did, it would be unacceptable. I emphasise that that is not what happened. There is not a take it or leave it attitude about the legality of Government actions. There is not a shopping around for whose advice to take. The Government have made it clear that they will not act in breach of international or domestic law, and they have only one authoritative source of legal advice, aside from the courts, and that is the Attorney-General.

Mr. Cash: And Balfour?

The Solicitor-General: I am sorry. I cannot comment on Balfour. That would take too long.

I am disappointed that the hon. Gentleman found what I said unconvincing because I have tried to be as clear as possible. He says that it seems that the Shawcross exercise played a large part in the discontinuance of the case. I do not know how many times I have to repeat it, but neither the Shawcross exercise nor any considerations arising from it played any part in the discontinuance. The Attorney-General spoke to the Foreign Secretary on both 14 and 24 February; it was not a secondary Shawcross exercise along the lines of "Shall we drop this case? What do you think?" It was simply a matter of reporting to him about evidential developments that had been identified by Treasury counsel in the process of the case and that materially affected the case to the extent that, as we now know, the prosecution decided to discontinue it.

Denzil Davies (Llanelli) (Lab): Given the reasonable assumption that the defence of necessity must have been based upon a belief by the defence that the war was illegal, and since my right hon. and learned Friend has said that the Government would not be able to rebut that defence, does it not follow that the Government are not able to disprove the assertion that the war was illegal?

The Solicitor-General: No. The defence of necessity can be based on many issues.

Sir Patrick Cormack (South Staffordshire) (Con): As one who deeply deplores the actions of Katharine Gun, and is somewhat bemused and disappointed by the Attorney-General's decision, I should like to ask the Solicitor-General what steps can be taken to preserve the trust and confidence that are and must be at the heart

[Sir Patrick Cormack]

of any civilised Government in a democratic society. In that context, how soon can we have a review of the Official Secrets Act?

The Solicitor-General: I cannot add to what I have already said, except that the question of the implications for the Act will have to be considered by my right hon. Friend the Home Secretary.

Donald Anderson (Swansea, East) (Lab): Many of us must surely still be puzzled as to what was new; what of fundamental importance happened between the initial decision of the Attorney-General and the decision to discontinue. We know that the defence of necessity was anticipated. We know that any public anxiety about the legal basis of the war was a constant. We know that the defence had not yet made any request for particulars. What is the lacuna in the law that has been revealed? Will it be stopped? Is there not otherwise a great danger that other people in a position similar to that of Ms Gun will feel that they can disobey their obligations under the Official Secrets Act and talk to newspapers?

The Solicitor-General: It was an issue of evidence in this case, not of a lacuna in the law. I agree with my right hon. Friend; he is right to say that it was not a question of any late identification of the likelihood of the defence of necessity being raised. That had been anticipated from the outset. I repeat also that he is right that it was not a question of whether the disclosure of the Attorney-General's legal advice would be requested. That was not an issue.

I apologise to the House, as I appreciate that without being able to go through all the intelligence that comprised all the evidence forming not just the basis of the charge, but the basis on which the defence would be rebutted, hon. Members will not feel fully in the picture. But one of the characteristics of the security services is that people are supposed not to be put fully in the picture.

Mr. David Trimble (Upper Bann) (UUP): The Solicitor-General has necessarily left some questions unanswered. None the less, she has been able to answer certain questions, and the House will have noticed the emphasis with which she has answered particular questions. Does she agree that it is a very good thing that she, and the Attorney-General in another place, are in a position to come to Parliament so promptly to deal with these matters and to be able, as she and other hon. Members have, to steer their way round those areas that have to be kept to, as it were, the discretion of the prosecuting authorities? Would it not do enormous damage to the House and its standing in the country if, as a result of some jejune notions about the separation of powers, these issues could not be ventilated here?

The Solicitor-General: I thank the right hon. Gentleman for his comments. I should like time to reflect on whether it was a thoroughly good thing for me to come to the House today to make this statement. Certainly, the Attorney-General takes very seriously his accountability to Parliament, through another place, and I take very seriously my responsibility to be accountable to this House. For the most part—nearly wholly, but not exclusively so—we exercise our responsibilities in the public interest, not in a party political way and not in the Government's interest. To the extent that we can, we are open with Opposition Back-Benchers and Front-Benchers, as we are with our ministerial colleagues and Back-Benchers. Law Officers are in a special position. That is why I emphasise that there are procedures, that they are robust and that they have been followed.

Mr. Jon Owen Jones (Cardiff, Central) (Lab/Co-op): You will be pleased to hear, Mr. Deputy Speaker, that I cannot speak lawyerly language, and do not wish to do so. Is not this case a very simple one, in that the Government decided that they could not convince a British jury that they had gone to war legally?

The Solicitor-General: That is not the case. My hon. Friend is entitled to assert it, but I ask hon. Members at some point to believe what I have said, which is that it was not an issue about the Attorney-General's advice on the legality of war or about second-guessing the extent to which the jury trusted the Government. I ask my hon. Friend to believe that that is the situation. He might well be mystified as to what happened, but that certainly is the situation.

Richard Ottaway (Croydon, South) (Con): The Solicitor-General has said many times what the reasons were not for there being no realistic prospect of conviction. She said that she could not give a detailed basis for that, because it concerned intelligence issues. Is it fair from that to reach the conclusion that it was for matters of intelligence that she reached that conclusion?

The Solicitor-General: As I have said, it was a question of what evidence was available within the normal limitations, including statutory limitations, not a question of what evidence was comfortable, both to prove the charge and to rebut the defence. It was not the case that the Government looked at the evidence and decided that they did not want it in court and therefore pulled the plug. Were it the case, the Director of Public Prosecution's statement would not be true.

Mr. Hogg: That is exactly what happened.

The Solicitor-General: I say this to the right hon. and learned Gentleman, who is intervening from a sedentary position: the Director of Public Prosecutions has made a statement, which I have read to the House. I ask the right hon. and learned Gentleman to accept that he has made that statement and that it is the truth.

Jeremy Corbyn (Islington, North) (Lab): The Solicitor-General said that many questions remain unanswered and that further questions perhaps need to be asked. May I ask her one more? Given that the case against Katharine Gun was dropped and no evidence was put forward, can we all assume that the Solicitor-General and the Government accept Katharine Gun's defence of public interest overriding her loyalty—or not—to her employer, and that she will now be reinstated in the service?

The Solicitor-General: That is a very good question and I am actually going to answer it. The Government

do not accept the public interest defence, of necessity. As my hon. Friend will know, in the Shayler case a decision was taken in the Court of Appeal that did not then go to the House of Lords, in which the Government made their position clear on that issue.

On whether this was an eleventh-hour, last-minute discontinuance, perhaps I should remind the House that this case had not been set down for trial and no trial date had been set. This was not an eleventh-hour decision; in legal terms, it was taken quite early in the morning.

Mr. Michael Weir (Angus) (SNP): The case against Katharine Gun arose initially because of allegations that GCHQ was involved in spying on members of the UN Security Council, as has been amplified this morning by the former Secretary of State for International Development. Does the Solicitor-General accept that any such action is a clear violation not only of the Vienna convention on diplomatic relations, but—perhaps more importantly—of the 1946 general convention on the privileges and immunities of the United Nations? Article 2(3) of the convention states:

"The premises of the United Nations shall be inviolable. The property and assets of the United Nations, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation and any other form of interference, whether by executive, administrative, judicial or legislative action."

If such operations did take place, those who authorised them and carried them out were themselves in breach of the law. Will there be an investigation, and will action be taken against those who authorised and carried out these surveillance operations?

The Solicitor-General: I am afraid that all that I can say in response to the hon. Gentleman is that the Government comply at all times with their international treaty obligations, as well as with domestic and international law. That is not just a throwaway line—it is a very serious process.

Mr. Colin Challen (Morley and Rothwell) (Lab): While we are left in this mystified state, it is fair for Members to speculate about the reasons why this prosecution was withdrawn. I wonder whether, à la Clive Ponting, there was a fear that no jury in the land would actually find this woman guilty. Echoing the points made earlier, I wonder whether the substantive issue is being buried under the various legalities. The substantive issue is whether or not we acted at the behest of the American Government, and perhaps it should be referred, at the very least, to the Intelligence and Security Committee, so that these questions can be investigated in the usual way and we can have a report on that substantive issue.

The Solicitor-General: Obviously, the question of what the Intelligence and Security Committee decides to look at is a matter for that Committee, which regularly hears from the Attorney-General in person.

My hon. Friend wonders whether no jury would ever have found this young woman guilty. The nature or characteristics of this particular defendant did not contribute to this decision, so I can reassure him that his speculation on that point is wrong.

Mr. Quentin Davies (Grantham and Stamford) (Con): Has the right hon. and learned Lady any notion at all—she certainly has not expressed it this afternoon—of the enormous damage that this shambolic incident has done to the credibility of the Official Secrets Act and therefore to the credibility of our ability to keep our secrets, and to the confidence that our allies and partners have in that ability; and to our national security and safety in an age of international terrorism? Does she agree that this morning, even greater damage was done to those essential elements, and will she tell the House now whether the right hon. Member for Birmingham, Ladywood (Clare Short) has herself signed the Official Secrets Act?

The Solicitor-General: I think that Ministers are covered by the Official Secrets Act whether or not they sign it. The hon. Gentleman will know that the substantive law is a matter for this House, and that the operation of the law is a matter for the independent police activities and prosecution service. If there is to be a discussion of the substantive law, so be it, but so far as the independence of the police investigation, the Crown Prosecution Service and the Director of Public Prosecutions is concerned, that must remain.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): If the view was reached that there was no longer sufficient evidence for a realistic prospect of conviction, and if the defence of necessity was known to the Crown at the outset, does that mean that the Crown decided that it could no longer rely on evidence on which it was initially going to rely, for reasons of admissibility, credibility or reliability? How on earth does the defence of necessity have any bearing on the decision to discontinue proceedings?

The Solicitor-General: The defence of necessity has to be looked at in respect of the evidence in any particular case. I am afraid that I cannot add to what I have repeatedly said: when counsel reviewed the case—that happens on an ongoing basis—his view was that there was no longer sufficient evidence.

Hugh Robertson (Faversham and Mid-Kent) (Con): Does the Solicitor-General accept that the Government's inability to prosecute a civil servant who leaked state secrets to the press—particularly given that she worked at GCHQ—will send a shiver down the spine of every man and woman who works for our intelligence services? What steps are the Government going to take to ensure that, in their review of the Official Secrets Act, the security of those people is paramount?

The Solicitor-General: The issues that the hon. Gentleman raises are ones for reflection on the part of the Home Secretary and the Foreign Secretary. He speaks of the Government's inability to prosecute, and without labouring the point I should perhaps remind him that it is not the Government who prosecute under the Official Secrets Act; it is the prosecution service, and that is indeed what happened in this case. The Official Secrets Act has a long history, which I shall not go into.

Points of Order

2.7 pm

Dr. Julian Lewis (New Forest, East) (Con): On a point of order, Mr. Deputy Speaker. In view of the reply that the Solicitor-General gave to my hon. Friend the Member for Grantham and Stamford (Mr. Davies) about the right hon. Member for Birmingham, Ladywood (Clare Short) being subject to the Official Secrets Act, have you received any indication that a Minister will make a statement to this House about whether an offence was committed through a former Cabinet Minister's making remarks such as those that the right hon. Lady made on the "Today" programme this morning?

Mr. Deputy Speaker (Sir Alan Haselhurst): No such communication has been received, but I should tell the hon. Gentleman and the House that it is not the custom to make allegations about the conduct of other Members of this House in a point of order. Indeed, any such remarks are extraneous to the strict scope of today's statement.

Mr. William Cash (Stone) (Con): On a point of order, Mr. Deputy Speaker. Given what the Solicitor-General said about the need for the Foreign Secretary to come to the House, would it be in order to suggest that we have clarification that he will in fact do so?

Mr. Deputy Speaker: The hon. Gentleman will know that there are other ways of pursuing that matter. It is not something on which the Chair can rule.

Employment Relations Bill *[Money]*

Queen's recommendation having been signified—

2.8 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Gerry Sutcliffe): I beg to move,

That, for the purposes of any Act resulting from the Employment Relations Bill, it is expedient to authorise the payment out of money provided by Parliament of any increase attributable to the Act in sums payable out of money provided by Parliament under any other enactment.

The Employment Relations Bill deals mainly with the regulation of trade unions and with employment relations more generally. Its provisions make various minor changes to the existing regulatory regime to improve its operation. Many of its provisions flow from the review of the Employment Relations Act 1999, which we launched in July 2002. The review concluded that the 1999 Act was working very well, but that some relatively minor adjustments were required. None of the Bill's existing provisions requires additional public expenditure, so we did not table a money resolution when the Bill was introduced and had its Second Reading. It is now being considered in Standing Committee. On 10 February, I tabled an amendment to the Bill that gave a power to the Secretary of State to spend money on the modernisation of trade unions.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): Will the Under-Secretary give way?

Mr. Sutcliffe: I will not give way.

If the amendment were incorporated into the Bill following its consideration by the Standing Committee, it plainly would have implications for public expenditure.

Mr. Mitchell: Will the Under-Secretary give way?

Mr. Sutcliffe: I will not give way. There is a maximum of 45 minutes for this debate and the hon. Gentleman will have an opportunity to contribute.

The amendment plainly would have implications for public expenditure. Its tabling therefore necessitates that a money resolution be attached to the Bill. The wording of the money resolution—

Mr. Mitchell: For the third time, will the Under-Secretary give way?

Mr. Sutcliffe: I have indicated to the hon. Gentleman that I am not going to give way.

The wording of the money resolution takes the standard form authorising this type of expenditure. My amendment involves the insertion of a new section into the Trade Union and Labour Relations (Consolidation) Act 1992. The legal basis for the expenditure will be located in the 1992 Act. The reference to "any other enactment" in the money resolution reflects the way in which the power is drafted and the position of the legal basis for the expenditure.

On the day the amendment was tabled, I made a written parliamentary statement to explain the relevant background—

Mr. Mitchell: On a point of order Mr. Deputy Speaker. What the Minister is describing is a simple, classic bung. Should not he come clean to the House and admit to that?

Mr. Deputy Speaker (Sir Alan Haselhurst): That is not a point of order.

Mr. Sutcliffe: Thank you, Mr. Deputy Speaker. I hope that the hon. Gentleman will contribute to the debate in due course.

On the day the amendment was tabled, I made a written parliamentary statement to explain the relevant background. I indicated that we would use the power to establish a union modernisation fund, the total size of which would be between £5 million and £10 million, with the expenditure spread over several years. We do not envisage the fund opening until the 2005–06 financial year because further work needs to be undertaken that will involve—I stress—full public consultation in the autumn on the details and design of the fund.

I commend the motion to the House.

2.12 pm

Mr. Henry Bellingham (North-West Norfolk) (Con): I am sorry that the Under-Secretary did not give way because, as he said himself, we are meant to be debating the issue and my hon. Friend the Member for Sutton Coldfield (Mr. Mitchell) wanted to contribute.

As the Under-Secretary said, the Bill was the result of substantial public consultation. The explanatory notes show that we had the DTI discussion paper, "High Performance Workplaces: The role of employee involvement in a modern economy" in July 2002. Last year, we had "High Performance Workplaces: Informing and consulting employees" to seek the views of a wider audience on the proposed scheme. The Under-Secretary knows that there was a great deal of discussion between the trade unions and the employer organisations, particularly the CBI. Those organisations basically agreed on the measures included in the Bill.

There was consensus, although the unions would have liked to go a bit further and the CBI and other organisations felt that parts of the Bill had gone a little too far. In the spirit of what was agreed, we have supported quite a lot of the Bill. However, the original Bill did not require a money resolution. The understanding of all the employer organisations was that there would not be any major demand on the public finances.

On Second Reading, my hon. Friend the Member for Eddisbury (Mr. O'Brien) said that he was concerned that the Bill would be a Christmas tree upon which other measures and demands by the trade unions or other parties would be hung. The Under-Secretary said that that was not the case and that no other concessions would be made to the trade unions, employers or anyone else. The Bill would remain exactly as it stood.

Out of the blue, we had the new clause, which requires the money resolution that we are debating. The new clause makes it clear that the Secretary of State may provide money to a trade union to enable or assist it to carry out various measures. We on this side support much of the work of the trade unions. I am meeting the TUC, with which my hon. Friend the Member for Sutton Coldfield has had a number of meetings. We have also met individual trade unions. We support the idea of trade unions providing a good service to their members and we support the idea of trade union modernisation. We feel that there is a great deal that they can and must do to help their members.

The Under-Secretary said that he envisaged the size of the fund being between £5 million and £10 million. However, nothing in the Bill states what the ceiling will be; the amount could be much, much more. There is plenty of money washing around in the DTI, such as the post office renewal fund, the Business Link budget and other budgets. It would be easy for the Secretary of State to take some money from one of those budgets and put it into the modernisation fund. Indeed, the amount could go well beyond £10 million.

Furthermore, the measure is open-ended. The new clause states:

"money may be provided in such a way as the Secretary of State thinks fit (whether as grants or otherwise) and on such terms as he thinks fit (whether as to repayment or otherwise.)"

That is extremely open-ended.

There are a lot of purposes for which the money may be spent. The note accompanying the new clause suggests that the money may be used for training union representatives in, for example, business and people management. It may be spent on helping to promote the development of high performance workplaces, on reviewing internal union structures and organisations, on enabling unions to broaden their dialogue with members by greater use of the internet or on making union systems more accessible.

Those are all noble measures, but surely any organisation doing its job properly in the modern world—with the internet and IT—is doing that sort of thing already. The unions are doing that already. My hon. Friends and I in the Opposition business team have great respect for the trade unions, which we think are well-run organisations.

Mrs. Angela Browning (Tiverton and Honiton) (Con): Surely this sets a precedent for any national member-based organisation to be able to obtain Government or taxpayer's money. For example, I was just thinking how much the women's institutes would welcome such a pot of gold.

Mr. Bellingham: My hon. Friend is right. The Bill is not even-handed. Plenty of employer organisations that were very much part of the consultation process—such as the CBI, the Institute of Directors, the Engineering Employers Federation and the Federation of Small Businesses, as well as the organisation mentioned by my hon. Friend—would love to have public funding to modernise. Many of them would love to do more research but most, unlike the trade unions, are leanly staffed. I was talking to a trade association yesterday—the Garage Equipment Association—which has

[Mr. Bellingham]

precisely one full-time member of staff and a secretary. Such organisations would love to have Government money to modernise. That is why the money resolution is not even-handed—it gives money only to the trade unions and not to other organisations.

Mr. Colin Challen (Morley and Rothwell) (Lab): How many of those organisations have asked the Government for money?

Mr. Bellingham: The CBI and the IOD have in the past told the Government that they would like to be able to access public funds if they were available. However, they live in the real world and know that public finances are extremely tight. They know that they do not have a cat in hell's chance of getting public money to modernise. That is why the new clause is completely one-sided.

Furthermore, the new clause is open to abuse. The Under-Secretary's written statement says that the Government will publish for full consultation the draft rules and procedures of the fund after Royal Assent. We are making this money available; surely we should know now the draft rules and procedures. We are being invited to vote for an open-ended amount of money with no rules or procedures whatever in place.

Mr. Andrew Robathan (Blaby) (Con): I am listening to my hon. Friend with great interest. Is the £6 million to be given each year or is it just one lump payment? If it were each year, would that mean a transfer from taxpayers to the trade union movement or would it be a £6 million transfer from the trade union movement to the Labour party?

Mr. Bellingham: My hon. Friend has a suspicious mind, which brings me on to another significant concern. As he rightly points out, the arrangement is wholly open-ended and there is no ceiling, so when he talks about £6 million a year, it could really be £10 million or £15 million a year. The key point is that the money could easily be abused. No rules or procedures have been laid down, so the money could be used for blatantly political purposes—there is no question about that.

My hon. Friend believes that the raison d'être of the new fund is to help the Labour party. It may be no coincidence that, in the last financial year, the Labour party received almost exactly £6 million from the trade unions. When the Minister was asked how much would be in the fund, he said that it would be between £5 million and £10 million in total, spread over several years, but we have had no more detail.

We know that the Labour party's finances are under pressure. The National Union of Rail, Maritime and Transport Workers said that it was going to withdraw its funding of the Labour party, and Amicus is now in the hands of a pretty left-wing general secretary. Let us envisage the situation. Amicus might tell the Labour party that it is not going to pay any more funds to Labour from next year. The Secretary of State rings up Derek Simpson, and says with a nod and a wink that there is money in the modernisation fund, but Amicus is going to cancel payment—

Mr. Deputy Speaker: Order. I must tell the hon. Gentleman that he is straying rather wide of the terms of the resolution before the House.

Mr. Bellingham: We are talking about money and if Derek Simpson had such a conversation, the Secretary of State could say that money from the fund of exactly the same amount could be passed to the trade union.

This country's public finances are under substantial pressure. We heard only yesterday in Prime Minister's questions about a children's fund that supports many good causes such as dyslexic and dysphasic children, vulnerable young offenders and so forth, but that fund is being cut. Soldiers and marines are short of Arctic warfare equipment and 30 of them have frostbite because of the lack of Government money, yet the Electoral Commission has a budget of more than £25 million, the new supreme court will cost roughly £50 million and we now have a new fund up of to £10 million and possibly more.

There is no question that this amounts to nothing more and nothing less than what my hon. Friend the Member for Sutton Coldfield (Mr. Mitchell) said—a bung to the trade unions. It is dressed up—

Mr. Deputy Speaker: Order. I have to tell the hon. Gentleman that, whatever the merits of his points, they are more suited to subsequent debates in Committee and on Report. They are not suited to today's debate on the money resolution.

Mr. Bellingham: I have a speech prepared for Committee and I will indeed— on your advice, Mr. Deputy Speaker—reserve some of my best phrases for that debate. However, it is clear that the Minister's statement was dressed up in modern business school management consultancy jargon, and nothing can disguise the fact that this is a rotten use of public money. That is why we will vote against the resolution this afternoon.

2.24 pm

Malcolm Bruce (Gordon) (LD): I might not have chosen the same language as the hon. Member for North-West Norfolk (Mr. Bellingham), but on the substantive issue we are in agreement with the Conservative Opposition. We support the principles of the Bill and we voted in favour on Second Reading, and I am sure that the Minister will testify that we have engaged constructively in Committee.

I respect the Minister and his personal good faith, but if he is saying that £5 million to £10 million will be devoted to certain purposes, why does not the money resolution say that, rather than giving an open-ended commitment? Money resolutions usually have a figure attached. I appreciate that they do not have to have one, but it is reasonable for the House to be concerned about being asked to vote for a money resolution that literally has no price tag attached but only the Minister's

indication in his speech. As a matter of principle, I believe that the House should expect the courtesy of a figure.

Mr. David Wilshire (Spelthorne) (Con): It occurs to me that the position might be even worse than the hon. Gentleman fears. He suggests that we have been given an indication that the amount might be £5 million to £10 million, but we have not been told whether it is a one-off payment or one that will be made every year, every other year, every month or whatever. It is a seriously open-ended commitment that amounts to a blank cheque to the trade unions.

Malcolm Bruce: The wording on the Order Paper shows that it clearly is. I am prepared to accept the Minister's good faith, and I assume—perhaps he will make it clear—that he is talking about a total figure. The hon. Member for Spelthorne (Mr. Wilshire) is right that it could be anything, and the new clause that amounts to the requirement for the resolution is even more open-ended.

The connection, it seems to me, should be a matter of awkward embarrassment to the Government. It rather has the shape of a reverse takeover. The Labour party was originally the creature of the trade union movement and it is essentially a wholly owned subsidiary of the trade union movement. That is why it is called the Labour party. We now have a position in which the trade unions may become a wholly owned subsidiary of the Labour party through the courtesy of the taxpayer.

It is a matter of clear concern and Ministers know perfectly well that the public will draw conclusions from it. Personally, I believe that it is unwise for the Government to take this course. There has been, in several ways, a respectable distancing of the relationship between the Labour Government and the trade union movement, but the money resolution blows away what I had thought was a real division. It now looks more like a façade.

The timing is also uncomfortable. Many of us expect that we are likely to be at the hustings within 12 to 14 months, and money will change hands between the trade union movement and the Labour party. *[Interruption.]* The smiles on the faces of Opposition Members tell me that they know perfectly well what this is all about and that they are very comfortable with it.

Mr. Andrew Mitchell: A bung.

Malcolm Bruce: The hon. Gentleman uses his phrase again, but I have tried to express it more specifically and elegantly in my terms; I accept that both versions relate to the same basic issue.

On union modernisation, which I agree with, the hon. Member for Tiverton and Honiton (Mrs. Browning) made a point in her intervention that was not facetious. The reality is that the unions should modernise: unions are modernising and most of us have paid considerable tribute to the change in the character of the trade union movement over the last 20 or 30 years.

When I was a member of the Trade and Industry Committee I had experience of taking evidence from trade unions. I recall some extremely constructive engagements in which the trade unions made positive contributions to business interests, relations with management, market developments and all sorts of issues that were extremely beneficial to the good working of the economy. It seems strange that taxpayers' money is now required to achieve that.

To conclude, the Minister might have acquired my party's acquiescence—I doubt whether he would have secured that of the Conservatives under any circumstances—if the wording of the motion had been more specific about the money requirement. However, I still have a concern in principle about whether the Government should be doing this. My warning to the Minister, his Cabinet colleagues and perhaps even the Prime Minister is that I believe that the Government will come to regret their decision because the political damage will far outweigh the financial gain.

2.29 pm

Mr. Andrew Robathan (Blaby) (Con): We have just heard a courteous and elegant speech.

Mr. Andrew Mitchell: Two speeches.

Mr. Robathan: Of course; both of which attacked the measure before the House. I have always had a high regard for the Minister, whom I know well and like, even though he is not listening. We have taken part in a tug of war together and on some obscure occasion we went running together, so I make no personal attack on him. It is a matter of principle. Government Members are smiling, as though this were not a matter of principle. Some of them are members of trade unions, which is absolutely fine. As far as I am concerned, free association and trade unions are important. However, I wonder whether Labour Members would like to explain to the national media and their local press how they can support an open-ended commitment of taxpayers' money to trade unions that give the Labour party large amounts of money and will receive large amounts of money back from the taxpayer. How can Labour Members sit there smiling and rubbing their hands together?

It is a great matter of principle as to whether we, as guardians of the public purse, are to give trade unions money. I would like the Minister to defend the motion on that basis alone.

2.30 pm

Mr. David Wilshire (Spelthorne) (Con): The resolution refers to

"any increase attributable to the Act"

and it is clear that the measure is necessary for the purposes of a clause that the Government want to introduce into the Employment Relations Bill. I fully accept that it would be wholly inappropriate to get into a discussion about what the Government may want to do in Standing Committee. However, the House is being asked to sign a blank cheque.

I had a good working relationship with the Minister in a different capacity, when he was part of the usual channels, and have the highest regard for him. Like my hon. Friend the Member for Blaby (Mr. Robathan), I mean him no discourtesy and none of my observations is meant personally, but a matter of principle is at stake.

[Mr. David Wilshire]

The Minister will understand that when principles are discussed, the person concerned is sometimes dragged in. I apologise in advance if he feels that is happening in this instance.

The Government could guarantee that the arrangement that the Minister described cannot be departed from.

Mrs. Browning: Does my hon. Friend share my concern that no cost analysis has been presented? Normally that information would be presented in Committee. I hope the Minister will confirm that will be done. Specific costings should be available to the Committee.

Mr. Wilshire: I have a shrewd idea that if I were to discuss whether the figure should be £5 million or £10 million, I would be straying into the business of the Committee. The Committee can resolve whether or not it is appropriate for funds to be used for trade unions. I would love to discuss whether the figure of £5 million or £10 million is right. I would love to discuss whether or not the measure has been properly costed, how the figures have been arrived at and whether or not it is appropriate to make payments to trade unions. However, Mr. Deputy Speaker, you have said that one should not touch on those matters, so I will leave them alone.

Mr. Deputy Speaker: Order. If this helps the hon. Gentleman, it would be perfectly in order to talk about the amount of money that could be made available. Only moving beyond that subject would be likely to lead the hon. Gentleman into difficulties.

Mr. Wilshire: I am most grateful. I was trying to get there without being told that I could not.

Missing from the motion is any indication of how much money is involved. We have the Minister's word, but given the way that politics work, he might not be the Minister tomorrow.

Hon. Members: Oh.

Mr. Wilshire: I am suggesting that he might be promoted rather than sacked. He is such a good Minister that he might be doing something else. While I respect his explanation to the House, I cannot say that I have the same confidence in all his colleagues. It may be that tomorrow, the day after or next week the figure of £5 million to £10 million that the Minister suggested will become something entirely different. Who knows how much pressure may be exerted?

Mr. Challen: Will the hon. Gentleman remind the House of the cap placed by Margaret Thatcher on the cost to the taxpayer of trade union political fund ballots when she introduced them? In the main, trade unions chose not to use that taxpayers' money. I remind the hon. Gentleman that more than 7 million trade unionists are themselves taxpayers.

Mr. Wilshire: I would like to discuss Margaret Thatcher and her sensible policies but I suspect that that would be well beyond allowable debate. If the hon. Gentleman wants to discuss that issue, let us meet in the Strangers Bar and see how we get on. We would not be constrained by the terms of the motion.

It is important that there should be some justification for the appropriateness of the figure of £5 million to £10 million. The Minister's estimate is pretty sloppy guesswork. The Government should have known that devising a resolution to give money to their trade union masters would be controversial and be seen as a party political move. The least they could have done was explain how they calculated the figure.

Malcolm Bruce: Is there not a remarkable coincidence as regards the sums quoted by the Minister and the amounts voted by trade unions to the Labour party? Would it not be sensible for trade unions to use the political money to fund their modernisation?

Mr. Wilshire: The hon. Gentleman is being very kind, for a Liberal Democrat. Perhaps he is being kind to the Government. That would make some sense. I take a more cynical view. I do not believe that it is a coincidence that the two sums of money are much the same. That is exactly what the resolution is all about. A figure has been announced by the Government's trade union masters, and the Government feel obliged to pay up. Since the trade union masters have not said precisely how much the Government must pay, there is a 100 per cent. variation in the figure that should be in the resolution, but is not. The Liberal Democrat view that there is a coincidence is too generous by half given how the Government work and the way in which they are controlled by the trade unions.

If the Minister wants to continue to be held in high regard, all he need do, since the money resolution is unamendable, is to confirm that he will arrange for a new motion to be brought before the House that imposes a limit. Whether the figure is £5 million or £10 million, there must be some justification for it. Surely somebody in the Minister's Department or the Treasury is capable of doing some sums, rather than saying simply that there may be a 100 per cent. variation in the figure first suggested. It should not be difficult for the Government to present definite figures to the House and say, "If we need more, we guarantee that we will return to the House for further discussion."

Although we are told that the purpose of the measure is to enable a particular clause to be added to the Employment Relations Bill so that a bung can be given to the trade unions, the motion does not say that but refers to

"any increase attributable to the Act".

I accept the Minister's assurance, but if that is the resolution's purpose, why does it not say so? If the motion stated that a maximum amount of money should be made available for a specific purpose, we would know exactly where we stood.

The Minister may be promoted shortly and his successor may say, "I have thought of another reason. The motion refers to 'any increase', and I do not need to come back to the House to justify a payment."

Mr. Deputy Speaker: Order. The hon. Gentleman is straying into territory that must be explored by the

Standing Committee in connection with the relevant substantive clause. It is not appropriate for the money resolution debate.

Mr. Wilshire: I understand, Mr. Deputy Speaker. I would not dream of quarrelling with you, but I am bothered by the motion's wording. The Standing Committee will debate the use of the money when it considers the relevant clause, but the House should not write blank cheques to whichever organisations the Committee inserts into the Bill. It is a question not only of the amount of money involved, but the purposes to which it is put. I do not like the fact that the motion uses the phrase "any increase attributable". I should prefer it to be specific.

I hope that the Minister will live up to his justified reputation, and that he will prove it to anyone who has doubts about his ability, integrity or sincerity by saying that he understands the error of his ways and will use his influence to put the matter right. He should guarantee a maximum amount, and limit the purposes to which the money is put.

2.41 pm

Mr. Bill Tynan (Hamilton, South) (Lab): I declare an interest as a member of a trade union. I congratulate my hon. Friend the Minister on the motion before us. It is a money resolution, and I am sure that it will be subjected to some debate in Standing Committee, but I am surprised at the anger that it has generated among Opposition Members, which means that my hon. Friend must be getting something right.

I expected that the process of modernisation—of trade unions or business—would be supported by the House as essential in a modern society. The Government have given considerable amounts of money towards the modernisation of business, with the support of hon. Members of all parties, including those who belong to trade unions. Sums have been mentioned of between £5 million and £10 million. For obvious reasons, I should like the amount to be much higher. The modernisation of trade unions is essential.

In the dark days of the distant past, trade unions often used to act in ways that could not be called honourable. The trend is different today. Trade unions have earned the right to support for modernisation that is vital in today's world.

Mr. Robathan: The hon. Gentleman has declared his interest. Will he put out a press release to defend the measure? If so, will he point out that the trade union movement gives the Labour party £6 million a year?

Mr. Tynan: Any press release that I put out expressing my support for the money resolution would be supported by my constituents. I am sure that the hon. Gentleman will put out a press release that says something entirely different, but that is his business.

The money being set aside in the motion is important. I do not want to stray out of order, but my hon. Friend the Minister made it clear that the £5 million to £10 million will be used for trade union modernisation. It is not a bung, as has been claimed. To my surprise, the Liberal Democrat spokesman, the hon. Member for Gordon (Malcolm Bruce), supported the use of that word, although in a different context. If the money is used for training union representatives, I hope that Opposition Members will be in favour of those representatives getting the best training possible. In that way, they will understand the problems facing unions trying to support the businesses that are essential to the country's future.

I hope that we can debate the money resolution again, although I know that the Minister may not agree.

Mr. Bellingham: There is no need for the Government to come back to the House to increase the figure, as it is unlimited and has no ceiling. The Government could pay £15 million, £20 million, £30 million, £40 million, £50 million or £60 million a year, if they wanted to.

Mr. Tynan: I am delighted by that interpretation. I hope that the Minister agrees with it, but suspect that he does not.

I remind the House that the Government have given 83,000 loans to small businesses, worth £3 billion. There is also a bad-debt provision worth £116 million over the next 10 years. We should compare that with the £5 million to £10 million that is being proposed today.

Mr. Deputy Speaker: Order. I think that the hon. Gentleman knew that he was trespassing outside the confines of the debate. I have allowed a wide scope for the debate on the money resolution, and I have given the hon. Gentleman fair opportunity to rebut points made by Opposition Members. I hope that he will confine his final remarks to the money resolution itself.

Mr. Tynan: I accept your wise counsel, Mr. Deputy Speaker. I shall engage in further debate on this matter in Standing Committee.

Mr. Paul Tyler (North Cornwall) (LD): On a point of order, Mr. Deputy Speaker. The House will vote on this motion in a few minutes, and I seek guidance from you. It is clear that hon. Members who are sponsored by trade unions could benefit directly if the funds to be voted on this afternoon prevent the need for an increase in trade unions' political or other funds. Would it be proper for those sponsored hon. Members to vote in the forthcoming Division?

Mr. Deputy Speaker: All hon. Members who have declared any personal pecuniary interest in a matter before the House are entitled to vote.

2.48 pm

Mr. Sutcliffe: This has been an interesting debate. I am sorry to say, however, that it has not been a surprise. Parliamentary procedure requires a money resolution if public expenditure is attached to a Bill. It is not unusual for a Bill such as the Employment Relations Bill to change as it proceeds through Standing Committee. It is therefore proper to have a debate on the money resolution, and the details can be reviewed in Standing Committee, on Report and at Third Reading.

I am surprised at the response from Liberal Democrat Members, as the key elements in the Bill are information and consultation. It aims to change the culture of industrial and employment relations in the UK. I

[Mr. Sutcliffe]

expected some Labour Members to ask why we are calling it a modernisation fund, given that the unions are doing a good job already. However, there has been a complete change since 1997 in the way that unions and employers work with each other. The information and consultation directive—the framework agreement arrived at by the TUC and the Confederation of British Industry—is a perfect example of how we want things to continue in the future. I utterly refute the attack that the fund has anything to do with the funding of the Labour party.

It is interesting that Conservative Members have forgotten the time when the Conservative Government gave £24 million to trade unions for political fund ballots and £28 million to trade unions for education. Conservative Members have lost the foresight that their predecessors had to make sure that trade unions are involved in education. We know that they are not interested in good industrial relations: at the Tory party conference, the director general of the CBI said that the Conservative party could no longer be guaranteed the support of business because it looks backward rather than forward.

People will bid into the fund, and it is difficult to state the exact details until the bids are forthcoming. It may be that match funding will be required in the bidding process, which would mean that unions would have to put in some money as well. The scheme is similar to the partnership fund on which trade unions and employers have come together successfully.

Let me turn to the £5 million to £10 million figure. Unions spend about £800 million each year. Assuming that 5 per cent. of that figure—about £40 million—equates to investments by unions in their futures, the fund could support a 10 per cent. increase in such union expenditure over a two to three-year period, which is how we reached the £5 million to £10 million figure.

I thank Conservative Members for protecting my integrity, although I am sure that Labour Members will call into question my relationship with them. The fund is genuinely about good employment relations and good industrial relations. We understand that the Opposition parties would like to have a kick about with the money resolution. However, the Committee will discuss the matter, there will be another debate on Report, and hon. Members will have an opportunity to examine the details over the summer. *[Interruption.]* Quieten down. After hon. Members have examined the details, they will support the modernisation fund if they truly want good industrial relations and good employment relations in the UK in the coming years.

Question put:—

The House divided: Ayes 261, Noes 123.

Division No. 60] **[2:52 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Beggs, Roy *(E Antrim)*
Benton, Joe *(Bootle)*
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Boateng, rh Paul
Bradley, Peter *(The Wrekin)*
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Byers, rh Stephen
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clarke, Tony *(Northampton S)*
Coaker, Vernon
Coffey, Ms Ann
Coleman, Iain
Colman, Tony
Connarty, Michael
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Cousins, Jim
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cunningham, Jim *(Coventry S)*
Curtis-Thomas, Mrs Claire
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Dowd, Jim *(Lewisham W)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Etherington, Bill
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Michael *(Worcester)*
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Healey, John
Henderson, Doug *(Newcastle N)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hermon, Lady
Hesford, Stephen
Heyes, David
Hodge, Margaret
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Iddon, Dr. Brian
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Johnson, Alan *(Hull W)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kelly, Ruth *(Bolton W)*
Kennedy, Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McIsaac, Shona
McNamara, Kevin
MacShane, Denis

McWalter, Tony
Mahmood, Khalid
Mallaber, Judy
Marsden, Gordon *(Blackpool S)*
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morgan, Julie
Morley, Elliot
Mountford, Kali
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Osborne, Sandra *(Ayr)*
Owen, Albert
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prosser, Gwyn
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Robertson, John *(Glasgow Anniesland)*
Roche, Mrs Barbara
Ruane, Chris
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, John *(Glamorgan)*
Smyth, Rev. Martin *(Belfast S)*
Soley, Clive
Spellar, rh John
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Stringer, Graham
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Touhig, Don *(Islwyn)*
Trickett, Jon
Trimble, rh David
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Woolas, Phil
Worthington, Tony
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
Mr. Fraser Kemp and Paul Clark

NOES

Ainsworth, Peter *(E Surrey)*
Amess, David
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brake, Tom *(Carshalton)*
Browning, Mrs Angela
Bruce, Malcolm
Burnett, John
Burnside, David
Butterfill, Sir John
Cable, Dr. Vincent
Calton, Mrs Patsy
Cameron, David
Campbell, Gregory *(E Lond'y)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Cotter, Brian
Cran, James *(Beverley)*
Curry, rh David
Davis, rh David *(Haltemprice & Howden)*
Doughty, Sue
Duncan, Alan *(Rutland)*
Duncan Smith, rh Iain
Evans, Nigel
Flight, Howard
Francois, Mark
Gale, Roger *(N Thanet)*
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Goodman, Paul
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Gummer, rh John
Hammond, Philip
Harris, Dr. Evan *(Oxford W & Abingdon)*
Hayes, John *(S Holland)*
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Hunter, Andrew
Keetch, Paul
Kirkbride, Miss Julie
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Llwyd, Elfyn
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
McLoughlin, Patrick
Maples, John
Mawhinney, rh Sir Brian
May, Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Öpik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Paisley, Rev. Ian
Pickles, Eric
Portillo, rh Michael
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Redwood, rh John
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Roe, Mrs Marion
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Selous, Andrew
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Stunell, Andrew
Swayne, Desmond
Syms, Robert
Taylor, Ian *(Esher)*
Taylor, Sir Teddy
Thomas, Simon *(Ceredigion)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Younger-Ross, Richard

Tellers for the Noes:
Mr. David Wilshire and Mr. Hugo Swire

Question accordingly agreed to.

Resolved,

That, for the purposes of any Act resulting from the Employment Relations Bill, it is expedient to authorise the payment out of money provided by Parliament of any increase attributable to the Act in sums payable out of money provided by Parliament under any other enactment.

Welsh Affairs

[Relevant documents: The Fourth Report from the Welsh Affairs Committee, Session 2002–03, "The Primary Legislative Process as it affects Wales", HC79 and the Government Response thereto, The Second Report from the Welsh Affairs Committee, Session 2003–04, "The Work of the Committee in 2003", HC178, and Minutes of Evidence [The Wales Office Departmental Report 2003], HC883, Session 2002–03.]

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Ainger.]*

3.6 pm

The Secretary of State for Wales (Mr. Peter Hain): It gives me great pleasure to introduce this debate in front of your good self, Madam Deputy Speaker, one of our proudest women representing Wales in Parliament—

Chris Ruane (Vale of Clwyd) (Lab): From north Wales!

Mr. Hain: My Parliamentary Private Secretary reminds the House that you are from north Wales, Madam Deputy Speaker.

I start today by paying tribute to two great servants of the Welsh people here at Westminster whom we have lost during the past year. Lord Williams of Mostyn was a good friend, a highly valued Cabinet colleague and a man of both the sharpest intellect and the wisest wit. He put his great talents to use in the service of Wales and both the Government and the people of Wales miss him greatly. Lord Islwyn was a great fighter for his constituents, who took part in this Welsh day debate on many occasions. He was very proud when Newport was awarded city status by Her Majesty the Queen in 2002.

I also wish to pay tribute to John Charles, an international football legend and one of the greatest Welsh sportsmen of all time, who well merited his nickname of the gentle giant. He had a distinguished international and league career, was a most versatile player and was one of the first British players to make his mark in the Italian league. My sincere condolences go to his family and friends on the loss of a true Welsh gentleman on and off the field.

I also wish to pay tribute to all those Welsh men and women of our armed forces serving in Iraq, and in other conflict zones around the world and, in particular, I offer sympathies to the families of those who died in the service of their country, including those from my home village of Resolven. Last week I had the pleasure of visiting Maindy barracks in Cardiff to meet Brigade Commander Iain Cholerton, and be briefed on the excellent work of the Royal Regiment of Wales. I am sure that every Member of the House would wish to join me in recording our thanks for the dangerous and demanding tasks that they carry out on our behalf.

During this past year as Secretary of State I have taken forward my pledge to work with the Assembly to build and promote a world-class Wales, with a highly skilled, high quality economy and top class public services—a Wales determined never to be second best—and we have a good story to tell. In the past, when the world did badly, Wales did much worse. Today, in a period of global economic uncertainty, Wales has done much better: we have more jobs, greater growth, low interest rates, higher public investment and sustained stability. We have the lowest public debt almost anywhere in the world; the lowest interest rates since 1955; the lowest inflation since the 1960s; and the lowest unemployment for 25 years. Of all the major economies, the British economy has been the fastest growing, despite the worst global slowdown for nearly 30 years.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The Secretary of State notes the increasing economic success of Wales, as he sees it. In the light of that fact, will he accept the view of the National Assembly that we should have a public holiday on 1 March, St. David's day? The right hon. Gentleman would be in a strong position to suggest that to the Cabinet and I know that it would have cross-party support and the approval of the National Assembly. Will he consider the point further?

Mr. Hain: I shall consider the idea further and keep it under review. If a serious, argued case were to be presented to us, based on full consultation with the business community, taking into account the economic impact on the Welsh economy vis-à-vis the English economy, we should give it even more careful consideration than we were able to do last year or the year before.

The employment rate in Wales is up by 0.7 percentage points since December 2002. Wales has also seen a fall in the rate of economic inactivity—hidden unemployment—which is down by 0.3 percentage points since December 2002. Wales has 28,000 more people in work than this time last year, 4,000 fewer people inactive in the economy and for the nine months to December 2003 business activity accelerated at its fastest rate. Average earnings were up 3.9 per cent. in 2002–03, so employment and earnings are rising together, which shows that we are on the right path to close the prosperity gap.

I remind hon. Members of the words of the then Secretary of State for Wales, the right hon. Member for Richmond, Yorks (Mr. Hague), who warned in this very debate seven years ago:

"There is no question but that Labour's policies would reduce employment, and they would certainly reduce employment opportunities for the future in Wales."—[*Official Report*, 27 February 1997; Vol. 291, c. 458.]

Chris Ruane: Eat your words.

Mr. Hain: I agree. No doubt, we shall hear similar dire predictions from the Opposition today, and I have no doubt that they will prove to be just as inaccurate and fatuous.

That economic success is the result not of good fortune or chance circumstances, but of a strong partnership between the Government in Westminster and the Assembly Government in Wales. It represents a complete break with the boom-and-bust, stop-go economic policy of the previous Government and a rejection of the isolationist, confrontational approach of the nationalists. Both have failed Wales in the past and both would fail Wales in the future.

Lembit Öpik (Montgomeryshire) (LD): Does the Secretary of State agree that there are employment

black spots in Wales? Job cuts in localities can create local recessions, so does he agree that the Assembly and Parliament must ensure that we do not neglect communities that depend on one large employer? As he knows, that is exactly the problem in my mid-Wales constituency.

Mr. Hain: I am aware of the problem in the hon. Gentleman's constituency, especially as we sought to rescue the factory concerned. We must constantly try to provide alternative employment patterns and opportunities.

What is the practical effect of our hard-won economic stability? It has meant that thousands of Welsh men and women who were without work in 1997, and thousands who would have had no hope of work under a continuation of the economic policies of the previous Government, now have jobs. Claimant-count unemployment in Wales has fallen by 45 per cent. over the past seven years. Welsh gross domestic product per head increased by 15.6 per cent. between 1997 and 2001. Wales is closing the gap with the UK on economic activity, and we are on the right path to close the prosperity gap with other parts of the country, with the third fastest rise in earnings in Britain in 2002–03. It means, too, that more than 50,000 unemployed people in Wales have found employment through the new deal—a programme that the shadow Chancellor has described as "an expensive failure", and which his party is pledged to abolish.

I challenge the right hon. Gentleman and his Front-Bench colleagues, including the hon. Member for Leominster (Mr. Wiggin), to visit, as I did before Christmas, the Disability Action Trust in Llandarcy, in the constituency of my hon. Friend the Member for Aberavon (Dr. Francis), to see the work it is doing through the new deal programme to equip people with sight difficulties for the world of employment, and then to tell me whether he still thinks that the new deal is an expensive failure.

Thanks to a member of the Liberal Democrat staff in the Assembly, we now know, from their draft manifesto, that the Liberal Democrats intend to scrap the new deal. Although it is not yet St. David's day, the Liberal Democrats already have a leak, but perhaps next time they might consider circulating their draft manifesto to all Labour Members of Parliament and not just to Labour Assembly Members. It is an insult to the House that Labour Members of Parliament were not included in the circulation list.

It is important that we focus on the proposals in that document and their implications for Wales. The Liberals describe the new deal as a

"waste of time for unemployed people who only need superficial help".

It also says that the Liberal Democrats would get rid of the child trust fund, which the Government are introducing to ensure that, in future, all children have a financial asset at the start of their adult life—*[Interruption.]* This is an equality issue, yet on the basis of that document the Liberal Democrats will be going into the next election proposing to rob Welsh babies of up to £500 each—the 30,000 Welsh babies born every year who would attract that money.

Mark Tami (Alyn and Deeside) (Lab): Does my right hon. Friend agree that the manifesto shows, once and for all, that the Liberals are just the Tories in disguise?

Mr. Hain: My hon. Friend puts the point eloquently; he is right.

It is instructive that the Liberal Democrats choose to oppose two of the most radical and transforming measures that the Labour Government have introduced: the new deal and the child trust fund. Another radical measure, the national minimum wage, is benefiting tens of thousands of people in Wales. Let us not forget that the Leader of the Opposition opposed its introduction because he claimed it would cost 1 million jobs. In fact, since it was introduced, more than 1.5 million additional jobs have been created across Britain.

Mr. Roger Williams (Brecon and Radnorshire) (LD): Does the Secretary of State agree that the best investment that can be made for young children is at the start of their lives? Holding on to £250 until they are 18 is a wasted opportunity; the real benefit would be felt when the children are very young.

Mr. Hain: I do not know what the definition of the start of one's life is if it is not to be a baby. That is when we are providing for children to receive up to £500, and that will help many thousands of Welsh babies born into low-income families. Over the years, that figure can be added to through public funds and contributions from relatives, to provide a protected asset when the young people reach adulthood. It will enable Welsh babies born into deprived backgrounds, like many of those in the hon. Gentleman's constituency and mine—especially in the south of my constituency—to have a decent start in life, which they do not have at present. In other words, it is an equality measure that the Liberal Democrats want to chop.

Average mortgage rates are less than half their level between 1979 and 1997, meaning that home owners in Wales are spending much, much less of their budget on housing costs. An objective 1 programme has already created 22,000 gross new direct and indirect jobs and safeguarded 30,000 more, yet it seems that hardly a week goes by without the Opposition parties putting out a press release attempting to belittle or discredit that programme. They hate it when Labour policies are successful. They love running Wales down, instead of honestly acknowledging that Wales is on the up. I say to them: look at the evidence in your own constituencies—

Mr. Nigel Evans (Ribble Valley) (Con) *rose*—

Mr. Hain: And to the hon. Gentleman, who does not have a Welsh constituency, I give way.

Mr. Evans: But unlike the Secretary of State for Wales, at least I was born in Wales.

[Mr. Evans]

The Secretary of State says that we hate it when the Government are successful, but I hate it when they are not successful. Will he spend some time talking about the council tax rises under the Labour Government over the past seven years?

Mr. Hain: I remember when the local government boundaries were redrawn by the right hon. Member for Wokingham (Mr. Redwood), who preceded the right hon. Member for Richmond, Yorks as Secretary of State for Wales. Council tax increases in my Neath constituency started to take off under the Conservatives, owing to a dreadful, miserable local government settlement, from which we have been trying to recover. We are putting record investment into local government, compared with the cuts, which the hon. Gentleman supports, that the Conservatives introduced in Wales and elsewhere.

Mr. Evans: Is that it?

Mr. Hain: We seek to reduce council tax increases. In Wales, the increases are among the lowest for years, because of the investment that we are making.

Albert Owen (Ynys Môn) (Lab): Does my right hon. Friend agree that the new spending assessments of the National Assembly Government, which the Conservatives opposed, help deprived areas such as mine by as much as £7 million a year? Plaid Cymru and Tory Assembly Members refused to support those new arrangements to help deprived communities.

Mr. Hain: That is another example of a shameful attitude of the Liberal Democrats and, especially, the Conservatives in the Assembly. Look at the projects that would not have come into existence and the jobs that would not have been created if it were not for a Government who were prepared to negotiate at the heart of Europe to secure objective 1 status, together with an Assembly Government who were able to draw together partnerships across the public and private sectors to implement the programme.

The truth is that the nationalists cannot stand to see an example of partnership working between different tiers of government in Europe, at Westminster and in Wales. They know that the success of objective 1 would mark the failure of their outdated ideology. An independent Wales cut off from the rest of Britain and isolated from the rest of Europe—that is their objective 1.

The Welsh economy still faces many challenges, but we are better placed than for many years to overcome them. Unemployment is still too high. Levels of entrepreneurship are still too low. Our work force must become more highly skilled. We need more research and development activity and stronger links between our higher education institutions and Welsh business.

Mrs. Jackie Lawrence (Preseli Pembrokeshire) (Lab): On the need to upgrade skills, does my right hon. Friend agree that both Opposition parties' plans to eradicate the new deal would compound skill shortages and do nothing to help to "upskill" our population in Wales?

Mr. Hain: My hon. Friend is only too right, because in her constituency, in mine and in those of all Welsh Members, including the Opposition, the cutting of the new deal would deprive thousands of people—disabled people, lone parents and long-term unemployed and young people—of the opportunities to work. However, in every area, the Government and the Assembly in Cardiff are working together to address the big challenges that we face.

Adam Price (East Carmarthen and Dinefwr) (PC): The Secretary of State mentions the comparatively low level of R and D activity in Wales. Could not the UK Government perform a function in that respect? We have only one Government-funded research centre in Wales, compared with 20 in Scotland. Surely Wales is not getting its fair share of Government-funded research at the moment?

Mr. Hain: One of the things that we are considering in the Lyons review is the relocation of public sector jobs to Wales, and I am sure that the hon. Gentleman will want to identify such opportunities. I assure him that we will certainly consider most carefully any research and development opportunities that arise.

Those who are still isolated from the labour market have been targeted for personal assistance and advice through the employment action zones and the new incapacity benefit pilot scheme that covers the Bridgend and Rhondda Cynon Taff areas.

From April to November 2003, the Assembly and the Welsh Development Agency assisted more than 3,300 business starts through the entrepreneurship action plan, and Finance Wales has secured more than £7 million in first phase funding to support start-ups and early stage investment in small and medium-sized enterprises.

The Government have introduced a new range of R and D tax credits, and prestigious R and D facilities, such as those of General Dynamics, are choosing to locate in Wales. I foresee opportunities for Wales in renewable energy products, and I have welcomed Sharp's recent decision to invest in the production of photovoltaic cells for solar energy at its production site in Wrexham. I pay tribute to my hon. Friend the Member for Wrexham (Ian Lucas) for helping to secure that investment. That is in addition to existing exciting projects, such as those based on the Baglan energy park.

Over the coming 15 years up to 5 million jobs could be outsourced from European Union countries and the United States combined to countries that are only now industrialising and seeking to catch us up. That is a considerable challenge for us, and it is essential that we accept that our education and training system is central to our ability to respond, as a nation, to such economic challenges in the coming decade and a half. Investment in science and skills is the key to meet the challenge of outsourcing and to ensure that we have a high-quality economy, with high employment and the high skills to underpin it. For that, we need an enabling Government in Westminster and Cardiff, not a minimalist Government who seek to draw back and to cut and chop, as the official Opposition would do.

The Government made clear from the start the priority that we attach to the role of education in our society. As parents and teachers will testify, the investment that we have made and the reforms that we have pioneered are bearing fruit. Utilising that extra investment, and following its own distinctive agenda, the Welsh Assembly Government are developing a world-class education system in Wales, which provides quality learning and ensures that all children have the means to realise their full potential.

Infant classes are at historically low levels. Teacher numbers have increased year on year, with nearly 960 more teachers in maintained schools than there were four years ago. Of those pupils in their final year of compulsory education, 51 cent. achieved five or more GCSE grades at A to C, or vocational equivalent, last year—5 per cent. higher than in 1998. Schools across Wales are piloting the exciting new Welsh baccalaureate qualification.

We have recast and modernised the structure of post-16 education in Wales. The Assembly has introduced learning grants to provide guaranteed additional financial support for students in further and higher education, and we are devolving to the Assembly the right to take vital decisions about the student support system for further and higher education students domiciled in Wales, as well as the tuition fee regime.

I am delighted that higher education institutions in Wales are outperforming the UK average in attracting a wider social mix of students and working with groups and communities that are under-represented in higher education, but the Assembly Education Minister, Jane Davidson, shares this Government's desire to ensure far greater access for the children of low-income families than has been the case in the past. I am afraid those children can expect no comfort from the Opposition.

The hon. Member for Leominster (Mr. Wiggin) has made it clear that the Conservative proposals for higher education funding are based on reducing the number of university places, so thousands of Welsh youngsters would be denied the chance to go to university. On average, about 500 youngsters in each of our 40 Welsh constituencies would be blocked by the Tory proposals from going on to higher education: Tories blocking new talent, Tories blocking new opportunities—the same old Tories doing Wales down again.

Mr. Evans: Will the right hon. Gentleman give way?

Mr. Hain: I want to make progress because many other hon. Members wish to speak.

In health, a sustained period of investment has led to real improvements in treatment. In 2004–05, the Assembly Government have been able to allocate almost 95 per cent. more to the health budget than was spent when we inherited it from the Conservatives in 1997. As a result of that increased investment, there are now nearly 19 per cent. more NHS staff in Wales, including 30 per cent. more whole-time-equivalent hospital consultants and nearly 16 per cent. more qualified nurses. Nearly 200,000 more patients were seen in 2001–02 than in 1996–97.

There have also been significant decreases in the number of people having to wait long periods for targeted procedures—cardiac, orthopaedic and cataract surgery—as was demonstrated by the latest figures released yesterday. However, all that hard-won progress in rebuilding public services in Wales is now threatened by the shadow Chancellor's announcement that he intends to slash an estimated £1 billion from public spending in Wales, leaving a black hole in our finances that would inevitably lead to service cuts and tens of thousands of job losses throughout Wales—a £27 million cut per Welsh constituency from the Conservatives.

I challenge the hon. Member for Leominster to tell us today—I hope that he will do so from the Dispatch Box shortly—whether he was consulted on that £1 billion cut in spending for Wales. Exactly where should the axe fall?

Mr. Bill Wiggin (Leominster) (Con): The Secretary of State misrepresents what the shadow Chancellor said. As this is an intervention, I will explain very briefly that if the Government continue to spend at greater rate than the economy grows, they will have no choice but to increase tax. We believe that that is the wrong thing to do. We will not increase tax. That is why he is misrepresenting our policy.

Mr. Hain: The shadow Chancellor is not even proposing any difference in taxes until 2011. Meanwhile, in the first two years of a Conservative Government, if they were to be elected at the next election, there would be a two-year cash freeze. I quote the shadow Chancellor:

> "For all other spending than health and education . . . which is a 5 per cent. real terms cut in the first two years . . . with further real-terms cuts in each area until 2011 . . . a £1.5 billion cut in defence."

That would have affect lots of jobs in Wales and many of my hon. Friends' constituencies.

Mr. John Smith (Vale of Glamorgan) (Lab): I fear that my right hon. Friend is too generous to the Opposition, because defence cuts will almost certainly have a disproportionately adverse effect in Wales. The proposal for a freeze is a disaster and will do enormous damage to defence now, not in the future. It will be factored into decision making, and is reckless and outrageous.

Mr. Hain: Indeed, there will be a £1.5 billion cut in defence, a £900 million cut in Home Office and criminal justice spending, a £600 million cut in transport—what will happen to our railways and buses?—a £400 million cut in housing, a £2.4 billion cut in local government, which will affect council tax, and a £250 million cut in international development. That is just for starters, and we will not get anything in return, such as tax cuts that would at least offset the cuts that the official Opposition would make. Which schools will be closed in Wales, and how many teachers will be sacked? Which hospitals will be shut and how many nurses will be sacked—*[Interruption.]* Ah, they say that they would maintain health and education spending, but they would rob the health budget across Britain by £2 billion to fund their patient passport scheme and a similar school passport scheme. That would allow rich patients to take money out of the national health service and go down the road

[Mr. Hain]

to a private hospital. The NHS will be robbed of much-needed funds so that those people can top up their ability to pay.

How many nurses will be sacked? How many bus and rail services will be chopped? How many thousands of Welsh defence-related jobs will go, and how many Welsh companies will close? In general, we know the answers to those questions because we have been here before in the miserable decades under the Conservatives in the 1980s and 1990s. By contrast, our Labour Government have built a strong economy and are investing in our children's future. However, we must protect our communities. Strong communities have been a feature of our way of life in Wales, whether in the urban centres of the south and north-east or the rural villages of the north and west.

The Leader of the Opposition recently told us that Welsh communities "revived very considerably" under Margaret Thatcher. What planet is he living on? Welsh communities were decimated by Thatcherism, and life and hope was drained from them by 18 years of economic mismanagement, neglect and misery. Our Labour Government have revitalised them with new jobs, new public investment, objective 1, the Communities First programme, and by reviving the public transport network. That is why we have increased the numbers of police officers in Wales by more than 760, and introduced more than 110 community support officers. Progress has been encouraging—crime in England and Wales has gone down by 25 per cent. since we came to power and the chances of becoming a victim of crime are the lowest for 20 years. Too many people's lives, however, are still plagued by antisocial behaviour. Vandalism, graffiti, dumped rubbish, fly-tipping, abandoned cars, relentless noise and nuisance have a long-lasting and corrosive effect on the quality of people's lives.

Many people, especially those living on their own, feel that there is little that they can do to tackle those problems, but the truth is that the community, working together, can take a stand against antisocial behaviour and deliver change. The Government have made provision for antisocial behaviour orders, which prohibit specific antisocial actions, and acceptable behaviour contracts. The Anti-Social Behaviour Act 2003 includes measures to give local authorities permission to apply for antisocial behaviour orders, disperse groups causing harassment or intimidation, widen the use of fixed-penalty notices and place restrictions on the ownership and possession of airguns. The Government cannot, however, do everything on their own. We have given powers to local authorities and the police, and now people must work together both to reassert our traditional community values of respect for one another, and to ensure that we do not allow a minority to spread fear and distress in their area.

This is a time of great opportunity for Wales—opportunities for work, opportunities for business, opportunities to learn. Employment has risen to record levels, and new markets in eastern Europe and across the world are opening to Welsh businesses. Higher education is becoming available to people from low-income families who never had the chance to study before. We also have an opportunity to renew the community values for which Wales is renowned. We aim to ensure a diverse, vibrant society in which, through tolerance and respect for one another, people are able to shape their own lives and fulfil their individual potential. The evidence of the past 12 months is clear—we are moving forward, and Wales is changing for the better. By working together, our Labour Governments in Westminster and Cardiff are making the difference.

Madam Deputy Speaker (Sylvia Heal): Mr. Speaker has imposed a 10-minute limit on Back-Bench speeches.

3.35 pm

Mr. Bill Wiggin (Leominster) (Con): Before the Secretary of State got into his usual stuff, he made some important comments, particularly about Welsh men and women who had passed away. We, too, would like to pass on our condolences to the friends and family of John Charles, Members of the other place and other Welsh people who served our country so well.

I do not want to talk Wales down—the Secretary of State usually accuses me of doing so—but I shall examine exactly what is going on in Wales. We heard from the Secretary of State exactly how much has been put in, but we must look at what is coming out. It used to be thought that the NHS was the envy of the world, and all that it needed was a touch more cash. That myth has been well and truly scotched. The Welsh Assembly Government have increased the Welsh health budget by 40 per cent., to £4.55 billion, which is £822 per capita, compared with £740 in England. That is the largest health budget in the UK, and has not altered the status of the Welsh health service as the worst in western Europe. The truth, proven by the Labour Government's huge increases in tax and spending, is that it still fails to fulfil patients' wishes. That is not the fault of the doctors, nurses or even the administrators, and it is not that they do not try to do their best. The mountain of rules and regulations has become a barrier instead of a method of improvement.

Lembit Öpik: Is it not the case that we have difficulties in the Welsh health service because when the Labour party took office they insisted on carrying out the Conservatives' bankrupt health policies for three years?

Mr. Wiggin: I think that we all agree that that is nonsense.

It is finally clear that more regulations from Whitehall or Cardiff will not reduce the length of time that people must wait for treatment. Since the Assembly took over responsibility for health in Wales in 1999, waiting lists have escalated rapidly. Overall, 307,608 people are on a waiting list for treatment, 40,000 of whom have waited over 12 months, and 14,815 people in Wales have been waiting over 18 months. The divide with services across the border—Welsh people are disadvantaged simply because they live in Wales—is unacceptable. How can the Labour Government in Wales have got it so wrong? How can this be allowed to happen and continue?

Only by trusting the people, both patients and professionals, can we reverse that trend. At the moment, the state runs health care in Britain, but we want that control to pass to patients. Even under this Government, there are proposals that will deliver real

improvements to health in Wales. However, what is needed, and what the Conservatives will undertake, is the removal of the mass of regulations so that patients are allowed to make the choices that will determine where and when they go to hospital. We will give patients a passport to health that will provide that freedom of choice and control, as well as allowing the medical profession more flexibility and freedom in handling the individual requirements of a modern population.

Albert Owen: On health passports, can the hon. Gentleman explain to people in my constituency who are on fixed incomes how far they would have to travel and how much of their own money they would have to put towards those passports?

Mr. Wiggin: One of the dangers of this is that people misunderstand the fact that having extra freedom does not mean that they have to use it. People would not lose anything. If they decided that they did not want to change—*[Interruption.]* I am trying to respond to the hon. Member for Ynys Môn (Albert Owen). If they wanted to travel further, they would be free to do so—they cannot at the moment—but if they chose not to take advantage of that, they would not have to. This is about giving extra freedoms, not taking things away. I think that the hon. Gentleman's constituents would agree that he should support that.

Ian Lucas (Wrexham) (Lab): Is that the same as the freedom for everyone to send their child to Eton?

Mr. Wiggin: I do not believe that it has ever been illegal to send one's child to Eton. The hon. Gentlemen's intervention is extraordinary—clearly, he did not go there.

Welsh Conservatives recently announced their five-point plan to rescue the Welsh NHS from its relentless decline. They will channel money directly to NHS trusts, with a fundamental review of NHS structures; reduce bureaucracy in the Health Minister's Department; encourage and reward NHS trusts that meet targets and tackle financial deficits; use spare capacity at NHS and private hospitals in England and hospitals abroad to reduce waiting lists; and make better use of the private finance initiative for a programme of hospital building.

People want to become doctors and nurses because they believe in caring for others. We have first-class professionals who want to respond to the needs of the patient but are unable to do so because they are operating within a second-class system as Ministers' targets, bureaucracy and directives unnecessarily take away their freedom to deliver quality care. That must change. Something must be done quickly for the health service to deliver quality medical care for the people of Wales. At the current rate, the total number of people on waiting lists in Wales will hit 0.5 million in six years and 1 million by 2024.

Waiting lists are not the only measure of Labour's health care failure in Wales. For example, 4,802 patients were left for more than 12 hours in accident and emergency between October 2002 and September 2003, compared with 1,517 the year before. Of the 10 UK health authorities with the worst health care records, six are in Wales. That means that the proportion of people in Wales who are too ill to work is 23.37 per cent.; in England, it is 17.93 per cent.

The repair bill for NHS buildings in Wales stands at more than £465 million—a figure that has risen by £147 million since 1999. The Labour Assembly Government's pledge to spend £550 million on modernising GP surgeries and hospitals will not even cover that growing backlog of repair costs. Jane Hutt may want to tackle waiting lists more than anybody else, but it is not her good intentions that count. Her good intentions to tackle certain diseases, increase bureaucracy and set up 96 administrative groups are making the lives of many people in Wales worse because they have no control over health treatment.

Mrs. Betty Williams (Conwy) (Lab): Assuming that the hon. Gentleman's facts and figures are entirely accurate, does he recognise that the Assembly has a good record in terms of its orthopaedic initiative? When that started in 2001, more than 2,000 people waited for more than 18 months—now, only 15 do so.

Mr. Wiggin: I am delighted to hear that a waiting list has fallen, but the sad thing is that they are not all falling. When we consider what is best for the peopie of Wales, as we should in the debate in honour of St. David's day, we should look at all the waiting lists—cherry-picking one good statistic is not the right way to sell the benefits of Jane Hutt. I am citing the statistics for the whole of Wales. I am grateful to the hon. Lady for drawing attention to that, because I should point out that they are all taken from parliamentary answers to the Wales Office or the Department of Health.

It is the consequences of Labour politicians' actions, not their intentions, that matter. It is important that control should be passed to patients, giving them the opportunity to choose where and when they are treated.

There has been a huge escalation in crime in Wales. However, because of the changes in crime recording practices, it is difficult, but not impossible, to assess Labour's record on crime since 1997 without the police whining, as did the north Wales chief constable, that it is unfair. Those changes were down to further Whitehall interference. However, because three out of four of the Welsh police forces introduced the national crime recording standard prior to its official introduction on 1 April 2002, we have one year where we can compare crime statistics without causing confusion or being accused of being misleading or unfair. According to the Home Office, during the past year, overall crime in Wales has risen by 21 per cent., with a 20 per cent. rise in north Wales and a 22 per cent. increase in south Wales. Over the past year, throughout Wales there was a 44 per cent. increase in violent crime; in north Wales, the increase was 52 per cent. Violent crime has risen almost twice as fast in Wales as in Greater Manchester or London.

In addition to those increases in crime, Cardiff prison is recorded as overcrowded and exceeding its maximum capacity, and 1,580 Welsh prisoners are in English prisons because there is not enough prison capacity in Wales. Despite that, the Home Office wrote to me in answer to a parliamentary question saying that there are no plans to build any more prisons in Wales, but that

[Mr. Wiggin]

accommodation requirements will be kept under review. Clearly, accommodation requirements for Welsh prisoners are far exceeding capacity. Bearing in mind the importance of families in preventing reoffending, there should be plans to build more prisons in Wales so that families do not have so far to travel.

Mr. Hain: On the hon. Gentleman's points about crime, he will know that the chief constable of North Wales police wrote to him challenging in the strongest terms the statement that he made at Welsh questions last month. The chief constable wrote:

"The way in which you have done this is not merely misleading and unfair but also wrong. The true facts tell a very different story."

He went on:

"I expect politicians to help manage down the fear of crime in our communities, not to stoke it up with grossly erroneous and highly misleading selective use of statistics."

Will he apologise to the chief constable of North Wales police?

Mr. Wiggin: Is the Secretary of State seriously suggesting that if crime statistics are going up we should tell lies about it? I will not do that. Is he also suggesting that the chief constable of North Wales police was happily reading *Hansard*, or can he confirm whether he encouraged him to see the statistics to which I referred? [HON. MEMBERS: "Withdraw."] I cannot withdraw, because I have not had a reply from the Secretary of Sate. Can he also say whether we should ignore facts that are produced by the Home Office?

Mr. Hain: The hon. Gentleman should withdraw that statement, because the letter from the chief constable of North Wales police arrived unsolicited to him, and was copied to me and no doubt to others who are interested. I put it to him directly: will he apologise to the chief constable of North Wales police? What is his reply in relation to providing a misleading impression through erroneous statistics, as the chief constable said? In fact, there has been progress on all recorded crime for north Wales—it is 4.4 per cent. down. Recorded burglary of dwellings is 15.9 per cent. down, recorded violent crime is 4.5 per cent. down, and recorded vehicle crime is 5 per cent. down. Those are the figures that are provided, and he ought to apologise to the chief constable and the people of north Wales.

Mr. Wiggin: This is very interesting. Let me quote what the Secretary of State said about the chief constable of North Wales police. On the BBC's "Question Time", he rejected Brunstrom's view on the sale of heroin. He said:

"It is appalling that a high ranking police officer or anybody can suggest that hard drugs including heroin can be dished out like confetti and made available to children and adults. Drugs can turn a once healthy individual into a miserable dependant . . . I am appalled at the suggestion heroin, which is capable of causing such human misery, should be legalised and sold on street corners".

I do not believe that the Secretary of State has had a conversation with the Home Secretary about the concerns of the chief constable of North Wales police that were given as an example. I do not believe that the Secretary of State was wrong when he was critical of the chief constable. If I am in a position to quote Home Office statistics, however, and if those statistics are given to me in written answers to parliamentary questions, he should talk to his colleagues in the Home Office, not criticise me for quoting what I am given by his Government.

Mr. Hain: The hon. Gentleman has had a letter from the chief constable of North Wales police about an allegation that he originally made across the Dispatch Box on the Floor of the House. The chief constable has asked him to withdraw his allegations, and the misleading impression and erroneous picture that he presented. The chief constable deserves a reply, as does the House, because the hon. Gentleman made those allegations at the Dispatch Box. I remind him that the subject was not heroin, but crime statistics.

Mr. Wiggin: I have written back to the chief constable, but I do not see how any Member of the House should be denied from quoting the written answer that he gets in reply to a question to the Home Office. How can a Member of the House be expected to withdraw statistics given to him by the Government? It is therefore impossible for me to withdraw, and I do not recall that the chief constable of North Wales police asked me to do so. He made those comments that the Secretary of State quoted, but I do not believe that it is possible to withdraw Home Office statistics. However much the Secretary of State would like it to be otherwise, the fact remains that overall crime in Wales has risen by 21 per cent., with a 20 per cent. rise in north Wales. That is what the Home Office is telling everybody, and that is what I am telling the Secretary of State. It is no good his asking me to withdraw that, because I cannot undo the crime. If I could, I would. I cannot deny that crime has gone up.

Mr. Hain: I thank the hon. Gentleman for giving way again, and I shall not detain him any more after this, but I want to quote from Richard Brunstrom's letter to him. It said:

"I expect politicians to help manage down the fear of crime in our communities, not to stoke it up . . . You have been unfair to North Wales Police specifically. The growth in our crime figures is due entirely to better recording practices"—

[Interruption.] He continues:

"we have been externally audited by the Audit Commission and found to have the best recording system in England and Wales".

Either the hon. Gentleman is jeering at the chief constable of North Wales police, or he is responding to the charges that the chief constable made about his comments, which he should withdraw.

Mr. Wiggin: It is absolutely ridiculous to try to spin the chief constable's letter in that way. If crime is going up, I will not try to mislead people in Wales. The Secretary of State should not even suggest that the chief constable is right on that. Of course we should not be putting fear into people's minds, but neither should we be denying it when things are going wrong. The Secretary of State is very much out of order in suggesting that anyone should deny the facts, given that in a parliamentary answer—

Lembit Öpik: Just for the record, is the hon. Gentleman telling the House that not one single per

cent. of the increase in recorded crime results from the recording method? Is he saying that it is all a genuine increase in actual crime?

Mr. Wiggin: That is important, because there is now a difference in the way in which crime statistics are recorded, which the Government have implemented. That is why I chose carefully the crime statistics from 2001–02 to 2002–03.

Chris Ruane: That is cherry-picking.

Mr. Wiggin: It is not, because those are the statistics drawn up after the change that the Government made to the way in which they are recorded. If the chief constable of North Wales police does not like the way in which the facts are put out, he should complain to the Government who changed that, not complain about people reading them out, as I did. He should complain not about the facts, but about the Government who make the rules change.

I should like to go on about the way in which the chief constable of North Wales police has behaved. That letter was unworthy of him. He should spend more time pursuing criminals rather than pursuing politicians.

Chris Ruane: He is.

Mr. Wiggin: No matter how much Labour Members might like to portray me as a criminal, at this stage I am not—*[Interruption.]* Well, I shall not be visiting north Wales and breaking the speed limit, that is for sure.

On education in Wales, testing for schoolchildren in English and maths at key stage 1 was abolished in 2002. Recently, the Welsh Assembly review group on the national curriculum recommended that key stages 2 and 3 be phased out, leaving only one formal set of tests for children before their GCSEs. We believe that the tests should be retained. Testing at 11 and 14 is important, provided that the tests are conducted properly, because they highlight schools that are not meeting required standards. It is not a case of naming and shaming schools, but if a school is failing, its pupils will fail. That must be put right. If there is only one set of formal examinations before the age of 16, there are not enough chances to put that right.

Education funding in Wales is in crisis. There was shock and anger in mid-Wales at the beginning of this year when it was announced that there would be a 2 per cent. cut in the education budget—which amounts to £1 million—to make savings across the board. However, there will still be a 9.5 per cent. increase in the Powys council tax.

Instead of dealing with failure to meet targets at key stages 3 and 4, the Labour Members of the Welsh Assembly have been busying themselves with free school breakfasts. Dr. Chris Howard of the teaching union NAHT Cymru has aptly labelled the Assembly Government's scheme a "dog's dinner". Teachers are dedicated and committed, but cannot perform to the best of their ability because of a system that hinders, rather than helps, them. Parents should be able to decide which school would provide their child with the best education. Every parent has the right to expect that their child will fulfil their potential, but for that, we need an education system that caters for the talents of each child. That is why the Conservatives in power would provide a better schools passport to give parents a wider choice.

The Secretary of State talked about employment. Wales is the least profitable region in the United Kingdom, and a recent CBI statement declared:

"Welsh business is the least optimistic in the United Kingdom with firms blaming the Government for failing to support them properly".

We need to get rid of the targets, initiatives and strategies, and give people freedom to use their own talent and enterprise. Endless targets result in wasted effort and increased costs, which have an impact on real life for millions of people. Wales is full of talented people who deserve to make the best of their lives, but they cannot do so at present because of the constraints and barriers imposed on them by the state. Wales is also full of missed opportunities.

The Secretary of State persistently emphasises the higher employment figures. In the past year there has been a welcome increase of 61,000 in the number of jobs, which has taken the Welsh employment rate to 72.1 per cent. Such increases, however, must always be weighed against the fact that the employment rate still lags behind the UK average of 74.5 per cent. It is also important to remember that 45 per cent. of jobs created since 1997 are in the public sector, funded by the taxpayer, although the public sector accounts for only 22.2 per cent. of employment. That is unsustainable unless the Government revise their strategy on the private sector. Increasing the number of taxpayer-funded jobs cannot help to sustain a more competitive economy.

It has been estimated that 10,000 call centre jobs will be lost in Wales. Currently 24,000 such jobs contribute £400 million to the Welsh economy. The expected loss will have a substantial impact not only on the lives of the 10,000 made redundant—let us not forget them—but on an important sector of the Welsh economy. While I differ from the Secretary of State's view that the Welsh economy will benefit from the loss of 10,000 jobs, I hope that he will stick to his later, contradictory, statement that he would fight for every call centre job in Wales.

Mr. John Smith: How would the hon. Gentleman stop the outsourcing of call centre jobs in Wales? What policy would he introduce?

Mr. Wiggin: The most important cut to be made is in red tape. We need to get rid of the extra burden that makes call centre jobs more competitive abroad. Many companies still find it convenient to have call centres in the UK. We should be thinking about how they manage to do that, rather than writing off jobs. We must not forget how important call centre jobs are to Wales.

The situation is no better for the manufacturing sector. Manufacturing output in Wales is down by 4.2 per cent., and the number of manufacturing jobs fell by 3,000 between September 2002 and September 2003. Since 1997, 30,000 manufacturing jobs have been lost. The manufacturing sector now accounts for just 17 per cent. of gross domestic product, compared with 21 per cent. in 1997.

Mark Tami: I am glad that the hon. Gentleman is not talking Wales down. If he were, God knows what we

[Mark Tami]

would be hearing. Will he now look at the positive side of manufacturing in the country? The employment by Airbus at Broughton of 6,000 people doing highly skilled jobs will make the factory the largest manufacturing plant not just in Britain, but in western Europe. Is that not a great achievement for Wales? Will the hon. Gentleman stop knocking Wales, and start talking about the positive developments there?

Mr. Wiggin: I am glad that I gave way to the hon. Gentleman. Yes, let us be pleased about everything that is going well in Wales; let us just be sad that there are not more positive things we could say. It is important to talk up the good stuff, and I am grateful to the hon. Gentleman for that reason, if for no other.

The trouble is that the overall picture is not as rosy as the one presented by the hon. Gentleman, and someone is responsible for that. Indeed, a group of people are responsible. I refer to the Welsh Assembly Government, and to our Secretary of State here. They are in a position to do even more, but they are not doing it, so I shall continue to stress what a shame it is that there are not more great examples like that given by the hon. Gentleman.

The number of Assembly civil servants has increased by 65 per cent. since 1999, to 3,861. The number of officials employed by the Welsh Assembly Government has risen by 37 per cent. since 1999, and costs have increased by 50 per cent. to more than £90 million. It recently emerged that £10.1 million had been spent since 1999 on civil servants' travel expenses and "subsistence allowances". The picture of the employment sector in Wales is not a rosy one. It is vital that the Government do not neglect the private sector any longer.

In 1999, west Wales and the south-west valleys qualified for objective 1 status because their gross domestic product per head was 74 per cent. of the European Union average. Their status has since significantly declined to just 68.6 per cent. of the EU average. West Wales fares worse than the former East German cities of Dresden and Leipzig, which have a GDP per head index of 69 per cent. and 72 per cent. respectively. That is an appalling record, and the objective 1 project cannot boast the successes that it should be able to boast.

In 2001, the Assembly set targets to regenerate the Welsh economy over the next 10 years. They set the target of taking the Welsh GDP of 80 per cent. to 90 per cent. by 2010. The latest figures show that it is now 78.7 per cent., so it has gone backwards. They now claim that 90 per cent. was not a target, but an aspiration.

Objective 1 is in a cash crisis. Applications total £100 million, and there is believed to be a shortfall of £20 million in the pathway to prosperity funding pot. The Economic Secretary recently announced that he would have to dip into other departmental budgets, and it was also confirmed recently by the Department of Trade and Industry that the Labour-controlled Welsh Assembly spent less on European projects in the first three years of the programme than the Conservatives did when they were in government.

Hope was offered to Wales last week, when it was announced that the poorest parts will qualify for six more years of European funding when objective 1 ends in December 2006. Obviously, the fact that they still qualify for aid shows the Government's failure to capitalise on the existing objective 1 programme. I hope that plans are already being put in place to ensure that the extra £931 million is not wasted for the second time.

Mr. Wayne David (Caerphilly) (Lab): Does the hon. Gentleman remember that it was the Conservative Government who opposed objective 1 status for Wales? Does he also realise that, because moneys are being spent so well in Wales, the European Commission has given the Welsh Assembly an extra £57 million?

Mr. Wiggin: The last time I gave way to the hon. Gentleman on objective 1, he tried to catch me out. The truth is that, if it had not been for the Conservative Government's changes to the structure in Wales, it would not have qualified for objective 1 funding, so that is enough nonsense from him. I had hoped that he would use his intervention to confirm whether such plans have been put in place, but of course he could not.

The people in such deprived areas of Wales deserve better. They deserve to receive the financial regeneration that is rightly mine—I am sorry, that is rightly theirs, not mine. The situation on taxation brings no more good news for the people of Wales. Since 1999, the average band D council tax in Wales has risen from £602 to £837. People in Neath Port Talbot—the Secretary of State's constituency—pay the highest council tax in the land.

Mr. Roger Williams: Does the Conservative party support the abolition of the council tax and the introduction of a local income tax?

Mr. Wiggin: What a shame the hon. Gentleman does not talk about paying less tax, but just about a different way of collecting it. If only he could get it into his head that it is not the council tax that people object to: it is the size of it that they resent. If the Liberal Democrats recognised that, they might make some progress, but I sincerely doubt that.

Mr. Jon Owen Jones (Cardiff, Central) (Lab/Co-op): Perhaps the hon. Gentleman should have asked the hon. Member for Brecon and Radnorshire (Mr. Williams) whether, with four properties, he would benefit from a non-property-based council tax.

Mr. Wiggin: I am grateful for the hon. Gentleman's intervention. The hon. Member for Brecon and Radnorshire, who represents the Liberal Democrats, has turned a pale shade of pink in embarrassment, and rightly so.

Dr. Julian Lewis (New Forest, East) (Con): While we are on the subject of Liberal Democrat policy on council tax, does my hon. Friend think that the Liberal Democrats are in danger of going back to a situation that it is not helpful to be in, as the Conservatives learned to their cost? If we had a local income tax, everyone in a household with a taxable income would be

liable. Would not that lead to certain difficulties that a previous Conservative Administration experienced to their cost?

Mr. Wiggin: I am grateful to my hon. Friend for that intervention. I do not want to rake over too many of the coals on the poll tax. The great thing is to learn from one's mistakes, and the Liberal Democrats have learned nothing from ours.

The threat of local income tax is extremely dangerous, because the Liberal Democrats have failed to understand that people who do not have their income paid in the United Kingdom are still liable to pay council tax, but would fall out of the brackets to collect local income tax. They have also ignored the huge bureaucracy necessary to collect local income tax. Those are two reasons why local income tax will remain a Liberal Democrat fantasy, as it should.

The 40 per cent. increase in council tax since 1997 has made people feel low and constrained, whereas low taxes give people the opportunity to make their own decisions. It appears that Wales is not fulfilling its potential. That is because of the number of constraints imposed and the lack of energy from the Labour Government in both Wales and Westminster. Sixty stealth taxes, countless regulations and ridiculous amounts of red tape are all tying up Wales and leaving it to struggle against Government interference.

The people of Wales need to break free, to be given the opportunities to follow their own path and to be rewarded for their hard work.

4.5 pm

Mr. Martyn Jones (Clwyd, South) (Lab): I am delighted to contribute briefly to our customary debate to mark our national day—and incidentally also my birthday. [HON. MEMBERS: "How old?"]

Mr. John Smith: Thirty-nine.

Mr. Jones: I thank my hon. Friend for that.

Principally, I should like to bring the House up to speed on what the Select Committee has been up to over the past 12 months. Since the last St. David's day debate, we have published two major reports, on our inquiries into the primary legislative process as it affects Wales and the empowerment of children and young people in Wales.

I shall first address our inquiry into the primary legislative process. In undertaking the inquiry, the Select Committee did not seek to comment on the devolution settlement for Wales. Rather, we decided to consider the effectiveness and efficiency of the current process of passing legislation for Wales in this House.

First, our report made a number of recommendations to the Government to improve the consistency of approach to conferring powers on the Assembly and to improve access to information on Bills affecting Wales. I am pleased to report that the Government broadly welcomed those recommendations.

Secondly, the Committee made recommendations that addressed the current limitations on joint working between the House and the National Assembly for Wales. In particular, we recommended that the procedures of the House should be amended to allow for more joint working between the Welsh Affairs Committee and the committees of the National Assembly on issues of mutual interest. The report also called for an annual joint meeting between the National Assembly for Wales and the Welsh Grand Committee.

My Committee also called for a mechanism for Assembly Members to be able to register formally their views on legislation passing through Parliament that directly affects the Welsh Assembly's remit. After our last meeting with the National Assembly's Panel of Chairs, the Presiding Officer of the Assembly and I sent a joint letter to the Procedure Committee, reinforcing the support of both the Welsh Affairs Committee and the Panel of Chairs for formal joint working, which the Procedure Committee is now considering. The Committee also gave evidence to that effect to the Richard Commission, which I understand is to report in the near future. The Committee looks forward to hearing Lord Richard's views on the issue.

Finally, on a personal note linked to this inquiry, I reiterate a previous request that Members of the National Assembly be given reciprocal passes for admission to the House of Commons, a courtesy currently extended to Members of our House when visiting the National Assembly in Cardiff bay.

The other major inquiry undertaken by the Welsh Affairs Committee related to the empowerment of children and young people in Wales. It focused on political participation; citizenship and active communities; diversity; youth justice; the United Nations convention on the rights of the child; and the relationship between the National Assembly for Wales and Westminster on policy development. In total, we held eight oral evidence sessions and took evidence in Wales on three occasions during the course of the inquiry.

Throughout the inquiry, the Committee held informal meetings with young people from across Wales, and it took formal evidence from young people on two occasions—from sixth-formers at Pantycelyn school and from the Welsh Youth Assembly, otherwise known as Funky Dragon. Young people also attended evidence sessions alongside adult witnesses as representatives of organisations directly involved with children and young people.

Incidentally, right hon. and hon. Members will be pleased to know that when we took evidence from representatives of Funky Dragon in this House they made parliamentary history, as it was the first time a witness had given evidence in the Welsh language to a Select Committee in the House itself.

In summary, one of the report's major conclusions was that the current limits of the remit of the Children's Commissioner for Wales do not best serve the interests of Welsh children and young people. The Committee therefore recommended that the commissioner's powers be extended to cover all non-devolved matters, and a suitable vehicle for that change could be the Bill to establish a children's commissioner for England.

The Welsh Affairs Committee is engaged in a wide-ranging inquiry into manufacturing and trade in Wales. It has taken evidence on three occasions and has a full programme of evidence sessions to complete in the next few months.

Albert Owen: On empowerment, another of the Committee's important conclusions was that 16-year-olds should be given the vote. Does my hon. Friend think that an important issue, and will he encourage the Department for Constitutional Affairs to take it on board during its inquiry?

Mr. Jones: Absolutely, and I am grateful to my hon. Friend for raising that issue. That was one of our report's main conclusions, and although we heard evidence from both sides of the argument—including from young people who thought that the voting age should not be lowered—on balance, we recommended that the voting age be lowered to 16. I apologise for omitting that point, but it is difficult to include everything in my speech.

Julie Morgan (Cardiff, North) (Lab): Does my hon. Friend agree that one reason why we were convinced that the voting age should be lowered to 16 was that the young people who put the case for lowering it tended to be those who had experienced some form of struggle in their lives, and who had taken part in different campaigning groups to improve the condition of their environment, or of a particular group of people? It was their enthusiasm and the way in which they expressed their views that strongly influenced us.

Mr. Jones: My hon. Friend is indeed right, and one reason why I was convinced by that argument is that, generally speaking, young people aged 16 are still in education, so their involvement and interest in the voting process can be maintained by having mock elections in schools, whereas a couple of years after leaving school they might well lose that interest. I hope that that change will serve to increase participation, which is the purpose of our report, as she will remember.

On the manufacturing and trade inquiry, last October the Committee paid a successful visit to Los Angeles, Atlanta and New York, where we met many prominent US companies that are significant investors in Wales. It was useful to learn exactly why foreign investors are prepared to come to Wales. Once published, the report will be a useful tool in ascertaining what attracts inward investment to Wales, and what must be done to secure jobs and continuing prosperity for the Welsh people.

On wider issues relating to the role of the Welsh Affairs Committee, we were particularly interested to note the Liaison Committee's recommendation that Select Committees should play a much more prominent role in pre-legislative scrutiny in this House. That is a task that the Welsh Affairs Committee takes seriously. It scrutinised the draft National Health Service (Wales) Bill in 2002, and the draft Public Audit (Wales) Bill in 2003. The draft legislation set out the Government's proposal to create a more unified public accountability framework for Wales. Our report was published last July, in time for the debate on the draft Bill in the Welsh Grand Committee, and the Government's response to it welcomed a number of our recommendations.

Six of our 34 formal meetings were held in Wales, and we also held many informal meetings with individuals and organisations in Wales. During the past year, we met nearly 300 representatives from throughout Wales—from Llandudno, Bangor, Rhyl, Llandovery, Ammanford, Llanelli, Swansea, Cardiff and Newport.

The Welsh Affairs Committee plays an important role in developing relations with the National Assembly for Wales, and it consults the Assembly wherever possible. During 2003, the Committee took evidence from the Assembly Ministers for Finance, for Local Government and Public Services, and for Health and Social Services. In addition to those formal meetings, the Committee held informal meetings with National Assembly committees and Ministers during our inquiries into railways in Wales, manufacturing and trade in Wales, and—more recently—Customs and Excise in Wales. The Committee also meets the National Assembly's Panel of Chairs twice a year to develop closer working relations and links. I am delighted to report that progress is being made in a range of areas.

I turn to an issue that is going to dominate Welsh politics during the next few months: the publication of Lord Richard's report on devolution in Wales. I wish to make it clear that, on this issue, I speak in a purely personal capacity and not as chairman of the Welsh Affairs Committee.

None of what I have to say should be seen as a criticism of the Assembly; quite the contrary. It is, in my experience, a fair and accurate description of the sentiments of the people of my constituency and north-east Wales about further devolution that they need to be convinced of the very real benefits that devolution is bringing. I made this point to the Richard commission when members of the Select Committee gave evidence, and added that the onus remained with those who advocated major changes to the devolution settlement to demonstrate that the current arrangements were not working for the Welsh people.

Hywel Williams (Caernarfon) (PC): The hon. Gentleman's earlier remark—that his constituents were not satisfied with the way in which the National Assembly is working—is surely evidence that it is not working very well. Would he expect a three-legged racehorse to win the Derby? Clearly it would need four legs to win the race. The National Assembly needs greater powers to succeed and to convince his constituents.

Mr. Jones: I could not hear half of what the hon. Gentleman said. Would he like to intervene again?

Hywel Williams: The hon. Gentleman's point—that there was dissatisfaction in his constituency with the way in which the Assembly works—could be evidence that the Assembly needs more powers, rather than, as it is sometimes termed, "time to bed in" or whatever.

Mr. Jones: That is a position that one could take but, frankly, that was not the point I made. The Assembly is doing a lot of good, but my constituents do not know about it. That could be the fault of the Assembly, which may not be selling itself to my constituents, but it is a great danger, as I shall go on to explain.

The Welsh Affairs Committee has already recommended areas where there should be further devolution to make the Assembly work better. However, I do not think that any major change would receive widespread support. The current arrangements are working and developing in imaginative and novel

ways, but if the Richard commission advocates major change, the arguments should be tested in a referendum of the Welsh people, particularly if those changes involve primary legislative or tax-raising powers. Any demands that the commission makes would not only be overwhelmingly defeated in a referendum, but sadly could put back further devolution for Wales for a generation or more. That would be a tragedy for Wales and would have serious implications for the development of the government of Wales in the future.

In recent weeks, some have attempted to draw a comparison between the likely outcome for the future governance of Wales and the situation that existed in Northern Ireland following the Good Friday agreement. This comparison is not correct, either in substance or from an historical perspective. Wales and Northern Ireland are completely different entities in terms of governance, both in the past and now. The Good Friday agreement, which, we must not forget, was an international peace accord, was the basis for ending conflict in Northern Ireland. The referendum that ensued was on an all-Ireland basis, north and south.

Without wishing to give the House a history lesson, from the foundation of the Northern Ireland state in 1921 until 1972, Northern Ireland had its own Parliament at Stormont, with its own Prime Minister and Cabinet. Due to the worsening security situation that existed in the early 1970s, our then Prime Minister, Edward Heath, imposed direct rule from London. Even though direct rule was opposed, Government Departments dealing with the judiciary, health, policing, the prison service, education and other matters remained in place but under the aegis of successive Secretaries of State. That is not the case in Wales. There is no comparison to be made, and I urge right hon. and hon. Members not to make such a mistake.

Finally, all of us must not forget that there are people in Wales who are anti-devolution and who, if a referendum were held, would demand an additional question to be put on the referendum paper: whether the Assembly should be scrapped. I do not want that under any circumstances and I do not believe that any hon. Member in this House would want that.

4.18 pm

Lembit Öpik (Montgomeryshire) (LD): May I first associate myself with the comments made about John Charles, who made a great contribution and was a credit to Welsh football, which is experiencing something of a renaissance?

Secondly, I apologise for the condition of my daffodil. I was impressed by the adhesive qualities of the Secretary of State's daffodil but I cannot wear mine due to what might be called a wardrobe malfunction. I shall donate it to charity after the debate.

Thirdly, I wish to point out the relative dedication of the political parties to Wales. Obviously, zero per cent. of the MPs here are Welsh MPs from the Conservative party, which has no Welsh MPs—

Mr. Evans: I am Welsh.

Lembit Öpik: That is despite the protestations of the sorely missed hon. Gentleman. As I look across to the Government side, I see that only about a third of Labour Members with Welsh constituencies are in their places. By comparison, 50 per cent. of Plaid Cymru Members are present, but, in stark contrast, 100 per cent. of Liberal Democrat Members with Welsh constituencies have turned up today. I may once have said, "Never mind the quantity, feel the quality", but today the Welsh Liberal Democrats have quantity and quality.

Hywel Williams: I should like to tell the House that my hon. Friend the Member for Ceredigion (Mr. Thomas) is in Committee and my hon. Friend the Member for Meirionnydd Nant Conwy (Mr. Llwyd) informed the House that he had to travel back to his constituency because of the weather conditions. Thus, in terms of the number of Plaid Cymru Members available, we have 100 per cent. attendance.

Lembit Öpik: The implication, as I reflect on our relative destinations, is that Plaid Cymru Members suffer worse weather conditions than the rest of us. I wish them all speed to get home. For the record—I know that irony does not translate well in *Hansard*—I stress that I meant those comments jocularly. *[Interruption.]* I also feel that I am particularly well qualified to discuss the weather in Wales, but we shall move on.

The Welsh Assembly enjoyed a brief halcyon era of successful Government under the Liberal Democrat-led coalition. Sadly, it has fallen into darker times as the six Lib Dem Assembly Members look on sadly at the missed opportunities as the Assembly struggles on under a Labour-led Administration. I shall first discuss devolution, then assess Labour's performance against some of its pledges, followed by a brief assessment of the other parties, and I shall conclude with the Liberal Democrat response to the issues facing Wales.

First, on devolution, Labour Members seem to have drawn daggers over it. Rhodri Morgan, the First Minister, told the Assembly on 3 February 2004 that

"it would be better if we had primary legislative powers and it would give us more capability to do good work for the people of Wales."

However, the Secretary of State for Wales wrote:

"The Government believes that the current settlement does provide an adequate framework for integrated and consistent policy-making in Wales."

He then told the commission:

"I personally am very open minded about the case for change."

That is just about consistent, but what that means logically is that he may be persuadable, but the Government are not.

Meanwhile, Carwyn Jones, the hard-working Assembly Member for Bridgend, told *The Western Mail* in reference to other devolved institutions in the UK that

"it makes no sense at all for the Welsh body to be the only one without primary law-making powers. If the Isle of Man can make its own laws, why should the Welsh Assembly not be able to?"

[Lembit Öpik]

Yet the hon. Member for Bridgend (Mr. Griffiths) told the Richard commission that

"it could be argued that the Assembly has not exploited in full its secondary legislative powers"

and added:

"it is too early to make a judgement about moving towards primary law making powers."

The position is even worse, because the right hon. Member for Swansea, West (Mr. Williams) said:

"There should be no power of Primary Legislation for the Assembly."

Then hon. Members from north Wales got together en bloc and said:

"We believe the present arrangements are working satisfactorily and there is no pressing need to make major changes".

Unlike the Secretary of State for Wales, other Government operatives are more forthright in their opposition to devolution. The hon. Member for Clwyd, West (Gareth Thomas)—tipped as a potential future leader of the Labour party, as are all hon. Members, potentially—said:

"I do not think there is a case for, certainly at the moment, conferring primary legislative powers upon the Assembly".

If there is any doubt about where the Government stand, one need look only at the comments of the hon. Member for Delyn (Mr. Hanson), who is already a parliamentary aide to the Prime Minister, so I suspect that he discusses these matters fairly regularly with him. He added his voice to the opposition to further devolution in supporting the secret document, which was leaked to the Prime Minister. It states:

"We wish to make it clear that we regard the present constitutional arrangements as a settlement specifically endorsed by the people of Wales in a referendum."

The tone of that leaked letter to the Prime Minister is quite clear. Nineteen Back Benchers wrote to the Secretary of State for Wales to tell him that the Assembly should not be able to make its own laws unless Welsh electors gave their agreement.

Meanwhile, local Labour party branches are also at odds. The Bargoed and Gilfach ward of the Labour party in Caerphilly constituency wrote to the commission, saying:

"The branch therefore feels that there is no case at present for expansion of powers."

Yet Mumbles Labour party wrote:

"The branch were on the whole disappointed at the powers that the Assembly was established with, and wanted it to have more."

The Llandaff branch of the Labour party in the constituency of the hon. Member for Cardiff, West (Kevin Brennan) flatly disagreed, saying:

"These policies need to be further developed and fully implemented."

The whole situation is summed up by Carn branch of the Labour party in the constituency of the Under-Secretary of State for Wales, which added grimly that

"no additional powers should be given to the Assembly without the full agreement of the National Labour Party, the Government and the people under a referendum."

The picture does not look rosy and convincing for the party of government to support the kind of powers that Liberal Democrats always felt the Assembly should have been given at the time of its establishment. The Labour party ought to have a big conversation with itself about devolution, to provide clarity so that those who are pro-devolution, such as Welsh Liberal Democrats, can seek positive partnerships rather than wait for a moribund Labour party to decide whether it has the courage to continue with devolution.

Mr. Wayne David (Caerphilly) (Lab): Would it not be simpler for the hon. Gentleman to say that the Labour party is having an honest debate?

Lembit Öpik: It is fantastic to see an honest debate in the Labour party on this issue. It is not for me to cast aspersions on the honesty or integrity of any hon. or right. hon. Member. Many of us feel that the Scottish Parliament was given the sort of powers that the Welsh Assembly should have been given from the start. The Assembly's ability to make a positive impact on Wales and the voters of Wales is restricted by its limited powers. I ask the Minister to give an assurance that the open and honest conversation that is being conducted in the Labour party is concluded soon enough to enable us to move forward constructively once the Richard commission reports.

Mr. Wiggin: Would it not be sensible to wait for the commission's report before having that debate?

Lembit Öpik: The Richard commission should form the foundation of the report but many of the comments that I quoted were responses to a request from the commission for feedback. It is right to have an open debate, but my concern is that if Labour does not decide more positively to support devolution, the Assembly will suffer.

In its 2003 Assembly manifesto, Labour said that it would abolish all prescription charges.

Ian Lucas: By 2007.

Lembit Öpik: I do not want to misrepresent the party: Labour said that that was not a first-year pledge but would be phased in. Labour is a late convert to free prescriptions, welcome though the conversion is, because that was originally a Welsh Liberal Democrat policy. We insisted that the partnership agreement included pledges to freeze prescription charges and make them free for under-25s—policies that were successfully delivered.

Until a few weeks ago, Labour resisted attempts by a Welsh Liberal Democrat Assembly member, Kirsty Williams, to remove prescription charges for people with long-term chronic illnesses. Labour's policy is to reduce charges by a proportion each year. People in need of help and with chronic illnesses such as arthritis may have to wait a few years alongside individuals who are not in such great need, but it is a start and I am pleased that Labour's conversion is leading to action.

Mr. Roger Williams: Does my hon. Friend agree that Labour in the Welsh Assembly, particularly Jane Hutt,

seem unable to respond to the recommendations in the Wanless report, which would give impetus to improving the Welsh health service?

Lembit Öpik: Indeed, and there have been other frustrating instances of communication difficulties between Jane Hutt and Ministers in Westminster. It is a shame that her office did not treat that important report appropriately. Incidentally, I was once waiting for a reply from Jane Hutt after a big story appeared in the press. My office got a call the day after, and we were told that we would receive the letter that I was waiting for immediately. The letter was sent—but to Kirsty Williams, and not to me. Most people can tell us apart, I think.

Mr. Williams: My hon. Friend is not pregnant.

Lembit Öpik: For one thing, I am not pregnant, as my hon. Friend says.

The police have told me and my hon. Friend that they are worried about the fact that much of the increase in their funding has been absorbed by the additional mandatory responsibilities that have been given to them. For example, the Dyfed-Powys force suffered a real-terms cut in the money available to fight crime.

In Montgomeryshire and in Brecon and Radnorshire, we are blessed with a fairly low crime rate. However, I hope that the Minister will accept that, with the best will in the world, the police may not be able to achieve the targets set for them because of cuts in the disposable part of their income that they would use for delivering those improvements. I look forward to hearing the Minister's perspective on that when he responds to the debate.

Labour also said that free bus travel for the over-60s and disabled people would be extended, and that a scheme would be developed for half-price bus travel for 16 to 18-year-olds. However, what was claimed to be an extension of free bus travel turns out to be merely a continuation of another policy initiated by the Liberal Democrat-Labour partnership. It is hardly groundbreaking not to scrap a scheme.

Liberal Democrats would go further in giving 16-year-olds power, and I shall respond briefly to what was said a few moments ago. Our policy is that 16-year-olds should be given the vote. There is no justification for patronising them by pretending that they lack the responsibility and judgment to vote. At that age, they can pay tax, get married and raise children, but they cannot vote. That is preposterous. We would change that as soon as we came to power.

Labour said that they would rule top-up fees out for Welsh universities. In fact, they have done so only for the duration of this Assembly. That is only one year longer than the time within which the fees can theoretically be introduced across the rest of the UK, so it is not much of a promise. The Labour promise is really rather empty, but the Liberal Democrat policy is clear: we do not support the introduction of top-up fees across Britain, and we absolutely refuse to support them for Wales. The Secretary of State criticised the Conservatives for their policy of restricting access to higher education, yet there is no question but that, for many people, enormous debts are a significant disincentive to entering university.

If I have reservations about the Conservative party's policies, I have no doubt that the Labour party is guilty of introducing a tax on learning. It means that people are considerably better off on the dole than they would be if they chose to better themselves at university. I lament what is a great betrayal and a broken promise. It makes it difficult for politicians of all parties to win the trust of the public, who feel deeply betrayed by the scrapping of a manifesto promise.

On health, there has been significant investment in hospitals and in GP surgeries, but the hon. Member for Leominster (Mr. Wiggin) was right to say that the health service in Wales faces huge problems. It is not clear whether there has been some double counting in respect of the money already invested. Although we are told that £560 million has been devoted to improving school buildings and that £550 million has gone on modernising GP surgeries and hospitals, it is not clear that that money has not been spent already. I hope that the Minister will reassure the House that when the Government talk about the school buildings investment, they are not including the £300 million over three years that has already been committed for that purpose. It is not clear that the money is all new, nor where it will come from in the budget for Wales.

I turn now to the other parties' plans for Wales, beginning with the Conservatives. It is possible that they will make cuts worth £1 billion, but the shadow Chancellor, the right hon. Member for West Dorset (Mr. Letwin), has said that he wants to protect spending on health, education and pensions. With respect, I cannot see how his figures add up. Will the hon. Member for Leominster confirm what the proposals will mean for Wales? Would the Conservatives abolish the Assembly? The Conservative leader, speaking in the debate on the Bill that became the Referendums (Scotland and Wales) Act 1997, likened the Welsh Assembly to a meeting of church wardens.

Mr. Wiggin: Will the hon. Gentleman give way?

Lembit Öpik: In the anticipation that the hon. Gentleman knows what I am going to say, I give way to him.

Mr. Wiggin: I find it extraordinary that the Liberal Democrat spokesman should even begin to suggest that we would abolish the Assembly—no one in my party has said that. On anything to do with devolution, we are waiting for Lord Richard to report, and the hon. Gentleman should do the same.

Mr. Roger Williams *rose—*

Lembit Öpik: I give way to my hon. Friend.

Mr. Williams: Would my hon. Friend like to remind the hon. Member for Leominster (Mr. Wiggin) that the Conservative Assembly Member for the Monmouth constituency has done more than think about the issue—he has spoken about it as well.

Lembit Öpik: I thank my hon. Friend for his insightful contribution. I shall quote the leader of the Conservative party, who said:

[Lembit Öpik]

"Unlike the Scottish Parliament, the Welsh Assembly will not have tax-raising powers. It will not have the power to legislate on local government, on health, on education, on housing or on transport. If the Scottish Parliament is like an English parish council, how would the Prime Minister describe the Welsh Assembly? Would he describe it as a meeting of church wardens? . . . What will be the position of the Scottish and Welsh Secretaries of State? How will they occupy themselves in the Cabinet? Will they make the tea or do some photocopying, or will they just sit sniggering together like middle-aged versions of Beavis and Butthead?"—[*Official Report*, 21 May 1997; Vol. 294, c. 732.]

Not an enthusiastic endorsement of devolution, is it?

Chris Ruane: Which one is which?

Lembit Öpik: One question is who would be Beavis and who would be Butthead; the other is whether the hon. Member for Leominster backs his leader's view of the Welsh Assembly.

Mr. Wiggin: It is extraordinary that in such a serious debate the hon. Gentleman is quoting bizarre examples and calling hon. Members names, when we should be discussing achievements in Wales. It is nonsense to use quotes from the past.

Lembit Öpik: I agree with the hon. Gentleman if he is saying that his leader's comments about the Welsh Assembly are ridiculous and inappropriate. I hope that he will bring the matter up in a private meeting with his leader because that approach is the wrong way to deal with the Welsh Assembly.

The hon. Gentleman condemns the Labour party and the Assembly for their failure on health policy—I have issues with it too—but it is worth remembering that the Conservatives presided over a record cut in hospital beds in Wales, which is one reason why we have today's problems.

Plaid Cymru pretended for a long time that it was not in favour of independence. In fairness, it has come clean and said what we believed it to think—it is in favour of independence. I am not opposed to independence in principle. [HON. MEMBERS: "Oh!"] How can I be? I am an Estonian nationalist who supported the independence of Estonia from the former Soviet Union. I am not against independence in principle; I am against it in practice.

In my judgment, independence is a bad policy for Wales. There is a tendency to demean Plaid Cymru simply because of its position on separatism. Given that it is no longer being contradictory or hypocritical about its commitment to independence, I respect its candour. Those in Wales who seriously think that independence is the most important thing for Wales should, of course, support Plaid Cymru. Independence would be economically bad for Wales and would provide insufficient cultural or identity benefits. We can have a rational debate on that.

I am not trying to score a point; I am just trying to set up a level playing field. Now Plaid Cymru has described what their single key issue is, we can have a sensible, rational debate and the public can judge whether they support separatism.

Adam Price: I am grateful for the hon. Gentleman's candour. He thinks that independence would be economically bad for Wales, but does he recognise that the Union has been economically disastrous for Wales? What is his proposed alternative?

Lembit Öpik: Wales currently benefits from the Union and there is a net flow of income to it. If it were independent, it would not only lose direct support from the Westminster Government but suffer damage to various trading links because it would have a different currency from the rest of the UK. I have to assume that Plaid Cymru would either join the euro or create some other currency, perhaps with the hon. Gentleman's face on it. If the currency in Wales was different from that of the rest of the UK, there would be practical problems. I do not want to discuss that at present, but we could hold a sensible debate on the matter, which would inform the public and enable them to make a decision. I hope that we can at least give Plaid Cymru credit for being honest about what it stands for.

The Liberal Democrat approach to Welsh issues was summed up well by my colleague Mike German, an Assembly Member and the Deputy First Minister when we led the coalition. He said:

"I'd like to look forward to 2004 with optimism. I'd like to see Wales, powered up and flying down the main line. I'd like the First Minister to offer a vision for Wales, to say what powers he wants for the Assembly, to have a clearly thought-out action plan for the health service and to be clear about how to get the best deal for Wales to create jobs in the poorest areas. For the sake of those on low and fixed incomes, I'd like the UK Government to be bold, scrap the unfair council tax and replace it with a local income tax, clearly based on people's ability to pay. And I'd like the First Minister of Wales to lead that charge on behalf of the people of Wales."

In broad terms, that sums up the Liberal Democrats' vision.

Adam Price: We have all read the manifesto.

Lembit Öpik: Indeed. We were so excited by our manifesto that we could not help sharing it. We also hope that the 30 Labour Assembly Members who received the manifesto will be so impressed that they will defect to the Liberal Democrats and cause a change in the Administration, thereby ending the scourge of tuition fees in Wales.

Many issues relating to Wales have already been mentioned and we do not need to go into policy discussions. High on the list of those issues is dental treatment. Mrs. Wendy Gill recently moved to Newtown with her family and she cannot get dental treatment. She has always taken care of her teeth but, as she rightly points out, it costs more in the long run to allow people's health to decline. I am sure all Members share that concern.

We must also be concerned that, last year, 600 people queued to take up places in a new national health service dental practice in Carmarthen. When another new dental practice opened up in the county, its location was kept secret for fear of similar scenes. This is 21st-century Wales, not the 1950s Soviet Union. People in Wales and throughout the UK deserve better than that.

General practitioner vacancies are at an all-time high; 190 posts are vacant at present—almost 10 per cent. Given the prospect of tuition fees and ever increasing

debt, there is a diminishing likelihood that that figure will improve. The biggest problem is waiting times and we are all familiar with concerns about them.

I want to highlight a specific problem in the border area that I have previously raised with Ministers. Constituents feel—indeed, they can see—that there is different treatment in Wales and England. I have already informed the Secretary of State that I am awaiting the breakdown of the figures to support the claim made by the Royal Shrewsbury hospital that it is not appropriate for it to provide various treatments for people from mid-Wales. In effect, the hospital says that Powys local health board owes it money. Unfortunately, the hospital is taking a long time to provide those figures and I am concerned that the reason it is dragging its feet may have to do with the veracity of its claim. I hope that I receive the figures and that we can all recognise the need to address those differentials. We cannot pretend that we shall win people's confidence when there are such obvious differences in treatment.

We can all list individuals who are waiting for health treatment. A Mr. Vaughan became so frustrated that he went private so that he could have the hernia operation for which he had been waiting. That is paying twice for health care—once through tax and once through private fees. We must deal with that.

Many people in rural areas continue to feel marginalised. If my hon. Friend the Member for Brecon and Radnorshire (Mr. Williams) catches your eye, Madam Deputy Speaker, he will speak about farming. However, despite post office closures, the concerns of elderly people that they will lose their pension books and the threats to rural schools, there is some good news. I am encouraged by the Government's help to BT to implement broadband. We have benefited from that in Montgomeryshire. That is a good example of getting people to work from home.

Another problem—a negative—is that digital television is the only way that some people can receive public service broadcasting, but it seems that the Solus card, which is designed to give people public service broadcasting through the digital network, is not currently available. I raised that issue in Welsh questions yesterday, and the Secretary of State was positive and affirmed his commitment, but I hope that I can work with Ministers to get a result.

On another matter that affects all hon. Members, I wish to refer to my concern for a chap called Des James, whose daughter tragically died—I think at the age of 18—when she was serving at the Deepcut Army barracks. I will not go into detail because the issue is slightly at variance with what we are discussing today. I simply want to say that the many parents in Wales whose children have gone into the Army have a right to know that the Army's duty of care is being appropriately administered. I hope that we will soon see a report from the Surrey police about the circumstances surrounding Cheryl James's death. Inasmuch as that affects Welsh families of people in the Army, I hope that we can have a dialogue with Ministers.

I like working with colleagues from other parties, but it is the duty of the Liberal Democrats, as the effective Opposition in Wales, to point out where Labour could do better. I regard politics as a competition, not a war, but I believe that the public are best served when we accept feedback in the spirit in which it is offered. The Welsh Liberal Democrats offer an approach to achieve that aim. If our approach—a less confrontational style of politics, with a positive commitment to partnership—is welcomed by the public of Wales, that is exactly what they will get by voting Liberal Democrat.

4.46 pm

Mr. Win Griffiths (Bridgend) (Lab): On the day when we look at the affairs of Wales, it is already apparent that, to a certain extent, we are at one step removed. I shall start with our function as the body that passes the Welsh block to the Assembly, using the Barnett formula. Although no hon. Member has mentioned that yet, it is relevant to many comments made about the health service in Wales because the Barnett formula depends on passing the relevant money from the health service budget in England to the health service budget in Wales. We all know that the health of the population in Wales is far worse, and therefore in need of far greater investment, than the health service in England. In fact, Labour and Tory Administrations in the past have provided more money from the Welsh block to the Welsh health service than happens, pro rata, for health spending in England. That is a difficult starting point when we consider the health service.

The health service in Wales faces a long-term problem—it goes across the lifetimes of many Governments—but one thing that we can say is that no other Government in Wales, for Wales, have invested so much in the health service. While the Assembly has been in existence, health spending has increased by 50 per cent. in cash terms—I guess that that must be worth more than 30 per cent. in real terms—and the number of dental, medical, nursing, midwifery and health visitor staff has increased by just under 2,000 full-time equivalents. Under the Labour Administration, the number has increased by more than 2,200; under the Tories, although dental and medical staff increased by nearly 700 after 1990, the number of nurses, midwives and health visitors decreased by more than 1,500—a loss that we could not really stand if we were to deliver a better health service in Wales. At the moment, 65 per cent. more doctors and 35 per cent more nurses are in training than were when Labour came to power in 1997.

Unfortunately, the record for beds is not good. Under the Tories, from 1990, more than 4,000 beds were lost, at a rate of more than 700 a year. Under Labour, that rate has been significantly slowed—about 1,000 beds have been lost, at just over 200 a year—and I am pleased to say that we have increased the number of acute medical beds by nearly 200. The plan is to carry on increasing them.

Mr. Wiggin: I am pleased to hear someone defending the health service in Wales, but can the hon. Gentleman tell the House why one in 10 people in Wales is on a waiting list if things are going so well?

Mr. Griffiths: I shall come to that later.

Bed occupancy is a significant measure of the effectiveness of the health service in Wales. Under the Tories, it averaged 77 per cent. in the 1990s, but under Labour, it has averaged 80 per cent., and in some of the

[Mr. Griffiths]

better trusts it is above 85 per cent., although I would argue that that puts a strain on the delivery of an effective and high-quality service. There have been great improvements in out-patient attendance in Wales. Under the Conservatives, it increased in the 1990s by about 8 per cent. a year, and under Labour it has increased by slightly more. On average, 13,000 more patients are seen every year than was the case in the Tory years. However, that has not had a significant impact on waiting lists, which have undoubtedly grown.

There are a multitude of reasons for that increase. A major factor is that accident and emergency attendance in Wales has increased much faster than in England—the rate is 19 per cent. faster in Wales. I have seen a couple of different figures for emergency admissions. One increase is 33 per cent. higher than the figure in England, and the other is 40 per cent. higher. However, the increase is high, and it has had a big impact on elective lists. Elective list activity has gone down in the past few years, although out-patient attendance has increased significantly.

We have seen what Wanless said about the health service in Wales, and there was particular praise for the development of public health and primary health care policies. However, there was also significant criticism of the health service in Wales, such as insufficient acute beds—that is being worked on—wasted resources, which is a serious issue, duplication, misuse of skilled personnel, and the provision of inappropriate and inefficient services. The Assembly is committed to respond to those issues, but there is a big question mark about whether we are moving quickly enough in using the extra resources to tackle the problems.

Wanless made some telling comparisons with the north-east of England, whose industrial past, population and current make-up are similar to those of Wales. The report pointed out that Wales spent 5 per cent per head more than the north-east. It said that we had 8 per cent. more nurses, midwives and health visitors, and 17 per cent. more beds per head of population. The average stay in hospital was 15 per cent. longer, 9 per cent. more per head was spent on prescribing, and 12 per cent. more items were prescribed per head.

We can obviously learn lessons from the north-east, and we need to do so. This is only a guess, but the 5 per cent. difference in spending per head must be worth about £100 million. Just over three years ago, I spent a little time studying the way in which costs were worked out in the health service. I found that, for 1996–97, if all trusts in Wales using the 100 most frequent treatments hit the Welsh average, there would be a saving of £30 million. If they hit the average of the best three trusts, there would be a saving of £100 million. That could have a significant impact on what is happening in Wales.

Some staff in hospitals that are not providing effective and efficient services should move to new-buy hospitals. In south Wales, and to some extent in north Wales, hospitals are sufficiently close for that to be done. We need to concentrate our activities on those hospitals that provide the best and most efficient services. That requires hard decisions. I was disappointed when the Assembly, instead of making it official policy to make those changes, said only that they might be made, because they are necessary if the health service in Wales is to be more effective. When I look back on the 15 months or so for which I was a Minister in the Welsh Office, with responsibility for health among other things, I sometimes wish with the benefit of hindsight that I had done this or that differently. Now, we have to grasp the nettle.

Some excellent developments are taking place in Wales, but there are still significant areas in which the Assembly will have to take action if we are to ensure that the significant additional resources put into the health service in Wales are used effectively to improve the health and speed up the treatment of those on waiting lists.

4.56 pm

Hywel Williams (Caernarfon) (PC): The provision of affordable and good-quality housing is clearly one of the major problems facing Wales, especially in rural areas such as my own. The competition for houses almost guarantees that local buyers will be priced out of the market. For example, last summer Gwynedd county council surveyed house prices in the Llyn peninsula and found that the salary multiples allowed by building societies meant that no one on an average wage could afford a single house. In other words, many residents were shut out of the housing market.

A quarter of holiday homes in Wales are to be found in Gwynedd, a large proportion of which are in my constituency. In some communities, such as Abersoch, around 65 per cent. of houses are second homes. Prices have risen steeply in those areas in the past year or so, no doubt catching up with prices in England. But the rate of house price inflation in some parts of Wales, including my constituency, has been as high as 30 per cent.—for example, in Pwllheli, my home town. Needless to say, the growth in wages has not kept up with that huge growth in house prices. That makes it increasingly difficult for local people, particularly first-time buyers, to access the housing market. Although house price inflation is apparently slowing in parts of England, no such trend is discernible in rural Wales—or, for that matter, in Cardiff and other urban areas. Doubtless the price disparity between England and Wales will cause that to continue for some time, and house price inflation in Wales will continue at a high rate. That is very significant, as I will explain later.

The National Assembly Government recognise the existence of the problem. According to an answer given by the Secretary of State to the hon. Member for Clwyd, West (Gareth Thomas), the Assembly is spending

"£56.4m in Social Housing Grant to assist the provision of affordable housing."—[*Official Report*, 17 September 2003; Vol. 410, c. 735W.]

So the Assembly is clearly doing something, but is it enough?

Significantly, the Assembly's Environment, Planning and Countryside Committee undertook an investigation into the matter, and it produced a report in February, entitled, "Planning Aspects Associated with the Provision of Affordable Housing and Sustainable Communities in the Countryside". The Committee points to the rapid and huge increase in house prices, particularly in coastal areas, in areas of great natural beauty, and in rural northern and western communities.

It states that that has effectively locked local people out of the housing market. It makes recommendations regarding greater flexibility for planning authorities to respond, and it recommends that options already open to planners should be clarified so that local authorities know where they stand. In areas where there is acute pressure on the housing market, it also calls for new policies on new build that favour local people where need is robustly proved, which, I contend, applies to a large part of my constituency and many others.

So far, so good, and I hope that those changes, however marginal, will be useful in future, if adopted. Will they have a fundamental effect, however, on affordable housing provision in Wales? I fear that they will not, because of the Chancellor's proposals on tax relief for self-invested personal pensions and self-administered personal pensions in relation to investment in second and further homes. I fear that much of the good work that the Assembly might do, and the good that further changes might effect in rural Wales, will be undone as a result of those forthcoming Budget proposals.

Before I turn to that part of my speech, may I draw the House's attention to the nature of housing stock in Wales? It remains in a poor state, with a huge potential repair bill. Much of our housing is pre-1919—much more than in England. I have looked for recent figures, but they are difficult to access. In 1996, at any rate, 35 per cent. of housing stock in Wales was pre-1919, compared with 25 per cent. in England. There is certainly a need for new build in Wales, but repair and renovation are more important, especially in constituencies such as mine, where, on the whole, we have enough houses already—in fact, we have a surplus of them, many in the holiday home market.

If new build is needed in Wales, and renovation needed even more, it is significant that new build is nil rated for VAT whereas repairs attract the full rate. If we are looking for a VAT regime that fitted the circumstances in Wales, it should be the other way round—repairs could, at least, be rated lower, if not nil rated. Under the current VAT regime on repair of houses, Wales loses out. I will not ask the Secretary of State or the Minister to take the matter up with the Treasury, however. I have already made inquiries, and the prospects of a beneficial change in the VAT regime for Wales on repair of houses are also probably rated at nil. When someone in my constituency fixes the roof, puts in a toilet or fixes the damp, they pay 17.5 per cent. more than someone who builds a new house. We do not need that many new houses; we are losing out.

The Government's proposals for the Budget on SIPPs and SAPPs were published in December, and consultation goes on until 5 March. I believe that those proposals will have an extremely negative effect on the housing market in Wales. What are they? The Chancellor intends to extend the ability of pension schemes to invest in residential property. That may sound innocuous, but it means that investment in residential property will attract tax relief at up to 40 per cent. In simple terms, if someone with that sort of personally administered scheme invests £100,000 in a second, third or fourth home in Wales or anywhere else, that £100,000 will attract 40 per cent. relief. On my simple arithmetic, someone would therefore get a £100,000 house for £60,000, which seems a very good bargain. Furthermore, it is intended that when the value of that house is realised, it will be free of capital gains tax. That is quite a bargain for people investing for the first time in SIPPs and SAPPs—tax relief on the purchase, and the sale is free of capital gains tax. With huge house price inflation in Wales—30 per cent. in one year—£100,000 would be converted into £130,000 in one year.

In addition, in some wards, such as Abersoch in my constituency, purchases of houses up to £150,000 are free of land stamp duty tax. That is a huge bargain. Second, third, fourth or fifth homes are free of tax at every point, whereas the help available to first-time buyers is virtually nil. That is entirely wrong.

Have the Government any idea of the effect on the housing market in Wales? When I asked the Secretary of State whether any assessment had been made of the effects on the second home market, he answered that none had. When I asked the Treasury what effect there would be on the market in general, it answered that the market would rule. Will wealthy pensioners from England invest in Wales? At a return of 30 per cent. a year in house price inflation, with 40 per cent. off the purchase price and with no capital gains tax to pay, any sensible investor will invest in Wales rather than in England, where the return is 8 per cent. on current house price inflation.

The Treasury has apparently told the press in Wales that very few people will apply for those advantages. I think that that will not be the case, and that the proposals need to be resisted. It would be good for Members on both sides of the House, considering the effect on first-time buyers, if we all resisted those proposals before 5 March. I appeal to hon. Members to do so.

5.6 pm

Mr. Huw Edwards (Monmouth) (Lab): It is a pleasure to follow the hon. Member for Caernarfon (Hywel Williams), who speaks with authority on housing in Wales, having been a lecturer in social work and a special adviser to the Select Committee on Welsh Affairs.

I have a comment on the point made by my hon. Friend the Member for Clwyd, South (Mr. Jones), the Chairman of the Select Committee, on the Committee's support for the principle of reducing the voting age to 16—a point also made by the hon. Member for Montgomeryshire (Lembit Öpik). I certainly agree with that aspect of his speech, but one aspect of Liberal Democrat policy that I cannot support now, although I probably have supported it in the past, concerns aspects of electoral reform. I was one of those who believed that the Welsh Assembly should have an element of fair representation, and I supported the election of additional members. I even supported one of my colleagues, my hon. Friend the Member for Cardiff, West (Kevin Brennan), in his paper on the current system, but a few years later I feel profoundly disappointed with the way in which the additional Member system is working in Wales.

In my constituency, I try to tell people that they have five Assembly Members, not just one, and that every square inch of Wales is represented by one twelfth of the Assembly. That is an enormously important resource

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that could be used for effective representation, but I fear that the Members elected on the additional Member system are not the resource to work on the strategic issues and debates that affect south-east Wales—for example, whether we should have an international airport—and the area's serious problems.

I commend my right hon. Friend the Secretary of State, who was good enough to come to my constituency last week.

Mr. Wiggin: He lives there.

Mr. Edwards: My right hon. Friend the Member for Neath (Mr. Hain), as the hon. Gentleman acknowledges, came to my constituency for a couple of big conversation events. He also visited a local factory in my constituency that specialises in recycling, and which is now under threat because of the Government's possible failure to implement the waste electrical and electronic equipment directive, which would allow printer cartridges to continue to be recycled.

I want to draw all hon. Members' attention to that matter, because I am sure that most Members and their constituents wish to recycle their printer cartridges. However, because certain companies, such as Hewlett Packard, insert chips that make it either uneconomical or impossible to recycle the cartridges, there is a danger that we will create a printer cartridge mountain, because they will have to go for landfill if they cannot be recycled or remanufactured. The insertion of those devices is anti-competitive and against the interests of the environment, and I urge the Government to look at that issue, which has cross-party support. I am grateful that my right hon. Friend the Secretary of State considered that when he visited my constituency last week.

In recent months, I have been particularly involved in the debates on higher education. I was not able to speak on Second Reading of the Higher Education Bill, but I felt strongly about the issues involved, having worked in higher education in my professional life. I would be the first to admit that I was very much opposed to many of the Government's proposals before we secured a number of improvements. I never liked the idea of variable fees, or the idea that students aged 17 would face a menu of prices for different courses. The universities now say that, in practice, there will be very little variability, and that most courses will be pitched at around £3,000. I certainly support some of the measures that the Government have introduced and the modifications that they have made. These include the increase in the grant to £1,500, as currently exists in Wales, the transfer of fee remission to the grant, and the abolition of up-front fees in favour of a contribution after graduation.

My proposal would be to try to get away from the notion of variable fees and to introduce a standard contribution on graduation. It would be known as the standard contribution because it would be fairly standardised and it would be only a contribution to the costs of higher education, to be paid on graduation. I accept that some universities do not want all their courses to be pitched at the £3,000 level—which is what I would call the standard contribution—and that they should be allowed to discount it. In those circumstances, I accept that there should be a discounted standard contribution, or even that it should be waived. That would remove the entire menu of prices from courses. I would ask the Government to consider that proposal, which was also proposed by Sir David Watson, the director of my former university, the university of Brighton.

Last week, I attended a local livestock market in my constituency. It was very encouraging to see the greater optimism in the farming community. Three years ago, we were in the depths of the foot and mouth outbreak, and some sectors of the farming community have certainly improved since that time, including the lamb and beef sectors. The dairy sector, however, remains very bad. Farmers whom I met last week complained that they barely make any money on the sale of raw milk. This problem results from the great power of the supermarkets and the relative weakness of the individual producer.

When the Welsh Affairs Committee considered the livestock industry a few years ago, it recommended a code of conduct between retailers such as the major supermarkets and the small producers. I wish that that code of conduct was much tighter, and that our farmers could get a better deal, especially in the dairy sector, so that they could improve their position in the market. Many are involved in co-operatives, but not all. The power of the co-operatives could be increased if the code of practice were stronger. It was, however, most encouraging to see the greater optimism in the industry.

In my constituency there is a proposal to close the livestock market in Abergavenny, and it has now been decided that the site will be redeveloped. There is concern about establishing a new market, and I have given a commitment to the farming community throughout the time since I was re-elected in 1997 that I would campaign for a new livestock market. I sincerely hope that the right decisions will be made about this, and that it will be located in a place that will serve the farming community of Monmouthshire and other areas of Wales as well as the border areas of England. It is essential that a richly traditional farming community such as Monmouthshire should have the infrastructure of a modern livestock market; it would be a great boost to the industry.

I am grateful to have had the opportunity to contribute to this debate; I know that many other hon. Members would now like to speak.

5.14 pm

Mr. Roger Williams (Brecon and Radnorshire) (LD): It is a great pleasure to follow the hon. Member for Monmouth (Mr. Edwards), with his understanding of rural and farming issues; he represents a constituency that is contiguous to my own.

I would like to say a few words about agriculture and the situation in rural areas. However, I hope that the House will bear with me if I first mention a particularly important constituency issue, which I would like to bring to the attention of the Minister and which I have already let him know I shall speak about. Hon. Members will be aware of the outbreak of potato ring rot at Middlewood farm, which belongs to Mr. John Morgan, in my constituency. Here I must declare an

interest: I have taken advice from the Commissioner for Parliamentary Standards, and entered in the Register of Members' Interests the fact that I own land at Tredomen Court, along with my wife. From time to time Mr. John Morgan rents some of it to grow potatoes.

I thank the hon. Member for Cardiff, Central (Mr. Jones), who demonstrated his intricate knowledge of my interests as they appear in the register, and of the practical support that I give to the provision of affordable housing in rural areas.

The potato industry is particularly important to Great Britain. In most years farm-gate sales reach about £600 million, and a large amount is added to that by the proceeds of wholesale, packaging and retail. The processing industry is huge: the production of processed mash, frozen chips, and crisps and other savoury snacks take the farm-gate figure to nearly 10 times as much.

Britain has an excellent record on plant health owing to the combined efforts of growers, inspectors at ports, and Government officials. Three years ago the Government proposed to end tests on potatoes imported for seed production; the National Farmers Union objected, and the tests were reinstated. Seed imported for growing on for ware—for human consumption—is subject to limited random testing, but every consignment imported for seed production is tested for brown rot, although only one in three of those is tested for ring rot. The test for ring rot involves examining 200 tubers from each consignment, which consists of between 10 and 20 tonnes. There is an 80 per cent. chance of ring rot's being identified in a consignment that has 1 per cent. infection. Fewer than 0.5 per cent. of the tubers that John Morgan imported from Holland were infected, and under the present testing regime there was only a 67 per cent. chance of identifying infection. Given that ring rot can reduce potato yields by more than 50 per cent., it is questionable whether the present system of testing is robust enough to protect the British potato industry.

Every single piece of evidence has shown that John Morgan has a very good record on biosecurity. He has full and accurate records of purchases, harvesting, testing and sales. All potatoes that have left his farm for seed have been traced and accounted for. Mr. Morgan imported seed from Holland, which is a leading country in breeding new varieties of potato to meet modern market demands. The Provento variety, along with seven other new varieties, was grown at the request of a major customer. All varieties are kept separately. It is clear that the success in containing the disease to one farm is due entirely to John Morgan.

The Under-Secretary of State for Environment, Food and Rural Affairs, the hon. Member for Exeter (Mr. Bradshaw)—who is responsible for plant health—issued a press release welcoming the containment of the outbreak and paying tribute to the co-operation with the industry. It also speaks of

"the substantial Government resources committed to the containment exercise".

What it says is true, but only to the extent that large-scale testing by the Plant Health and Seed Inspectorate was able to show that there had been no spread of the disease, and that was because Mr. Morgan's records had enabled all potato movements to be tracked. The containment was due entirely to his efforts.

The net result is that Mr. Morgan has £450,000 worth of seed potatoes on his farm, which have been grown to the highest standards of biosecurity, and that—through no fault of his own, but owing to his meticulous approach to plant health—have been rendered worthless because the Government have insisted on either their destruction or their limited use for human consumption. As the potatoes were grown specifically for seed, they are the wrong size for human consumption, or for processing. They are therefore practically worthless.

Ring rot is a notifiable disease, which the Government have rightly identified as being potentially devastating to the British potato industry. Nevertheless, it is iniquitous that property that has been obtained legally should be confiscated by the Government, or restricted by the Government to a less valuable use, with no compensation being provided. It seems wrong to me that an individual who has been an example to the agriculture industry on biosecurity should have to bear the burden for the whole nation. Hon. Members should be in no doubt that this is a personal tragedy for this family, especially for the son, who has become the driving force of the business and wants to take it on.

The potato business is notoriously volatile. Last year many growers made large losses. This year prices have been higher, because of drought on the continent and currency fluctuations, and some profits were to be made. The Minister has signalled that a lessons-learned inquiry will be instigated. I am sure that one of its conclusions will be to commend John Morgan for his high standards of husbandry. I hope that it will also find that individuals whose actions have limited and mitigated the effect of disease outbreaks should not have to bear the financial burden of their actions.

I do not want to pre-empt any recommendation of the inquiry that is being undertaken, which may recommend Government compensation or the establishment of an industry scheme to safeguard these people, but the Government have increased the cost to my constituent by requiring him to dispose of these potatoes at great cost and rigorously to clean his premises and machinery.

As the Minister has said, this is a one-off incident and there is only one loser. This is a UK issue with a Welsh focus, and I ask the Secretary of State to facilitate a meeting between John Morgan and either the Secretary of State for Environment, Food and Rural Affairs or the Under-Secretary of State for Environment, Food and Rural Affairs and Carwyn Jones, the Minister for Environment, Planning and Countryside in the Welsh Assembly to review Mr. Morgan's personal position, as any recommendation of the inquiry will not be retrospective.

At the moment, Mr. Morgan has incurred not only the expense of growing last year's crop and the possibility of the expense of disposing of that crop, but he is unlikely to be able to engage in potato growing of any sort this season. He is a substantial employer of local labour and local agricultural contractors, so his absence will have a big effect on the local economy. No one is looking to make money out of this situation. Contrary to Mr. Stephen Hunter's comments at the Select Committee on Environment, Food and Rural

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Affairs when this subject was being considered, no one in their right mind would claim to have a case of a notifiable disease or deliberately infect their produce to claim compensation. All I am asking on behalf of my constituent is that he is able to speak directly to the politicians who will make the decisions that will have a dramatic effect on his business and personal life. He is currently engaged in a legal dispute with the suppliers of the infected potatoes, but that may not be resolved for two years. In the meantime, his business is in jeopardy. I ask the Minister to help me to arrange that meeting.

5.22 pm

Mr. Martin Caton (Gower) (Lab): Like the hon. Member for Brecon and Radnorshire (Mr. Williams), I shall concentrate on a constituency issue. Coincidentally, it focuses on a failure to test a food product.

Two years ago in our Welsh day debate in the House, I focused my remarks on the problems created in the Burry inlet cockle fishery by the apparent presence of diarrhetic shellfish poisoning. Things have moved on since then, and the Food Standards Agency, which is responsible for the regular testing of shellfish in our waters, has come under scrutiny and, to say the least, has been found wanting—most recently by the House of Commons Environment, Food and Rural Affairs Committee. I congratulate that Committee, and the Sub-Committee that considered this issue, on the valuable work that it undertook and the quality of its succinct report.

It is impossible to raise issues of the British cockle industry without thinking about the terrible tragedy in Morecambe bay on 4 February, when 20 cockle pickers were killed. We are all still shocked by those deaths, and I am sure that we all feel for those poor people and their families. At least that is how I assumed we all felt until I listened to the "Today" programme this morning.

We have open shellfisheries like Morecambe around the Welsh coast, and pickers can come from anywhere and gather cockles. However, the Burry inlet is not one of them. It is a regulated fishery, administered by the South Wales Sea Fisheries Committee, where only a limited number of licensed gatherers can collect cockles and the amount each of them can take is controlled, as is the size of the cockles taken. That cockle fishery has always been an example of good, environmentally sustainable practice, with the cockles being gathered using hand rakes and very hard work. While other shellfisheries throughout the UK and Europe have turned to the use of heavy equipment from boats or large tractor rakes, pickers in the Burry inlet have stuck with traditional methods. That means that it is the only cockle fishery in the UK that remains open for 12 months of the year—at least, it did before the summer of 2001.

The Burry inlet until then was not only environmentally, but economically sustainable, providing a decent livelihood for more than 40 families in north Gower and leading to the establishment of a sizeable co-operative cockle and laver bread factory, as well as other family processing units in the Penclawdd and Crofty area. In addition, of course, there are cockle gatherers and processing facilities based on the other side of the estuary. On average, some 3,500 tonnes of cockles have been taken from the estuary each year.

In early July 2001 a regular test recorded a positive result for something called diarrhetic shellfish poisoning, a condition whose name speaks for itself. That was on the north side of the estuary. It was followed the next day by a similar result for the south side.

For the next 14 months the entire fishery remained closed, barring a few weeks when there were some negative results and the gatherers were allowed back. During that period the cockle gatherers were, of course, in a desperate situation, and they were asking some serious questions.

The first question was: "Why does the whole fishery have to close when there is a negative result in just one part of the estuary? Why can't the inlet be zoned as some other shellfisheries are?" The Food Standards Agency eventually, after more than a year, gave way on that matter. Zoning was allowed, and gathering started again, because usually one zone or other got a negative result.

The second question the gatherers asked was: "If these cockles are poisonous when they are taken for testing, how come no one has ever got ill?" It must be remembered that after the cockles are taken for testing, provided the previous test was negative, it takes several days for the results to come back. If the tests are positive, a closure order is imposed. That means that for some days supposedly contaminated cockles are put on the market, but there have been no reports of illness in customers buying them.Even more significant for the gatherers was the experience of their own families, who continued to eat considerable quantities of cockles that were said to be poisonous without any evidence of illness ensuing.

The gatherers also pointed out that the incidents of so-called diarrhetic shellfish poisoning were not occurring in circumstances that were usual for the problem—extended periods of sunshine and an accompanying increase in algal bloom. Eventually the Food Standards Agency acknowledged that it was not a normal DSP outbreak, so it changed the classification to "atypical".

The industry started asking questions about the testing regime that produced the results and two factors started alarm bells ringing. First, the positive atypical diarrhetic shellfish poisoning results started coming in immediately after responsibility for algal testing and monitoring for England and Wales transferred from the Marine Laboratory, Aberdeen, to the Centre for Environment; Fisheries and Aquaculture Science in Weymouth. Secondly, the positive results started coming in for shellfisheries around the English and Welsh coast, from us in the west round to the Thames fishery in the east all at the same time as the transfer. Yet at the same time, Scottish cockles, which were still being tested in Aberdeen, were consistently getting negative results in their DSP test, and cockles collected by the Dutch gatherers off the Netherlands coast, just 60 miles away from the Thames fishery, were still all clear and indeed were being imported into this country.

While many shellfisheries were affected, none was as badly hit as the Burry inlet, which even after it was zoned had each of its three zones closed for many weeks

at a time, inevitably affecting the number of cockles gathered and the quality of the cockle beds, which need regular picking to be maintained.

If we look at what the testing, under the EC shellfish hygiene directive, actually involved before and during the period in question, what we find is illuminating. The test method used was and is the mouse bioassay, whereby shellfish extract is injected into mice. As I have said, after the work for England and Wales was transferred to Weymouth the explosion in positive results occurred. However, something was different from the usual DSP: the mice were dying much quicker and positive results were sustained over a much longer period than normal.

The transfer to Weymouth meant that in the UK three different laboratories were now carrying out tests: Aberdeen for Scotland; Weymouth for England and Wales; and the Department of Agriculture and Rural Development in Northern Ireland. It eventually became clear that different testing techniques in conducting the mouse bioassay were being used at each of those laboratories. That followed an audit by Professor Hugh Makin, who also showed some poor scientific practice and a lack of quality assurance. Most amazingly, there were even different approaches to determining whether a particular test result was negative or positive.

Dr. Godfrey Howard, who had been responsible for shellfish hygiene testing for England and Wales when it was conducted in Aberdeen, gave significant evidence to the Select Committee on Environment, Food and Rural Affairs, reporting that his laboratory had come across the atypical test response on occasions since before 1995. It believed it to be the result of solvent carry-over in the test procedure, which was termed as "false positives" in Aberdeen. Since November last year, a common method has been established in the three laboratories. Coincidentally—or perhaps not—since that time no positive atypical DSP results have been reported.

I should like to conclude by drawing the House's attention to a couple of quotes from the Select Committee report, to which I have already referred. I recommend that my hon. Friend the Minister read them over the weekend. The report states:

> "The FSA was slow to recognise that the atypical results merited further investigation, slow to take account of the industry's suggested explanations and was slow to investigate the possibility that the methodology could be at fault. The flaws highlighted in the methods applied by the laboratories, even if they do not explain the atypical results, suggest that the FSA should, at the very least, have paid closer attention to quality control in its investigations. These delays have meant that this crisis has been unduly prolonged."

I particularly welcome the following recommendation:

> "The Government should consider what avenues are available to it to compensate shellfish harvesters and processors for their loss of earnings during prolonged closures."

It is clear that this Government agency has badly let down cockle gatherers throughout England and Wales. These recommendations set out the way forward for rebuilding this small but important industry. We need to implement them with urgency and commitment for the whole shellfish industry, but no one needs that to happen more than the cockle pickers of the Burry estuary.

5.31 pm

Mr. Nigel Evans (Ribble Valley) (Con): I have agreed to speak for only five minutes to allow somebody else to get in, but your disappointment will hopefully be relieved, Mr. Deputy Speaker, by the fact that it will all be quality stuff. *[Interruption.]* Yes, I shall depart from my normal level of speaking. I want to talk about only two things: the Richard commission and the North Wales police chief.

I do not know why the Richard commission was set up in the first place. As we know, the Welsh Assembly was created by only a narrow majority on a lacklustre turnout, so spending £1 million on such a review is money wasted. The Assembly has to do a lot more to gain the confidence of the Welsh people. It did not get off to a very good start; indeed, every time I open the newspapers to read about the Assembly there are only bad news stories, many of which are self-inflicted. There was its incompetent running of the national health service—the out-patient waiting list has risen dramatically—but there were also some petty things. It had huge debates on foreign affairs, over which it has no domain, and on where Members should sit in the Assembly. And of course, there was the fiasco of the Welsh Assembly building. The hole in the ground cost £8 million, and its only defence was, "At least we're better than the Scottish Parliament, which cost £400 million."

All the political parties have been debating what we should do about the Welsh Assembly and whether it should be given extra powers. The question of whether it should be scrapped was raised, and the hon. Member for Montgomeryshire (Lembit Öpik) said that there are some within my own party who are very "devosceptic". He was referring to David Davies, the Assembly Member for Monmouth, who is indeed a devosceptic. Only two people are more devosceptic than him—his parents Peter and Kath. They are the only parents I know who tried to campaign their son out of a job, and they did so with vigour and heart-felt clamour. However, David Davies secured a huge majority at the last Assembly election, which was a first-past-the-post election, so he speaks on behalf of the vast majority of his constituents, at least.

We know that some people have strong feelings about the Assembly one way or the other, but it could do better. If the Richard commission suggests that it should have extra powers—goodness forbid that it recommends taxation-varying powers—there will have to be another referendum. If there is another referendum, there will be a clamour for including on the ballot paper the question of whether the Welsh Assembly should exist at all. So people should be put on warning that if we have another referendum, it will be about not just extra powers, but the whole gamut of the Assembly.

Secondly, I want to talk about the North Wales police chief. He is a colourful character who regularly dominates the pages of the *Daily Mail*. When he is not reading that, he is doubtless writing to the Secretary of State for Wales and to my hon. Friend the Member for Leominster (Mr. Wiggin). He is obsessed with two things: the legalisation of heroin and, so far as I can make out, all sorts of drugs; and the speed cameras of he which seems to be in charge. He seems to be in favour of

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speed on the one hand, and against speed on the other. He should make up his mind. The policy on speed cameras is completely insane; he is obsessed with them.

I have asked for an independent audit of the cameras to ensure that they are put in blackspot areas, as the last thing we want is for those speed cameras in effective areas to lose public support. I have received letters from people who have been booked for doing 33 mph in a 30 mph zone, and from people who feel that they are always looking at the speedometer instead of the road and are afraid that they will have an accident.

In Lancashire, the number of fatalities went up last year when the number of speed cameras increased by 100. We need balance to ensure that we retain public support, which the police need to help them solve other crimes. Also, as much vigour needs to be shown in terms of cameras that protect against car crime as in dealing with speeding. We know that speed kills and that in the wrong weather conditions a 40 mph zone is probably too high. Drivers also need to show some discipline.

There are a number of other matters on which the House knows I would have spoken had we more time, but I decided to concentrate on two; the need to be careful with regard to the Richard commission and the need for some sanity in the question of speed cameras in Wales.

5.36 pm

Mrs. Betty Williams (Conwy) (Lab): I have decided to focus my remarks on crime. There are two major reasons for that. First, my postbag shows that it is a great concern to some constituents. Secondly, the Government have instituted programmes to tackle crime and I believe that success is evident.

My contact with the criminal justice system begun at an early stage of my working life; I had better explain that, lest I create the wrong impression. Leaving school at 16, I went on to the secretarial staff of the late Emyr Thomas, solicitor, who was clerk to the justices in Caernarfon. Several years later, I became chair of the Môn-Gwynedd victim support scheme. Victims have first-hand, and often highly distressing, experience of crime and we rightly recognise their needs.

The perception of crime for those without first-hand experience is frequently exaggerated by poor data and misleading reporting. We have a part to play in that, and it can be for good or ill. Concerning data, I believe that the British crime survey is acknowledged as authoritative and a world leader in tracking crime trends. On the other hand, until recently the police had recording methods that under-reported crime. The police schemes and the British crime survey were not comparable and I know that the chief constable of North Wales, Richard Brunstrom, recognised that.

In short, the police under-reported crime, which is why our chief constable was an early enthusiast for the new police scheme, the national crime recording standard. He ensured that North Wales was an early participant in the new scheme. Now North Wales police have a more reliable system of reporting crime. When externally audited by the Audit Commission, North Wales police were found to have the best recording system in England and Wales.

What is the result of the data? Contrary to the perception in some quarters, crime is falling. Alongside that, however, it is notable that, in north Wales, detection rates are increasing. For example, detection rose from 28.8 to 31.5 per cent. for the period April to January between 2002–03 and 2003–04. I frequently meet officers in North Wales police and I have no doubt as to their commitment to protecting our citizens. They deserve our support; not only through legislation to assist them, but in correct reporting. Parliament has reformed the criminal justice system and the Government will continue to bring forward measures to further reform the system.

On 18 February, Llandudno in my constituency hosted the first North Wales criminal justice board conference. In his address to the conference, John Grant Jones OBE—the chair of the board—pointed out that crime has fallen for seven years. Persistent offending had also fallen and the number of offenders brought to justice was increasing. He added, however, that nearly 73 per cent. of the public believe that crime is increasing. He clearly saw that misperception as a challenge, and I am sure that the board, the agencies, the police and we in Westminster should also rise to that challenge.

To show what is happening in my constituency, I mention a meeting that I had with the central divisional commander at Llandudno two weeks ago. The introduction of a divisional burglary action scheme has already had a positive effect. In three of the four months since its inception, the number of burglaries reported decreased by more than the targets and the number of burglaries detected also surpassed those targets. The trends are good, and I know that the officers will do their utmost to ensure that those positive trends continue.

I have already mentioned my involvement with victim support, and I welcome the publication last December of the Domestic Violence, Crime and Victims Bill. During my time with Môn-Gwynedd victim support, I was very conscious of what victims and volunteers told me. They believed that the perpetrators were receiving better treatment than the victims. Victims and their families were not given enough information at the right time; and they did not receive adequate support as they faced the daunting task of appearing as witnesses in court. That is changing. The Bill is central in putting victims first. It will ensure that they receive the help, support and protection that they need. The Bill will build on the Government's ongoing reform of the criminal justice system. A key part is to allow victims to take their case to the parliamentary ombudsman if they feel that the code has not been followed by the criminal justice agencies.

I would be grateful if the Under-Secretary could explain whether the proposals in the Bill will help a young lady who was assaulted in an unprovoked attack while on holiday in north Wales recently by a young male and a young woman whom she had never met. The incident was captured on CCTV and an off-duty police officer witnessed it. The victim's injuries necessitated medical treatment and she may suffer long-term effects after her ordeal. The offender escaped a custodial sentence: he managed to get off lightly, while the distressing experience will remain with the victim for the

rest of her life. She feels aggrieved about the magistrates' decision and feels strongly that her case shows that the victim is secondary to the offender.

My postbag tells me that my constituents also feel badly let down by magistrates. They tell me that the police investigate complaints thoroughly but that the perpetrators, as in the case I have mentioned, are often dealt with far too leniently at the magistrates court. Antisocial behaviour can no longer be tolerated. The Anti-social Behaviour Act 2003 was born out of individuals, communities and agencies sharing their experiences.

Reflecting successful outcomes in my constituency, it has been said for some time that crime reduction partnerships need strengthening and, indeed, more financial resources, but money is not everything. To those areas in Wales that have not moved forward speedily enough in pursing applications for antisocial behaviour orders, I say that they should get their act together, and think of their communities and individuals who are suffering. That is why they are involved in crime reduction partnerships.

I welcome the opportunity to talk about the record of the police and crime detection in north Wales, and I look forward to hearing the Under-Secretary's response.

5.43 pm

Mr. John Hayes (South Holland and The Deepings) (Con): This has been an interesting debate, in which many contributions have been made—*[Interruption.]* I am told that I have not been in attendance, but hon. Members will have noted that I have been in my place for considerably longer than the Secretary of State for Wales. Having said that, he has two jobs and must be torn by being able to devote only part of his time to the concerns and interests of the people of Wales.

The Government's lamentable failures are not simply exemplified in, or typified by, Wales. Wales fails more than the rest of the United Kingdom as a result of the Government's policies. It would be wrong of me to claim the expertise in Welsh matters of right hon. or hon. Members who have sat for Welsh constituencies for many years but I believe in the Union, so I care about and believe in Wales. As a Member of this Parliament, I have responsibility for the people of Wales, in the same way that I have responsibility for people in other parts of the kingdom. I make no apologies for making a few humble remarks about Wales and the Government's failure to deliver for the people of Wales.

Fifteen small schools have closed in Wales since May 1999 and the Minister will know the impact on small communities. As a Member of Parliament representing a rural constituency, I know that schools are at the heart of villages. When a small school fails, the community suffers. There has been a 2 per cent. cut in the education budget for mid-Wales this year. Labour has failed to meet the targets for key stages 3 and 4. For the Secretary of State to defend in the House today Government policy on tuition fees was flagrant, appalling and an abuse.

I was the first of my family to attend university, helped by a grant. If the Government have their way and introduce punitive fees and top-up fees, tens of thousands of children from working-class homes will not go to university as I was able to do. The Government, understandably, are sensitive about their tuition fees policy. A considerable number of Labour Members do not support it. The Secretary of State offered statistics about education in Wales but they were all measurements of input, not output.

I acknowledge that the Government are spending 40 per cent. more on health than in 1999 but waiting lists have doubled since devolution and currently total 307,608—well over 10 per cent. of the population. Almost 40,000 people in Wales wait more than 12 months for treatment, compared with 188 people across the border.

The Secretary of State chose his words carefully in talking about Government successes in targeted areas singled out for special treatment. Those statistics are no comfort to the sick and needy people waiting for operations that fall outside those criteria and their families. The Secretary of State must answer to them and to their representatives from Welsh constituencies who sit in this Chamber.

The hon. Member for Conwy (Mrs. Williams) said that the chief constable of North Wales was enthusiastic about the method for reporting crime but simultaneously lauded the British crime survey and commented on misconceptions about crime levels. That survey is based on perceptions and understandings. One cannot claim that there is a definitive guide to crime, then observe that there are misconceptions about the facts. I was amazed that she contradicted herself in consecutive sentences.

Mrs. Betty Williams: Will the hon. Gentleman give way?

Mr. Hayes: Because I have been so harsh on the hon. Lady and she is so charming, I happily give way.

Mrs. Williams: I said that there were some misperceptions among the public about crime detection in north Wales.

Mr. Hayes: I understood the hon. Lady but the British crime survey is a reflection of perceptions about crime.

The Library informs me that in 1998–99 to 2001–02, before the method of reporting was changed, violence against the person in Wales rose 13.7 per cent, and that, in those same years, robbery rose 20.8 per cent.

The truth is that the picture is, of course, mixed. However, before the method of reporting crime changed, there were significant rises in crime in critical areas. They damaged people's lives, and it is no wonder that people are fearful about crime. In Wales, the number of special constables has fallen, just as it has fallen in the rest of the kingdom under this Government.

On farming, I was pleased to hear what the hon. Member for Brecon and Radnorshire (Mr. Williams) had to say. He is always a doughty defender of farmers' interests, and he spoke with great authority on a subject to which other hon. Members contributed.

Farmers have suffered a dreadful plight since this Government came to power in 1997. Last year, 700 jobs in Welsh farming were lost. The National Farmers

[Mr. Hayes]

Union has said that the average income on Welsh farms in January 2003 amounted to little over £9,000. The situation was much worse for the many farmers who fall below that average. Other problems include bovine tuberculosis and the plight of the dairy industry. The Government pretend that they will deal with those matters through reforms to the common agricultural policy, but that cannot be done.

In summary, I say that although the Government are spending in Wales, they are also spinning, squandering and failing there. As Aneurin Bevan said, we do not need to look at the crystal ball when we have the record book. The Government's record book is a sad one—sad for the people of Wales, for the Welsh Members, who, I acknowledge, represent their constituents honestly, and for the kingdom. On this St. David's day debate, I hope that all hon. Members will stand up for the people of Wales and, to a man and woman, condemn the Government and this part-time Secretary of State.

5.51 pm

The Parliamentary Under-Secretary of State for Wales (Mr. Don Touhig): Once again we have had an excellent and wide-ranging debate. Geraldus Cambrensis—Gerald of Wales—wrote of the Welsh in 1183 that

"in set speeches they are so subtle and ingenious that they produce . . . ornaments of wonderful and exquisite invention both in words and sentences."

Clearly, there are some ornaments among the Opposition Members who have taken part in today's debate, which reminded me of those words.

The greatest Welshman in history was, of course, Aneurin Bevan. He spoke in the very first Welsh day debate here in 1944, and talked of the great problems facing Wales at that time . He said:

"I spent most of my adult life in the shadow of unemployment because the basic industries happened to be situated largely in south Wales. Our problem was to try to get enough political leverage to secure attention to our difficulties."—[*Official Report*, 17 October 1944; Vol. 403, c. 2313.]

What he said was right then, and would have been right during those 18 dark years of Tory rule. But Nye Bevan would see a different Wales today. The story that emerges from the speeches made by Labour colleagues in this debate shows that, under a Labour Government, Wales is changing for the better.

Unemployment used to be the blight on our communities, and it was once described by the Tories as price worth paying. While this Government have been in office, it has fallen to 41,000, from 168,000 under the Conservatives. We are tackling the problem of unemployment in Wales. That does not mean that jobs have not been lost. Of course that has happened, but we are also working together to ensure that we bring new, quality jobs to the people of Wales.

It is not just in our economy that is doing well. There is a greater confidence in Wales, and the BBC presenter John Humphreys said recently:

"There is a vibrancy and confidence about Wales that I can never remember."

That confidence in the people of Wales stands in stark contrast to the whingeing, carping tale of doom and gloom being spun by Opposition parties.

We have heard today of the work of the Welsh Affairs Committee, and I pay tribute to my hon. Friend the Member for Clwyd, South (Mr. Jones) and the work of the Committee in the past year.

The Queen's Speech this year was good for Wales. Not only did it contain the Public Audit (Wales) Bill, there was also the Fire and Rescue Services Bill and the Higher Education Bill, both of which will have important Welsh clauses. Other Bills with important implications for Wales include the Children's Bill, the Civil Contingencies Bill, the Housing Bill, the Planning and Compulsory Purchase Bill and the Traffic Management Bill. Two draft Bills, the Charities Bill and the Transport Bill, are also important for Wales.

All of those measures bear testimony to this Government's commitment to devolution and to giving the Assembly in Cardiff the opportunity to produce policies best tailored to Wales. I do not doubt they will be vigorously debated by hon. Members in this House.

The hon. Member for Leominster (Mr. Wiggin) spoke at length, and he was entertaining. I commend his website to my hon. Friends, which shows him posing with Labour Ministers—he also finds room for pictures of his hairdresser and of the owner of his local Indian restaurant. However, his website does not include any pictures of members of the shadow Cabinet—he has impeccable taste and has gone up in my estimation as a result. A speech by the hon. Member for Woodspring (Dr. Fox), the Conservative party chairman, calling for a return to the values of Thatcherism was on his website until recently. In Wales, we know about the values of Thatcherism: the Conservatives closed 70 hospitals and 271 pits, decimated communities and put thousands of Welsh people on the dole.

The hon. Gentleman discussed the NHS and said that he wants greater power for patients. He wants patients to have the power to start paying for the NHS, which would happen if the Tories were to return to power. The patients' passport would mean that patients would pay £1,900 for a cataract removal, £4,600 for a hip replacement, £5,700 for a knee replacement and £8,500 for a heart bypass. He discussed waiting times but ignored yesterday's figures, which show an across-the-board improvement on waiting times.

The hon. Gentleman discussed crime, but after the letter from the chief constable of North Wales, no one can take him seriously. His suggestion that my right hon. Friend the Secretary of State for Wales prompted the chief constable to write that letter is a slur, a disgrace, and unworthy of a Front-Bench spokesman. It should be withdrawn.

The hon. Member for Ribble Valley (Mr. Evans) made an excellent contribution. Whether or not we agree with him, he was forthright about the Richard commission and the chief constable of North Wales. We enjoy his contributions, and he is missed from the position that he used to occupy on the Conservative Front Bench.

I shall move from the diffident Tories to our own daffodil Tories. Robert Kennedy said:

"One-fifth of the people are against everything all the time."

Time after time, the Welsh nationalists prove that he was right. The hon. Member for Caernarfon (Hywel Williams) made an important point—he asked questions about it a while ago—about affordable housing in his constituency. There are around 15,500 second homes in Wales, which comprises less than 1.5 per cent. of the housing stock, and the figure is declining overall. He discussed how the Chancellor's Budget proposals will affect pensions and holiday homes. The important point is that if a member of a small, self-directed pension scheme were to use its funds to buy a holiday home for their own use or for the use of their families, they would be subject to a tax charge and would not benefit.

The Liberal Democrats managed to dredge up a few points that they have not already e-mailed to the Labour party. Once again, they proved that it is not only their asteroid policy that is focused on outer space. They have given us promise after promise after promise, which proves that their commitment to the environment is consistent—the extra money that they have pledged has been recycled time after time.

The hon. Member for Montgomeryshire (Lembit Öpik) is a constitutional anorak, spending 10 minutes of his time discussing the Labour party's excellent debate on the Richard commission. I advise him to wait until the Richard commission reports.

The hon. Member for Brecon and Radnorshire (Mr. Williams) raised an important matter. I regret that I have not received the note that he planned to send to me; as soon as I receive it, I shall get in touch with him.

A number of my hon. Friends made important comments, and I am sorry that I cannot address all of them in my response.

We have come a long way since the first Welsh day debate in 1944. The story of Wales in that 60 years is a tale of ups and downs—ups under Labour and downs under the Conservatives. Today, I see a confident partnership in Wales between Labour working in Government in Westminster and Labour working in partnership in the Assembly. Time and again, the people of Wales have been presented with a choice between Labour representatives, Tories, the nationalists, who would isolate us, or Liberal Democrats, and the important point is that they choose Labour. The story of Wales as a nation of success, prosperity, and social justice is a Labour story delivered by Labour Governments and supported by Labour Assembly Members and Labour Members of Parliament. We have a good record, and when we go before the people of Wales in a couple of months' time in the European and local council elections, they will give Labour a resounding vote of confidence once again.

It being Six o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Main Post Office (Berwick-upon-Tweed)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Ainger.]*

6 pm

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): The Minister answers many debates on post office closures, but this one is different. Many are about rural or suburban sub-post offices, closed either because of the reduction in business resulting from pressure to get benefits paid into bank accounts, or because of the Post Office's network reinvention programme—a title that does not impress some of my colleagues because of the closures involved.

So far, most village post office closures in my constituency have been because no one could be found to take on the business. In fact, I have found the Post Office to be generally helpful and flexible in seeking to identify new sub-postmasters, and it has taken up my suggestions of experienced staff who could take on village post offices temporarily. I have had a useful and fruitful relationship with Post Office management locally on many village sub-post office closure issues, and it has tried hard to maintain the service wherever possible.

The case that I wish to raise tonight is different, because it concerns a main town centre post office, which used to be a Crown office but which was franchised out some years ago. Its closure, since August 2003, is not the result of policy decisions or viability problems, but of the failure of the Post Office to set up alternative facilities following a landlord-tenant dispute. It is very important to the people of Berwick, and it raises issues about the network of town centre post offices, the former Crown offices, which provide the widest range of Government-related facilities, including the issuing of motor vehicle licenses and provision of passport application assistance. I shall return to the wider issues after I have given the Minister something of the story of Berwick post office's closure.

I regard it as a disgrace that Berwick should have been without a main post office for seven months, with still no sign of it reopening. For many years—as long as anyone can remember—Berwick's town centre post office was a Crown office, occupying, in recent times, modern Post Office-owned premises combined with the Royal Mail sorting office. In the early 1990s, it was franchised out, and when we expressed widely held concerns about that, the Post Office insisted that the new arrangements would ensure the continuance of a conveniently sited central post office.

That facility was in fact provided in the Co-op premises for six or seven years, but when it gave up the contract three years ago, a new contractor and premises had to be found. Central premises were found, and the post office reopened. In February last year, the postmaster gave up the contract and a new postmaster was appointed, using the same rented premises.

At the end of August last year, the post office suddenly closed, for what was described as "operational reasons". Pensioners were advised to collect their pensions from sub-post offices, and motor vehicle licences could be obtained only by travelling to Scotland—to Duns or Eyemouth—or to Wooler, which

[Mr. A. J. Beith]

is 16 miles away. On 11 September, it was revealed that the post office might not reopen for two months, and staff received their P45s. That was a grim day for them. A Post Office spokesman said:

"Due to circumstances beyond our control, it is now highly unlikely that the branch in Berwick will reopen in its current location. We are now working with a number of organisations to try and find an alternative solution but this could take up to two months to finalise.

We would like to apologise to our customers in Berwick for the inconvenience this is causing them but we want to reassure them that we are doing all we can to reopen a branch in the town as soon as possible."

Then, on 25 September, the post office reopened, with a picture in the local paper. Within days—on 1 October—it had closed again, and it became known that there was a dispute between the tenant and the landlord. That resulted in the Post Office being unable to gain access to the premises. One consequence was that people who had bought motor vehicle licences began to receive letters from the Driver and Vehicle Licensing Agency warning them that they had committed an offence because they had not licensed their vehicles. The records were locked in the safe of the former post office.

Meanwhile, sub-post offices in the area were working hard to fill the gap. One is in Castlegate, quite close to the town centre, and I pay tribute to the sub-postmaster, Mr. Alistair Fairbairn, for the hard work he has put in. There has been great pressure on his sub-post office, sometimes with queues down the street of people collecting pensions and benefits. The Spittal post office took on motor licences, a valuable service that meant people could avoid the long journeys I mentioned earlier. The Tweedmouth and East Ord post offices carried extra responsibilities. There is no feeling among the sub-postmasters that they welcome the absence of the main post office, even though they might gain some business in the longer term if people choose not to go back to it.

On 30 October, the Post Office said that

"regrettably, it will be a minimum of 6 weeks before any solution can be put in place".

We had already been warned that it would take two months, yet on 30 October we heard that it would be another six weeks. On 4 December, a company interested in taking over the post office complained that it could not obtain basic information to enable it to decide whether to make a bid, especially financial information relating to the number of staff it would need.

On 18 December, just before Christmas—the busiest time for a post office in terms of mail delivery and counter business—the Post Office announced that three sites were under consideration. On 12 February 2004, the Post Office confirmed that there was no further progress to report, although there had been plenty of local rumours that various premises were being considered. That was only a few weeks ago, but no further progress had been made by the Post Office. We are entering the seventh month since the closure of the town centre post office with no announcement that it will reopen.

I have repeatedly raised the matter with the Post Office and with Postwatch. Earlier this week, I presented a petition from readers of the *Berwick Advertiser* to the chief executive of the Post Office. Now, it is the Minister's turn. He should be involved, because a principle of public policy is at stake. Surely, we must retain a network of town centre post offices, like that previously provided by Crown offices. Like Departments and public offices, such post offices must remain open, rather than closing for six months or a year at a time; or are the former Crown offices simply regarded as being like other sub-post offices—possible victims of the network renewal programme? Are they to be put in the balance? Will some of them have to go, or do they have a special place—as I believe—because they are the main town centre facility and usually provide services that smaller sub-post offices cannot offer? When the franchise offices were created, every assurance was given that the tradition of the town centre Crown office would be maintained. Those offices provide vital public services and their retention should be a primary obligation for the Post Office. Franchising is supposed to provide those services, but the Post Office will have to deal much better with the loss of postmasters and premises to maintain service.

It is inevitable that franchise arrangements will break down occasionally, but the Post Office should have adequate emergency arrangements when that happens. A team of post office staff should have been brought in, using temporary premises or a mobile office, such as those used by banks, to maintain the service until a new contractor could be found, approved and, if necessary, trained—a process that is likely to take weeks or possibly months.

The Strategic Rail Authority does not allow the suspension of rail services for six months while it finds a new train operator—at least not so far; perhaps we shall reach that state eventually. The county council does not close schools for six months while it finds a new school transport contractor; it has to make emergency arrangements rapidly when things go wrong. Surely, the Post Office should have such mechanisms, including standby facilities to deal with emergency interruptions to service at main post offices, especially if that would lead to loss of service for long periods.

People in Berwick are very angry about the situation, which reflects badly on Post Office management. A similar situation could arise in other towns where the Crown office has been franchised out. Next time the Post Office proposes to replace a Crown office with a franchised office, the example of Berwick will be thrown back at it. The Post Office will no longer be able to give assurances with any credibility; they will no longer be believed, because people will refer to what has happened in Berwick.

The answer is twofold: the Post Office should get on with the job of setting up a replacement post office, and it should have an emergency facility that can be moved in whenever and wherever such a crisis occurs. The Minister should recognise that a matter of public policy is involved, put pressure on the Post Office to restore the service that Berwick ought to have and ensure that the Post Office considers how it can provide arrangements whenever this sort of thing happens in any part of the country.

6.10 pm

The Minister for Energy, E-Commerce and Postal Services (Mr. Stephen Timms): I congratulate the right hon. Member for Berwick-upon-Tweed (Mr. Beith) on

securing this debate, and I thank him for what he said about the work of the Post Office's rural transfer advisers. I agree that they have been very effective in ensuring, wherever possible, that an alternative branch in a nearby location can replace rural Post Office branches that are threatened with closure.

The right hon. Gentleman spelt out very clearly and fully the problems that the main Post Office branch in Berwick-upon-Tweed has faced, and he gave a detailed account of events since last September, when the problems first arose. Let me emphasise that Post Office Ltd. considers the current closure to be temporary, and I entirely sympathise with the frustration that he has expressed on behalf of his constituents about the fact that it has lasted so long. The Post Office and I very much wish that it will be able to provide a service again to his constituents as quickly as possible.

As the right hon. Gentleman said, the office closed following a dispute with the sub-postmaster, and the Post Office is continuing to try to re-establish the service. As he also said, despite the Post Office's efforts in the early weeks, it is unlikely that it can resume a service in the previous location at Marygate. He has rightly paid tribute to the sub-postmaster at the Castlegate branch, which has been struggling to cope with the increased traffic. Since the closure in October 2003, Post Office Ltd. has been working with the local borough council and others to try to find a solution to reopen a branch in the town.

I can confirm that the Post Office is committed to finding a long-term solution for the town on the north side of the river. There is certainly no intention at all to leave things as they are. The Post Office is talking to possible new sub-postmasters and is still looking for new premises, which should be close to the town centre. As the right hon. Gentleman said, nothing has yet been confirmed, although I understand that detailed discussions have taken place with prospective candidates for the position of sub-postmaster.

In defence of the Post Office, I would make the point that, clearly, if finding appropriate premises is a real difficulty, that may well constrain—I imagine that it has done so—the speed with which the replacement service can be provided. However, I entirely accept that the current position is unacceptable and the fact that it has last so long is deeply regrettable. I am sure that the Post Office would wish to express its apologies to all the right hon. Gentleman's constituents, who have been so severely inconvenienced over the past seven months.

The right hon. Gentleman raised some ideas about what might be done in the future. A lot of post offices have been converted from Crown offices to privately run offices. That happened at Berwick, where the Co-op initially operated the office. About 570 post offices are still run by Post Office employees—the directly managed or Crown offices. The process of conversion started in the 1980s as a means to strengthen the economic viability of the Post Office network.

Concerns arose as a result of some of the earlier conversions, so in May 1997, the then newly elected Government imposed a moratorium on further conversions pending a review. That moratorium was lifted in December 1998, following agreement on proposals submitted by the Post Office to the trade unions on a future strategy for the Crown office network. Those arrangements were included in the White Paper on the Post Office published in July 1999, and they require Post Office Ltd. to ensure that a significant proportion of its total business transactions are carried out at Crown offices. Currently, that figure is at least 15 per cent.

The performance and innovation unit report on the future of the network in 2000 concluded that as a matter of priority the Post Office should pursue work to maximise the commercial potential of the network, the efficiency of its operations and the quality of individual post offices. In particular, the report concluded that more Crown offices should be converted to privately run operations as a means of addressing the poor profitability of the Crown office part of the network. The network of directly operated offices, which, as I said, numbers only about 570, loses about £80 million a year. In the last financial year, Post Office Ltd. as a whole lost £194 million before exceptional items. We therefore need to be cautious before suggesting that we could move to an arrangement with substantial new subsidies for offices that were previously Crown offices and have since been franchised. I understand, however, the point that the right hon. Gentleman made about the inconvenience suffered by his constituents. I will convey the frustration and anger that he conveyed on their behalf to the management of Post Office Ltd., and encourage them to find a solution to the problem as quickly as possible.

Mr. Beith: The Minister has just made a helpful point, because he has demonstrated that many post office staff are still working in Crown offices. There is therefore a pool of staff, so it is surely possible to draw a few people from here and there to staff a temporary facility where such a change has taken place. That would help the people of the area, and if such action is not undertaken it will become increasingly difficult to franchise any more Crown offices, as people will think that the continuity of service may be lost.

Mr. Timms: I can reassure the right hon. Gentleman that the situation that he described is extremely unusual. As he said, I frequently respond to Adjournment debates and receive letters form hon. Members about post office matters, but this is the first instance of such a situation that I can recall. I do not think that we are seeing the beginning of a general pattern, and I certainly do not think that there are grounds for concern about other conversions of Crown offices, as happens from time to time, to franchised status. If it became a frequent occurrence in any way the right hon. Gentleman's argument would be a strong one.

The Post Office does not have numbers of people around the country who can be moved in, as the right hon. Gentleman suggested, although I agree that that ought to be considered if the problem lasts much longer. However, there would still be a problem with providing premises. He proposed a mobile arrangement, but we would have to address logistical issues. However, I shall certainly convey to the management of Post Office Ltd.

[Mr. Timms]

the problems that he has described fully this evening, and encourage them to do everything possible to sort them out.

The post office network faces an enormous challenge, and I have already talked about the losses that Post Office Ltd. suffered last year. Ninety-seven per cent. of the nation's post offices are run by sub-postmasters, private business people who have invested not only their own money in their businesses but a great amount of care and effort to help the post office network achieve its highly regarded status. That is true of a large number of sub-postmasters, including the gentleman in the Castlegate branch to whom the right hon. Gentleman referred. However, declining profitability in the network as a whole has given a severe knock to the ability of sub-postmasters to sell on their businesses, which is how they have moved on in the past. Decisive action has been required to ensure that we maintain a sustainable and countrywide network for the future, and that is the action that the Government are taking. As the right hon. Gentleman said at the beginning of his speech, we must not allow gaps of the kind that have temporarily opened up in his constituency to become a more widespread phenomenon.

That is the reason for the process of urban reinvention—I understand the misgivings of the right hon. Gentleman and some of his hon. Friends about that name—that we have been going through. It is also the reason that we have invested £0.5 billion in technology to ensure that banking services can be provided at every single post office branch in the country. According to the latest figures, about 1 million banking transactions a week take place in post office branches around the country. I believe that there is a very attractive future for the post office network and hope that that will address some of the problems that have arisen in Berwick as a result of the difficulties that people who run sub-post offices have faced over the past couple of years. I hope that a much better prospect for those individuals will emerge in future.

I was pleased to see evidence that the number of sales of post office branches increased in the last financial quarter to the end of December, with 231 successful transfers of urban post offices compared with 148 in the corresponding period of the previous year. That significant increase in successful urban transfers suggests that there is a strengthening market and greater confidence in the future viability of many urban post offices as the implications and effects of the programme work through. That has always been its aim.

Mr. Beith: Is the Minister aware of anxieties about the Post Office card account in relation to the attitude of some Departments towards encouraging, or not encouraging, people to take it up? Although several people are registered, a relatively small number have communicated the details to the Department concerned, and there is anxiety that the system is not developing as originally envisaged.

Mr. Timms: I can certainly reassure the right hon. Gentleman on his first point. Those concerns have been raised with me on numerous occasions. The figures on the choices that people are making for receiving their benefits show that so far more than 60 per cent. of pensioners have indicated that they want a Post Office card account. That means that they have been able successfully to navigate the system by going through the call centre and have got to the stage of expressing a preference for a card account. There are not difficulties on the scale that had been feared.

What is interesting about that data is that if one considers recipients of other benefits, such as the jobseeker's allowance, child benefit and so on—benefits received by people of working age—one realises that the number of those who have chosen Post Office card accounts is much lower. That underlines the importance of the investment that we have made in new technology and other changes such as the work to open up a new range of products and make financial and other services available in post offices, because it is clear that younger customers in particular have different aspirations in relation to the post office from those who receive the state pension.

On the right hon. Gentleman's second point about the number of people who have opened and are using a Post Office card account, I share some of his concerns. We are therefore working with Post Office Ltd. and talking to the Department for Work and Pensions and the National Federation of Sub-Postmasters. All of us agree that we need to make sure that people are able to use those accounts, which they have clearly expressed an intention to use, as quickly as possible. That is in everybody's interest.

With the change that we have been making, we can see a way out of the heart of the problems that the Post Office has been facing—being locked into a shrinking base of customers. Its task in Berwick and across the country is to continue to serve its traditional customers with excellence, which certainly has not been happening over the past seven months, and to attract new customers and give the network access to expanding banking markets, not just dwindling markets as in the past. That is the key to future success, and the groundwork that we have been laying provides a good prospect of that being achieved. I entirely share the concern that the right hon. Gentleman has rightly expressed on behalf of his constituents about the serious disruption in the service provided by the Post Office in his constituency, and I will do everything that I can to encourage Post Office Ltd. to bring those problems to a conclusion as swiftly as possible.

Question put and agreed to.

Adjourned accordingly at twenty-six minutes past Six o'clock.

House of Commons

Friday 27 February 2004

The House met at half-past Nine o'clock

PRAYERS

The First Deputy Chairman of Ways and Means took the Chair as Deputy Speaker, pursuant to the Standing Order.

[SYLVIA HEAL *in the Chair*]

Orders of the Day

Gangmaster (Licensing) Bill

Order for Second Reading read.

9.33 am

Jim Sheridan (West Renfrewshire) (Lab): I beg to move, That the Bill be now read a Second time.

I am proud and honoured to present my Bill to the House. At the outset, I put on the record my appreciation of the great cross-party support that I have received for the Bill, which has been backed by MPs from every party and, indeed, every nation. In the past two months, I have also benefited from discussions with Ministers and officials from Government Departments with a particular interest in the Bill: the Department of Trade and Industry, the Department for Work and Pensions, the Department for Environment, Food and Rural Affairs and the Treasury.

I also express my sincere thanks for the fantastic support that I have received from outside the House, particularly from the Transport and General Workers Union but also from a broad and growing coalition that includes the National Farmers Union, the TUC, the Ethical Trading Initiative, the Fresh Produce Consortium, major retailers—including Tesco, Sainsbury's, Safeway, the Co-op, Marks and Spencer and Asda—Unison, the Recruitment and Employment Confederation, which represents employment agencies, the Joint Council for the Welfare of Immigrants, the Dover 58 group, the National Association of Citizens Advice Bureaux, the Family Welfare Association, the Catholic Bishops Conference, and last, but certainly not least, the legitimate gangmasters themselves. That coalition for progress spans workers, employers, industry, unions and communities. Its breadth and depth are a powerful reflection of the seriousness of the issue and of the Bill's merits.

I should also like to place on record my appreciation for the help and advice that I have received from Ministers in various Government Departments, including DEFRA, the DTI, the DWP and the Home Office. In particular, I thank the Home Secretary for his continuing support, along with my right hon. Friend the Minister for Rural Affairs and Local Environmental Quality, who has also been very constructive and helpful in introducing this legislation.

I should perhaps explain the Bill's context. The recent tragic deaths of 20 cockle pickers in Morecambe bay have brought gangmasters into the headlines. It is the duty of us all to ensure that those who lost their lives have a fitting memorial, and first and foremost, that must mean legislation to tackle the worst excesses of illegal gangmasters. It is time for such legislation to stop the exploitation.

As the House knows, gangmasters are basically labour providers who operate throughout the whole UK economy. The Bill is not intended to introduce regulations in each and every industry; instead, it seeks to regulate gangmasters in the sectors in which they are most common, and where the abuses are the most extreme: agriculture, the shellfish industry, and food processing and packaging. Gangmasters have been supplying and supervising workers in those sectors for decades. It is estimated that at least 3,000 gangmasters operate in them, employing at least 60,000 workers. However, the absence of accurate data could mean that the real figure is as many as 100,000. It is also estimated that the gang labour work force comprises approximately 70 per cent. indigenous workers and 30 per cent. migrant workers.

Many gangmasters operate within the law and are extremely reputable, but far too many are rogue employers. In 1997, an interdepartmental working party estimated that some 20 per cent. of gangmasters were committing a wide range of offences. That is a minimum of 600 gangmasters. The harrowing events in Morecambe bay have shown the human cost of gangmaster abuses: Chinese cockle pickers paid 11p an hour and left to die. We now know that 20 people drowned in what was the worst workplace disaster in this country since Piper Alpha in 1988.

There have been other tragic incidents involving workers who were organised by illegal gangmasters. Three workers were killed in July 2003 when the minibus in which they were travelling to work was hit by a train on a level crossing. Two workers died on a fruit farm, also in July 2003, after being caught in a rope-reeling machine. The rogue gangmasters undercut legitimate gangmasters and exploit workers, both migrant and indigenous.

Evidence to the Environment, Food and Rural Affairs Committee in September 2003 showed that exploitation is commonplace, and I shall give the House some examples. They include the failure to supply workers with written statements of employment practices; infringements of Agricultural Wages Board agreements and the national minimum wage; and denying workers rights to paid holidays and statutory sick pay. Notice rights, rights to salaries slips and protections from illegal deductions from wages are also denied. There are also the failure to abide by termination of employment obligations, breaches of working time regulations and poor quality housing and accommodation, often in houses in multiple occupation, portakabins or caravans. There is overcharging for housing and accommodation, failure to provide tenancy agreements or rent books, use of under-age workers and abuse of tenancy rights with immediate eviction of workers on termination of their employment. There is withholding of workers' personal

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documents and, perhaps worst of all, telling legal migrant workers that they are really working illegally to deter them from complaining or seeking advice.

Andrew George (St. Ives) (LD): I congratulate the hon. Gentleman on making such a strong case, which I fully support. He referred to the report of the Environment, Food and Rural Affairs Committee and pointed out that many supermarkets, among others, strongly supported his proposed Bill. However, does he accept that the Committee pointed out in its conclusions and recommendations that supermarkets could not wash their hands of this matter? Many farmers complain that farm-gate prices are being squeezed by the monopolistic activities of supermarkets to such an extent that farmers and growers are seeking other sources of—

Madam Deputy Speaker (Sylvia Heal): Order. That is long enough for an intervention.

Jim Sheridan: The hon. Gentleman makes the valid point that some major retailers have been squeezing farmers, but I have to say that, during the consultation on my Bill, the major retailers have been first class in offering help and assistance to me and to others in the coalition parties. They have played a fundamental role in the coalition. Although there have been cases of some retailers going for the lowest common denominator in prices, that is certainly not the case among the major retailers today. I repeat that they have helped me enormously in bringing forward this legislation.

I should like to mention some relevant case studies. In the midlands, a gang worker was charged £600 by a gangmaster for documentation that was never produced. In Norfolk, gang workers have reported receiving no statutory sick pay during periods of ill health, while in Kent, gang workers have complained about being denied holiday pay. In Norfolk, gang workers were paid just £3 to cut 1,000 daffodils. In Bristol, accommodation arranged by a gangmaster involved 27 people living in one house, while in Suffolk, gang workers were housed in a holiday camp that charged the gangmaster £70 per week for each unit of accommodation, but he placed five workers in each unit, charging each employee £35 per week. In Cambridgeshire, gang workers were forced to live in partitioned containers that had no water supply. Rent and transport were deducted from the workers' wages before they were paid. One worker was paid £83 and the rent deducted was £80.

There is plenty of anecdotal evidence of what is going on, and there is similar evidence in Scotland of people being totally exploited. Unfortunately, many of the people who tell us what is going on are terrified to come forward, and we have to respect their anonymity.

I have also received correspondence from the Labour group leader at Arun district council, which has a substantial number of gangmaster-supplied migrant workers engaged mainly in horticultural work. There are persistent reports of appalling wages. We have heard of Portuguese workers being paid just £2 a day, exploitative and unsanitary accommodation and the possible involvement of Russian mafia-style operators.

There is also a major problem with tax evasion. Between 1989 and 1994—the last years for which accurate national figures are available—the agricultural compliance unit recovered £537 million in unpaid taxes from gangmasters. In June 2002, a gangmaster in Boston, Lincolnshire was jailed for three years for a £300,000 VAT fraud. A customs spokesman said:

"VAT fraud in the business sector of supplying agricultural labour is widespread."

During 2002–03, 46 Inland Revenue investigations in the Thames valley area alone resulted in the recovery from gangmasters of £4.3 million in unpaid tax and national insurance contributions.

Other serious criminal activities are associated with these gangmasters. According to the National Criminal Intelligence Service, the worst gangmasters are known to be involved in both human trafficking and drug smuggling. In its 2003 United Kingdom threat assessment, NCIS said:

"Some gangmasters knowingly supply illegal workers and, in addition, exploit the workers by colluding with other gangmasters to form cartels. In some cases the gangmasters are not only complicit in arranging illegal work and supporting documentation, but are involved in other areas of criminality such as tobacco smuggling, Class A drug supply, and theft of vehicles and plant".

Mrs. Irene Adams (Paisley, North) (Lab): I congratulate my hon. Friend on bringing this matter to the House's attention before the rest of us realised just how bad the situation was. Will he comment on the fact that the security industry was in a similar position before legislation was introduced? Security companies were up to the same sort of thing—employing illegal workers and exploiting the most vulnerable people in society, who were often too terrified to report what was happening.

Jim Sheridan: My hon. Friend makes a valid point. She is right about the practices going on in the security industry before legislation was introduced. I congratulate her on her sterling and widely recognised work in dealing with some of the most unscrupulous drug dealers in her constituency, which neighbours my own.

Rogue gangmasters are exploiting workers, undercutting legitimate labour providers, defrauding the taxpayer and engaging in a range of criminal activities. They are bad for workers, bad for business, bad for taxpayers and, more importantly, bad for our society, yet there is no law to regulate them. Instead, we have depended on voluntary codes to curb their excesses. I should like to explain why I believe the voluntary approach has failed.

Two voluntary codes affecting the National Farmers Union and the Fresh Produce Consortium, though well meaning, have failed to tackle the problems associated with rogue gangmasters. They have not reduced exploitation of workers, nor have they made illegal operators operate within the law. Now the Government are putting their faith in a third voluntary code—a voluntary code of practice for gangmasters. Again, it is well intentioned, but it will not deal with the problem.

Anne Picking (East Lothian) (Lab): I, too, congratulate my hon. Friend on introducing this

important Bill. The point that he was just making reaches the nub of the matter: the Bill needs teeth. It is not about regulation for regulation's sake—it is serious stuff. We must really mean what we say about protecting those extremely vulnerable people. We must license and regulate gangmasters.

Jim Sheridan: My hon. Friend makes a valid point. The legislation must be robust. Legislation for legislation's sake is worthless. I congratulate her, as she has a proud history of working against some of the unscrupulous gangmaster employers, who are reported to be moving into the health service.

The voluntary code was well intentioned but it will not deal with the problem. It is not underpinned by credible enforcement or sanctions. Furthermore, voluntary codes do not allow reputable labour users to check whether labour providers are legitimate. As the EFRA Committee said,

"it is unrealistic to expect the voluntary codes to prevent widespread illegal activity by gangmasters".

In their response to the report, the Government agreed. I welcome the Government's acknowledgment that voluntarism has failed. I share that view, as does the entire industry. That is why it supports my Bill, which would set up a statutory licence and register. Weak voluntary codes and inadequate enforcement will mean only more tragedies like Morecambe bay; it is time to legislate and to regulate.

The Bill is a simple one, presented by a simple person. As I have already said, it targets gangmasters in the economic sectors where they and their abuses are most prevalent.

Mr. Iain Luke (Dundee, East) (Lab): My hon. Friend's description of himself is too severe. He is to be congratulated by all Members on introducing his Bill. He is following an honourable tradition. In the last session, a private Member's Bill brought in legislation to regulate fireworks and he is promoting an important measure that will regulate a large sector of the black economy that has exploited foreign and British workers. I hope that, in conjunction with the Government, the Bill will be successful to ensure that those practices do not continue.

Jim Sheridan: I thank my hon. Friend for those kind words. He mentioned the Fireworks Act 2003. When the House supports and passes such legislation, it shows, to any who have doubts about us, that there are good politicians and good politics.

The abuses are at their worst and most widespread in agriculture, horticulture, shell fishing and food processing and packaging. In essence, the Bill would establish an effective system for registering and licensing gangmasters, specifically those who carry out work for and supply labour to those industries in the UK. We want to make it illegal for gangmasters to operate without a licence and for people to use the services of an unlicensed gangmaster.

Under the conditions of the licence, all gangmasters will have to carry, and produce for users of their services, photo identification containing their name, company details and licence number. They will be required to keep proper records—who they employ, who they supply to, who they work for, what they pay and what they deduct from wages. They would also be required to return all personal documents to gang workers, to co-operate with the proper enforcement agencies and to abide by the minimum standards that operate throughout the rest of the country.

At present, the Government have no accurate data to tell them how many gangmasters exist, where they operate, who they employ or how they treat their workers. That is confirmed by the EFRA Committee whose recent report stated:

"The Government could not tell us how many gangmasters are operating, what work they are engaged in and what is the scale of their operations."

Without a licence or a register, gangmasters are free to operate beyond the reach of the law, but with a licence and a register, the Government can trace them, track them and make sure that they are abiding by their employment law obligations and fulfilling their health and safety duties.

The taxpayer is also protected through that same paper trail. At present, the Inland Revenue is largely reliant upon whistleblowing and the occasional targeted raid through Operation Gangmaster to uncover tax abuse. It is possible that up to £100 million a year of unpaid tax from rogue operators is being lost to the Treasury; a licence and a register would be the trail that led to the recovery of such money.

A licence and a register would protect those who rely on the services of gangmasters. The measure would require all gangmasters to show proof that they are licensed and legitimate; furthermore, all legitimate gangmasters will have their names placed on a register that is open to public inspection. That is why the Bill has the support of the NFU, which I greatly appreciate, the Fresh Produce Consortium and the major supermarkets.

No one is claiming that a licence and a register will be a panacea for the ills of rogue gangmasters. The requirement to have driving licences does not stop some people speeding, but it certainly concentrates their minds to know that, if they are caught, they will face the full force of the law. The Bill may not be the last word, but it is an important first step.

Currently, no laws mean no chance: no chance to protect vulnerable workers, and no chance to track down the rogue operators, bring them to justice and drive them out of business. Without a licence and a register, I fear that Ministers will, all too regularly, have to stand here sending messages of condolence to the families of workers like those who perished on the sands of Morecambe bay—the victims of exploitation and of voluntarism.

The Government already support licensing and registration in other sectors, both in principle and in practice. When the Labour Government found similar levels of criminal activity in the private security industry, to which my hon. Friend the Member for Paisley, North (Mrs. Adams) referred, they did something about it: they introduced licensing and registration through the Private Security Industry Act 2001 and they made sure that the system was backed up by effective sanctions and enforcement.

When the Government were concerned about protecting the rights of workers and ensuring the safety of the public from the actions of rogue employment

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agencies in nursing, they introduced licensing and registration through the nurses agency regulations. That system, too, was backed by effective sanctions and enforcement.

Following the 1999 White Paper, the Government introduced licensing in the UK's private security industry in 2001, arguing that a licensing scheme would help to raise standards for employees and reduce offending. The absence of licensing meant that

"it is likely to be those that are most vulnerable who will be at risk from unscrupulous operators".

The voluntary approach to regulation failed because reputable companies

"enforce effective standards and self-regulation but less scrupulous companies are able to undermine their best efforts. Voluntary regulation cannot touch this situation".

In 2001, the Government produced a consultation document on the licensing and registration of the employment agencies supplying nurses and workers to care homes. Following the consultation exercise, licensing, registration and regulation were introduced by including those agencies in the provisions of the Care Standards Act 2000 and the Employment Agencies Act 1973. The Government argued that licensing and regulation protect vulnerable nurses and secure the proper conduct of nursing agencies. The absence of licensing and registration for agencies had engendered inconsistency, unfairness and many loopholes, with few deterrents for unscrupulous operators. When illegality and exploitation are uncovered, this Labour Government have recognised the benefits of licensing and registration. They have even introduced a licensing system, the horse passport scheme, to identify and track horses in the UK—as a betting man, I think that some of the horses are still carrying their luggage. If it is good enough for horses, it must be good enough for gangmasters.

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): My hon. Friend is making interesting points on a variety of issues on which licensing has been part of the solution. Does he agree that licensing is not a panacea—indeed, he said that the Bill is not a panacea—but a necessary part of an effective system? Given that our enforcement target is a group of serious law breakers, the key is making sure that the system of licensing is effective and cost-effective. Indeed, our discussions about the Bill have concerned making it simple and effective. I hope to welcome and support the Bill at a later stage. Does he agree that that is the basis on which we are seeking to obtain effective legislation?

Jim Sheridan: I thank my right hon. Friend for the help, support and advice that he has given me during these discussions. He is right that licensing is not a panacea. No matter what legislation we introduce, unscrupulous operators will always seek to circumvent and undermine it.

Ian Stewart (Eccles) (Lab): The Minister's statement and the Bill both recognise that licensing and registration will not solve the problem in themselves. We must recognise that registration and licensing can be effective only if there is informal policing, which means unions such as the Transport and General Workers Union playing full and active roles.

Jim Sheridan: My hon. Friend's point is valid. If the legislation is to be effective, those at the sharp end of the industry must be involved in the process to ensure that it works. Equally, we must make the proper resources available to allow them to do that.

Mr. Michael Connarty (Falkirk, East) (Lab): My hon. Friend the Member for Eccles (Ian Stewart), who is a fellow TGWU member, recognises the problem that many areas are practically no-go zones for trade unions, which do not get the effective support of either the civil authorities or others in contacting people who are not in a trade union and do not know their rights. In beginning the licensing process, the Government must examine how trade unions can be given legitimate access to provide people with the information that they require to learn their rights.

Jim Sheridan: My hon. Friend has a proud history of working alongside the trade unions. The Government have introduced employment legislation that allows people to join a trade union, if they so wish. I hope that those engaged in the twilight world of the gangmasters will see fit to join a proper, independent trade union, obtain its advice and allow it to act on their behalf—sadly, that is missing in the industry at the moment. In principle and in practice, the Labour Government champion licensing and registration, and I call on them to do so once again by supporting this Bill.

If licensing and registration are to work, they must be backed by effective enforcement. Currently, when it comes to gangmasters, enforcement is non-existent at best and ineffective at worst. It relies on whistleblowing by workers who are terrified that they might lose their jobs and homes if their gangmaster finds out. It falls on—or to be more accurate between—the desks of a long list of Departments and agencies such as the Department for Work and Pensions, the Department for Environment, Food and Rural Affairs, the Home Office, the Department of Trade and Industry, the Treasury, the Inland Revenue, the Agricultural Wages Board and Customs and Excise.

Enforcement suffers from a lack of joined-up thinking and proper co-ordination; it is ad hoc and lacks proper targeting. The EFRA Committee did not mince its words when it considered the impact of the Government's flagship enforcement mechanism for gangmasters, the so-called Operation Gangmaster, which it considered a failure. It said that it was

"appalled by the lack of priority to, and political accountability for, what is supposed to be the government's co-ordinated response to illegal activity by gangmasters".

If the Government are serious about tackling rogue gangmasters, ensuring compliance with minimum standards, protecting workers and safeguarding the taxpayer, they must get serious about enforcement.

The Government must also consider the costs of a lack of effective enforcement: what will be the financial cost, in addition to the human cost that is paramount to all of us, of the current police and Health and Safety Executive investigation into events in Morecambe bay?

Judging by other inquiries, it could run into the millions. The Ladbroke Grove rail inquiry cost £7 million, the Marchioness inquiry cost £5.1 million and the Southall rail inquiry cost £2.25 million.

The Bill is not prescriptive on enforcement, which it leaves to the discretion of the Secretary of State. That could mean setting up a new agency as the Government did with the Private Security Industry Act 2001, which set up the Security Industry Authority, and the nurses agency regulations in the Care Standards Act 2000, which set up the National Care Standards Commission. Alternatively, it could mean using and co-ordinating existing agencies. Whichever route the Government choose, enforcement must be underpinned by certain principles. It must have a proactive element and cannot simply rely on whistleblowing, especially in an area in which workers are too scared to blow the whistle. Any enforcement scheme must be transparent, accountable and proportionate. The regulator and the regulated must have no conflict of interest, and the Government must properly resource enforcement.

I shall summarise the key points in the debate. Rogue gangmasters in the agricultural, shellfish, food processing and packaging industries are exploiting workers, undercutting good labour providers and engaging in serious criminal activity. The voluntary system has not worked, is not working and will not work—the EFRA Committee has said as much, and hon. Members and the entire industry also recognise that fact. The proof can be seen in the faces of the families and loved ones of the 20 people who lost their lives in Morecambe bay. It is time to introduce a statutory licence and register for all gangmasters. It is time to enforce the law proactively. It is time to track down gangmasters and hold them to account. And it is time for legislation, not exploitation.

10.9 am

Mr. Mark Simmonds (Boston and Skegness) (Con): I am delighted to participate in this debate and congratulate the hon. Member for West Renfrewshire (Jim Sheridan) on being selected in the private Member's Bill ballot and on choosing this important Bill that must be debated in great detail. I also congratulate him on holding together a disparate coalition of hon. Members of all parties, and the TGWU, the Fresh Produce Consortium and the NFU, which is an achievement in itself. I am especially delighted that the hon. Gentleman chose this subject because, as some hon. Members will know, I tabled a ten-minute Bill last September on the same issue. Had I been fortunate in the ballot, I would have chosen to bring in a Bill of exactly the same nature as the one before us.

The Bill poses something of a philosophical paradox for me. I certainly believe that we should not over-regulate, over-burden or impose red tape where it is not necessary. However, the Bill is not about regulation, burdening business unnecessarily or bureaucracy. It is about creating fair competition, removing exploitation and providing a fundamental building block to limit criminal activity, including extensive tax and VAT fraud.

This is an important piece of legislation that appears to be supported by everyone except—until very recently—the Government. I hope that when the Minister winds up he will say that he supports not only the objectives of the Bill—which were the carefully chosen words of the Minister today and the Prime Minister before—but also the specifics and getting it through Parliament, to the extent that if a Member decides at some future stage to talk out the Bill, the Government will find room for it in their legislative programme, to ensure that it becomes law.

Alun Michael: I am happy to respond to the hon. Gentleman's comments, as I did to my hon. Friend the Member for West Renfrewshire (Jim Sheridan) during his introductory remarks. There are issues to be addressed in terms of the specific content of the Bill to ensure that it does what the hon. Gentleman said—keeps bureaucracy to a minimum, operates with maximum effectiveness and creates fair competition, as well as addresses illegal activities. It is in that context that my hon. Friend and I have had discussions in the past few days and I hope later to indicate my support, and the grounds for that support, along the lines of our discussions.

Mr. Simmonds: I am grateful for that intervention, which is constructive. I hope that we will be able to consider certain issues in greater detail in Committee, and I hope that the Minister and his advisers will also give them further consideration.

I wish to add some comments on my personal experiences of, and information I have gained on, this subject in the past few years since I have been an MP. It is important that the House understands that being a gangmaster or labour provider is a legitimate and necessary business that provides the work force for the agricultural and horticultural sectors. Most gangmasters, in my constituency and across the UK, operate inside the law, but a vast number do not.

I shall give a specific Lincolnshire perspective on the issue. The Lincolnshire economy, historically and to this day, is driven by the agricultural and horticultural sectors. Some of the issues that were raised by the hon. Member for West Renfrewshire are exacerbated and exaggerated in Lincolnshire. In the 16-mile stretch between Spalding and Boston, it is estimated that 20,000 workers a year are employed by gangmasters. An additional, and different, 20,000 workers are employed between Spalding and Ely. Boston has a population of between 25,000 and 30,000, and it is estimated that it has an additional 3,500 Portuguese workers, solely employed in the agricultural sector. Including the Portuguese workers, it is estimated that a total of 8,000 foreign nationals live in Boston. That causes tremendous social cohesion problems, but that is not the issue that I wish to address today.

Gangmasters have provided casual labour in Lincolnshire for hundreds of years. Traditionally, they did so to use the local work force to bring in the harvest. That has now changed, as supermarkets demand fresh produce from farms and packhouses in Lincolnshire 24 hours a day and 364 days of the year. It is no longer seasonal, casual labour, but a permanent fixture on the employment calendar. The pressure from the supermarkets is intense. Many of the businesses involved have open-book accounting so that the supermarkets can see the margins that they are charging, which allows the supermarkets to reduce

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prices. There is continual pressure on the packhouse owners, the producers and the farmers to reduce their cost base. However, all the producers and farmers to whom I have spoken want to legitimise the work force, because they believe that damage is being done to the totality of the food chain. We should applaud that aim.

The situation has deteriorated dramatically in Lincolnshire in the past three years. I have received some confidential statistics that show that three years ago the percentage of foreign nationals working on farms and in packhouses in Lincolnshire was 3 per cent. Today, that figure is 97 per cent.

Mr. Mark Hendrick (Preston) (Lab/Co-op): The hon. Gentleman mentioned 3,000 Portuguese workers. Portugal is in the European Union and many of those workers may well be legitimate employees.

Mr. Simmonds: I agree with the hon. Gentleman and he makes a fair point. I have no issue with people coming to the UK to work, if they help our economy legitimately. That especially applies to the Portuguese workers, although another issue is involved which I shall address later in my speech. However, many workers in my constituency and the rest of Lincolnshire are not here legally and, because they have no recourse to law, they are exploited more than others. They have tax taken off their wages, as well as enormous sums for food, housing and transport. They have no comeback against that through the trade union movement or the law courts, and they would benefit significantly if the Bill were to reach the statute book.

Mr. Hendrick: I thank the hon. Gentleman for the helpful response, but does he include the 3,000 Portuguese workers in the 97 per cent. that he mentioned? He gave the impression that those workers were not here legitimately.

Mr. Simmonds: The hon. Gentleman misinterprets me. The 97 per cent. figure includes the Portuguese workers and he is right to say that they are here legitimately. I have no issue with that.

The Government have been dilatory as regards doing anything about the problem. It is not a new issue, but it has worsened in the past four or five years. In Lincolnshire, it has been exacerbated in the past three years by the problems with immigration. Had the appalling tragedy in Morecambe bay not happened, I suspect that the hon. Member for West Renfrewshire would not be getting the support for his Bill that I have been delighted to see today.

The hon. Member for Morecambe and Lunesdale (Geraldine Smith) comes out of the episode very well. She did everything that a Member of Parliament could have done to try to warn the Government of what was happening, as I have done with similar problems in my constituency that—thankfully—have not led to the terrible tragedy that occurred in her constituency. Why did the Minister involved not tell the Health and Safety Executive what was happening in Morecambe bay? If the HSE was told, why was nothing done about it? It is extraordinary for a Labour Minister to put in writing the fact that there are insufficient resources available to prevent vulnerable workers being exploited, but that is what happened in the response to the hon. Lady.

With my ten-minute Bill, I also warned the Government that such a problem could arise, although I never envisioned such a terrible tragedy. The Government were also warned by the National Farmers Union, the trade union movement and many other organisations, which now all strongly support the Bill. Moreover, the Environment, Food and Rural Affairs Committee, in its consideration of the issue at the end of last year, specifically criticised the total lack of co-ordination between Departments. Lord Whitty's evidence to the Committee was complacent, and I am delighted that the Committee will follow up its report with further evidence taking to ensure that the Government have introduced greater co-ordination to improve the situation.

The Environment, Food and Rural Affairs Committee highlighted the fact that no Minister was responsible and Operation Gangmaster had no aims and objectives. There were no overall goals, no budget and no time frame by which anything should be achieved. Those involved in Operation Gangmaster, which was supposed encompass three or four Departments, had not even met once in the previous year. I hope that the Minister—sadly, he is not in the Chamber at the moment—will confirm that Operation Gangmaster is now in full swing and working extremely hard to co-ordinate the Government's approach to support the Bill. Their approach to such matters before the terrible tragedy in Morecambe bay was dislocated and slothful, and I very much hope that that will change.

As the hon. Member for West Renfrewshire stated, the last reliable evidence on the issue comes from the 1995 agricultural compliance unit report, which identified 5,500 gangmasters and, by investigating them, recovered £537 million in unpaid tax and VAT at the time, nine years ago. I have no doubt—probably all hon. Members who have looked into the issue will agree—that the problem has exploded since 1995, so the sums that people are evading or avoiding paying to the Customs and Excise and Inland Revenue are enormous. The problem is far bigger nine years on.

I should like to highlight some of the specific problems that relate to gangmasters—they occur not just in Lincolnshire, but across the United Kingdom—while bearing in mind the fact that many gangmasters are legitimate and operate within the law and that they are a necessary part of the agricultural and horticultural food chain. First, there is the exploitation of vulnerable workers. As the hon. Member for Preston (Mr. Hendrick) rightly said in his intervention, many of them are legal, welcome here and an important part of our economy, but many are illegal, and it is those illegal workers who are being exploited.

The worst example given to me was that of an eastern European lady who was employed by a gangmaster and paid £149. After deductions, she was left with £19. I understand that the citizens advice bureau in Boston has an example of someone who is left, after deductions, with £6 a week. How can it be right that, in a modern, democratic, civilised society, we are allowing that to take place in our country?

There are enormous health and safety issues. That is part of the tragedy in Morecambe bay, but not just cockle pickers are affected. There are health and safety issues in packhouses and on farms because there is no legislative framework to ensure that gangmasters and their subcontractors comply with existing legislation—never mind putting in place new legislative structures.

Enormous benefit fraud is going on, with people working—sometimes for legitimate gangmasters, sometimes for rogue gangmasters—while claiming benefit. Interestingly, a Government operation—Operation Shark, which took place in 2003—involved a swoop on the Scottish fish processing factories. More than half the people working in those factories were doing so illegally. Some 50 per cent. of the work force were foreign, more than a third of them were in the UK illegally, and 10 per cent. of the local work force were claiming benefits that they were not entitled to; and I suggest that that is prevalent across most of the casual labour market.

There is enormous tax and VAT fraud. VAT is charged to employers, but not passed on to Customs and Excise. National insurance contributions and income tax are deducted from workers, but, again, not passed to the Inland Revenue.

There are enormous social issues, such as terrible overcrowding in housing and inadequate access to health care. I have an example from my constituency where up to 30 workers sleep in a three-bedroomed house at the same time, and then another shift comes in as they go out to work. In effect, there are up to 60 people in a three-bedroomed house. That is exploitation to the most unpleasant and unacceptable degree.

Transportation is dangerous. Untaxed and un-MOT'd vehicles are used to transport people to and from work, 24 hours a day, six or seven days a week.

There is intimidation. Large professional criminal organisations—from the Chinese triads to the Russian mafia—are now involved in the exploitation of labour, as was mentioned earlier. Millions of pounds are being siphoned off into organised crime, because there are so many legislative loopholes.

The worst offence of all—if that list is not terrible in itself—is the extensive people trafficking that is taking place, as we heard in relation to Morecambe bay. Gangmasters are now making arrangements to bring in workers in lorries or to fly them in, often leaving the workers in great debt. They may owe the gangmaster £20,000 for transporting them to the UK, which they have to pay off before they are released. If the workers cause a fuss and do not like what they are charged, their passports are confiscated and they are often thrown out on the streets. They have no passport, no home, no income and no transport to work. Again, to my mind that is a completely unacceptable part of the UK economy.

I wish to draw attention to some of the Bill's specifics that need very careful consideration, I hope, when the Bill is debated in Committee. The criteria for licensing should be included in the Bill, not left to subsequent regulations, because we need to strike a balance that ensures that we catch the maximum number of people who want to operate as gangmasters. I am very nervous about the suggested figure—£3,000—that a gangmaster would have to pay to get on to the register. Some legitimate gangmasters who run small operations would find that sum exorbitant, and they would therefore not register, thus rendering their operations illegitimate. The process needs to be simple, non-bureaucratic and not have a deterrent effect on those who should register.

One of the issues that I have with the Bill, although I understand the logic, is that it applies only to certain agricultural and horticultural sectors. It does not apply to the construction, retail or cleaning sectors. Will legitimate gangmasters who provide labour for the agricultural, horticultural, cleaning and construction sectors in my constituency and throughout the UK need to have different business structures—one that needs to be licensed and the other that does not? We need to consider that very carefully, because that could provide a route around such legislation, as gangmasters and labour providers facilitate themselves by pretending that they provide labour for a sector that is not covered by the Bill.

Mr. Henry Bellingham (North-West Norfolk) (Con): My hon. Friend is absolutely right. A number of labour operations in our part of the world provide labour seasonally. Obviously, when they are not providing labour for the agricultural sector, they often seek other work, such as cleaning or construction.

Mr. Simmonds: I am grateful to my hon. Friend for that intervention, and he makes a good point, which the Minister and his advisers need to consider very carefully.

Alun Michael: The hon. Gentleman is absolutely right to suggest that we need to clear up such issues, as I have indicated, and they can be dealt with in Committee. I have discussed that issue with my hon. Friend the Member for West Renfrewshire (Jim Sheridan) and our lawyers are looking at it with care. I am confident that we can find a way to ensure not only that there is no duplication—with more than one piece of legislation bearing down, thus creating the bureaucracy that the hon. Gentleman fears—but that there are no loopholes that would allow gangmasters to evade the Bill. That is a detailed matter, but he is right to raise it, as it is important in ensuring that the Bill is effective.

Mr. Simmonds: Again, I am grateful to the Minister for that helpful intervention. One of the issues that need to be considered is whether the Bill will capture employment agencies. When gangmasters operate inside the existing legislative structure, paying their tax and paying their workers properly, they tend to try to legitimise their businesses by turning them into employment agencies, rather than carrying on as what we would all understand as traditional gangmasters. We need to look at how to capture all that activity.

We also need to be alive to ongoing scams. For example, many packhouse owners and farmers insist that gangmasters who are providing labour have proof of indemnity insurance. However, a gangmaster often receives the indemnity insurance, which he agrees to pay through 12 monthly direct debits, he pays the first month's instalment and receives a certificate that he can show to his employers, and then cancels the direct debit. That is just one of many scams. There are many VAT scams that do not simply involve taking the VAT from

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the employer and not passing it on. I shall not explain that in detail because such scams are extremely complex and I do not want to give hon. Members or people outside the House ideas.

Another key issue in my constituency—which is also a problem in Norfolk—is that large numbers of legitimate foreign workers, and foreign workers who are not supposed to be here, are controlled by gangmasters outside the United Kingdom. How do we control those gangmasters? We do not want simply to move the whole business offshore. Could the Minister have words with his counterparts in Europe to ensure that the system encapsulates everyone? I am deeply concerned about some eastern Europeans in my constituency who, although they will be welcome when they join us as part of the European Union, are not playing by the rules at the moment or following current regulations and legislative structures.

Rob Marris (Wolverhampton, South-West) (Lab): On the hon. Gentleman's point about foreign gangmasters, does he agree that given that almost all the principals will be in the United Kingdom, those operations will be caught by clause 4(1), which makes it an offence for a principal to engage the services of a gangmaster who is not licensed? By bearing down on the domestic principals in that way, we will therefore bear down even on the foreign gangmasters.

Mr. Simmonds: I understand the hon. Gentleman's point, which is fair. However, let me give him a particular example. A farmer may decide that he wants to employ Portuguese workers directly from Portugal, so he flies over to Portugal and meets a Portuguese gangmaster in Lisbon, who then agrees to bring over 20 workers to work on his farm. How would that be caught under the Bill? My understanding is it would not be, because such workers are quite legitimately allowed here, since their country is in the European Union. That is the sort of detail that needs to be looked into. It might not be possible to legislate to stop that happening, but I would be interested to go into that in Committee.

I have several other concerns. I understand the logic of including in the Bill the provision that the ultimate employer—the farmer, the producer, the packhouse owner—could also be fined and imprisoned if they were employing non-licensed gang labour. However, I can clearly envisage circumstances in which an ultimate employer could inadvertently employ a rogue or licensed gangmaster who was subcontracting illegitimate labour down the chain using fraudulent documents. That happens at the moment. It cannot be right to make the farmer or packhouse owner liable for that fraudulent activity when he has not been involved in it. It is when it can be proved that an ultimate employer deliberately employs rogue and unlicensed gangmasters that he should be penalised.

Mr. Bellingham: During the summer, I visited various agriculture operations in my constituency, and saw one where an end user was employing labourers from one gang who had been subcontracted from another. A third subcontracting operation was also involved. At frenetic times of year, when it is desperately important to get the harvest in quickly or, for example, to pick strawberries before they deteriorate, what my hon. Friend describes could well happen.

Mr. Simmonds: My hon. Friend makes a good point. We need carefully to consider in Committee how subcontractors are caught by the provisions. Not only the ultimate gangmaster but all subsequent labour providers down the chain must have a licence and be on the register; otherwise the Bill will not work.

One of the critical elements of the legislation is enforcement, which must be properly considered and thought through. Whatever body is in place—whether or not it is appropriate to create a new statutory authority—must be effective and cost-effective, as the Minister rightly said. It is essential that the relationship between the various Departments and the enforcement body be co-ordinated and proper. The major onus of the legislation must be on the gangmasters. All legitimate gangmasters desire to clean up the current situation.

I know that others want to speak, so in conclusion I shall quote from a letter in this week's *Boston Standard* which sums up the problem very clearly. The person who wrote it works in a factory,

"shoulder to shoulder with workers from Ukraine, Romania, Portugal, Iraq, Kurdistan, Russia etc. They can hardly speak English, often not at all. Last week I counted nine different languages . . . Some of them receive less than £50 per week after the gangmaster has deducted lodge and travel money and they are transported from one factory or farm to another, sometimes doing double shifts for less than the minimum wage. They are little more than slaves."

To my mind, that is unacceptable in the fourth largest economy in the world. We need to stop this exploitation, intimidation and massive fraud, and promote the legitimate supply of labour. I hope that we will be able to work together, across the parties, to ensure that the Bill is expeditiously enacted.

10.36 am

Geraldine Smith (Morecambe and Lunesdale) (Lab): There is a whole host of reasons for supporting this Bill to license gangmasters, but I shall confine my remarks to one particular area of concern: the tragic drowning of 20 young people picking cockles in Morecambe bay on Thursday 5 February. I am aware that the incident is the subject of an ongoing police investigation and that it would be inappropriate for me to make any comment that would prejudice those inquiries or any legal proceedings flowing from them. I shall of course refrain from doing so, except to say that whenever I reflect on the terrible events of that day, I find it extremely difficult to free my mind from the sense of terror, helplessness and despair that those young men and women must have felt as they stumbled blindly, in the darkness, through the freezing waters of Morecambe bay, gripped by the growing realisation that they were about to die.

Nothing can alter what happened to those poor, unfortunate people. We cannot turn the clock back—it is too late. However, we can ensure that although their lives were lost, they were not wasted. We must take steps to prevent such a tragedy from occurring again. Whatever the outcome of the police investigation, wherever the finger of blame ultimately points, there can be no doubt that the laws, agencies and systems failed to protect those people from being exploited and placed in danger, and from suffering an horrific death.

Local people in my constituency, particularly those involved in inshore fisheries, insist that that Morecambe bay tragedy was an accident waiting to happen. I say that there is still an accident waiting to happen, because as yet nothing has changed to prevent the terrible events of 5 February from reoccurring. Many of my constituents were not surprised that an accident involving cockle pickers had occurred because it was common knowledge that many gangs with little or no knowledge of the treacherous tides and sinking sands were working in Morecambe bay. What my constituents did find surprising, however, was that so little had been done to prevent that accident.

It is a fact that the Government were aware of the situation. I first became involved after receiving a report from one of my constituents, who is a fisherwoman. She contacted me after being involved in a police raid on Pilling sands on 19 June 2003, instigated by the Department for Work and Pensions. She apprised me of her concerns about the exploitation and danger that a large number of people of Asian origin were subject to by a gangmaster. She also informed me that the police and the Department for Work and Pensions had been unable to interview any of the people involved because they did not speak English and there was no interpreter present. She also said that she had been told that, despite people's efforts over a number of weeks, they had been unable to get the immigration service to participate in the raid.

Although the incident that my constituent referred to had taken place outside my constituency, owing to the serious nature of the matters that she had raised, I promptly wrote to the Minister for Citizenship and Immigration at the Home Office to apprise her of the situation. I subsequently received a reply on 8 August 2003 from an Under-Secretary of State, which basically informed me that health and safety issues have nothing to do with the immigration service—so much for joined-up government. The letter said that, although the immigration service was aware of the operation on Pilling sands and had assisted with similar operations in Morecambe bay and elsewhere—that Home Office information has subsequently proved to be flawed and will be the subject of my Adjournment debate on Thursday evening next week—its intelligence had indicated that any foreign nationals likely to be involved in cockling would in all probability be Chinese, so it could not do very much about the matter, and it would therefore not have been the best use of limited resources to have participated in the raid on Pilling sands.

I am sure that hon. Members will not be surprised to learn that that was not quite the response that either I or my constituents had been looking for. Nevertheless, the response contained one short paragraph that I believe is extremely important in the context of this debate. It reads as follows:

"Potentially there was the possibility of tackling the gangmasters employing the illegal immigrants for possible offences under the immigration acts. In order to do so it is normally necessary to obtain reliable evidence that can stand up in court. Our experience particularly with Chinese offenders is that there are no written statements or other supporting evidence to enable us to bring a prosecution."

I find that frank admission that certain gangmasters and their gangs can operate outside the law to be breathtaking. It certainly adds great weight to the case for licensing gangmasters.

The Environment, Food and Rural Affairs Committee report on gangmasters states in paragraph 8 of its conclusions and recommendations:

"We are appalled by the lack of priority given to, and political accountability for, what is supposed to be the Government's co-ordinated response to illegal activity by gangmasters. Operation Gangmaster appears to be little more than an umbrella term for a few local enforcement operations in which the various agencies have exchanged information. Five years after it was established, Operation Gangmaster has had no significant resources allocated to it, has no targets and no Minister to take overall responsibility for its activities. Nobody could give us a comprehensive picture of what Operation Gangmaster does, how much it has spent and what it has achieved. Far from being a 'good example of joint action by several Government agencies' we conclude that Operation Gangmaster remains a woefully inadequate response to the complex enforcement issues arising from the illegal activities of gangmasters."

I can only say in light of my experience that I find those comments remarkably generous towards the Government.

The tragedy in Morecambe bay and the slave labour practices of rogue gangmasters who operate with impunity in 21st century Britain has shamed the nation in the eyes of the world. I would at least hope that this terrible tragedy will shame the Government into taking long-overdue action against rogue gangmasters, and they make a very good start by supporting the Bill. We must ensure that the Bill is not watered down in Committee.

The Bill is simple and straightforward, and it will make it a criminal offence for gangmasters in agriculture and related industries to operate without a licence. Just as important, it will make it a criminal offence for anyone knowingly to use the services of an unlicensed gangmaster. It is at the intersection of the mainstream and shadow economies that the rogue gangmasters begin to ply their trade and build their evil empires. Offences committed under those provisions can be punished by fines or imprisonment, or by a combination of both, which should act as a strong deterrent. However, for the deterrent effect to be fully realised, it is essential that the measures in the Bill are rigorously enforced. The legislation must have teeth; there must be a mandatory licensing scheme with strong, proactive enforcement, and it must be properly resourced.

The Bill is about safeguarding the health and safety of workers and about protecting them from unscrupulous gangmasters. Those workers must be at the forefront of our deliberations. The slight inconvenience to some business and any cost associated with the introduction of such a licensing scheme to business or, indeed, the public purse, should be of secondary importance.

I pay tribute to my hon. Friend the Member for West Renfrewshire (Jim Sheridan) and congratulate him on bringing this extremely important Bill to the House. I certainly hope that it gains the support that it deserves from all parties. I thank hon. Members of all parties who have expressed their sincere sympathy to me and my constituents about the tragic events in Morecambe bay.

10.46 am

Mr. Henry Bellingham (North-West Norfolk) (Con): I congratulate the hon. Member for West Renfrewshire (Jim Sheridan) on his excellent speech, on securing his place in the ballot and on using it to promote this Bill. I

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congratulate him, too, on his work in preparing the ground for the Bill; he has spoken to a large number of people and organisations. As he pointed out, the Bill is different from other attempts to make progress on gangmasters because he has secured cross-party, multiple-agency support for it. That has taken a lot of work and I commend him for it.

There have been some excellent contributions to the debate so far. It is a pleasure to follow the hon. Member for Morecambe and Lunesdale (Geraldine Smith). All of us were deeply sympathetic to the position she found herself in after the appalling tragedy of the cocklers. It was a desperate human tragedy about which she had the courage to stand up and speak her mind. She said one or two things to Ministers that might have been unpalatable to them, but she did so because they were the right points to make, and we all admired her for that and for standing up for her constituents.

In my constituency, there is a very large arable, horticultural, food-packing and food-processing sector. My hon. Friend the Member for Boston and Skegness (Mr. Simmonds) gave some statistics. King's Lynn in my constituency is about the same size as Boston, and it has more light industry and manufacturing. However, I imagine that in the area between King's Lynn and Wisbech, and King's Lynn and Downham Market, roughly 60 per cent. of people who work on farms and in packing plants and houses are overseas labourers. Some come from the European Union; in fact, there is a large number of Portuguese working in the constituency of my right hon. Friend the Member for South-West Norfolk (Mrs. Shephard). There is also a number of Chinese and people from further afield still, and that number has risen sharply.

I should point out that many gangmastering labour-providing organisations are totally reputable. They are run by long-established families, they are long-established businesses, and they pay the minimum wage. They look after their employees and provide transport that is legal and in good working order. Many provide good accommodation. They meet the needs of the arable food-processing sector in a way that is beyond stricture and are a vital part of the local economy. The end users go back to the same gangmasters year in year out for workers to pick soft and hard fruit and to be involved in packing.

Mr. Simmonds: My hon. Friend makes an excellent start. Perhaps he has found in his constituency, as I have in mine, that those gangmasters and labour providers who operate within the legislative structures are keen for Parliament to legislate so that they are not undercut by those gangmasters who operate outside the law.

Mr. Bellingham: My hon. Friend makes a good point. It is fair to say that until recently the legitimate gangmasters were against such a Bill, but the mood has changed. The amount of illegal gangmastering operations in our constituencies has increased significantly. For a long time gangmastering and labour-providing operations in my constituency relied on students from throughout the United Kingdom to work as seasonal employees. They then started to rely much more on eastern Europeans, many of whom came here to learn the language and to earn some money in the summer.

More recently, there has been a large influx of Chinese in west Norfolk, south Lincolnshire and north-east Cambridgeshire, many of whom came to East Anglia legally and legitimately. In the past couple of years, however, the snakehead and triad gangs have used that part of the country to offload many illegal immigrants who have been people-smuggled and transported into this country. I imagine that one reason why they come to Norfolk and south Lincolnshire is that the areas that they used to be sent to do not have the same availability of jobs and opportunities. The gangs obviously want to move them to a part of the country where jobs are available.

The problem was brought into sharp focus for me in the summer when a fire broke out in a two-bedroom flat in Fairstead, a ward in my constituency that is just outside King's Lynn. Some 22 Chinese people were living in the flat. The fire was not caused by arson, but was the result of an accident caused by overcrowding. The occupants managed to get out of the flat and it was a mercy that no one was injured. The incident led to a great deal of local publicity and concern. The borough council, under the leader, John Dobson, set up a working party to bring in the different agencies to find out what was going on and to get data and information to determine the seriousness of the problem. Its purpose was also to discover what the different agencies were doing and how they were responding to the situation.

A number of illegal gang operations were being run by the triads and snakeheads. Not only had they moved people into north-west Norfolk, south Lincolnshire and north-east Cambridgeshire, but they had established gangmastering operations to provide labour to many end users. It was the first time that many of the agencies—the immigration service, health and safety, fire, police and environmental health—had got together to discuss the problem.

My hon. Friend mentioned Operation Gangmaster. It was interesting that representatives from the Department for Work and Pensions said at the meeting that although the operation had more momentum now, it had been almost a virtual operation, which was completely understaffed. There was not enough data and Ministers and officials in London had not provided sufficient leadership to get it moving.

Representatives of the immigration service explained that they did not have enough staff in Norfolk to begin to find out how serious the problem was and to take action. When I asked the local representative of the service how many staff he needed in Norfolk, Cambridgeshire and Lincolnshire, he said he wanted 150 or so if they were to carry out the necessary inquiries by visiting the gangmaster operations, some of the end users and some of the places where the supposed illegal immigrants were living. He told me that the service had five people available throughout the area to carry out that work, four of whom spent most of their time at Norwich airport. Admittedly, something is now being done; the immigration service is opening an office in Swaffham, in the constituency of my right hon. Friend the Member for South-West Norfolk, which will make a difference. I gather that it will employ 14 people.

The immigration officials made another pertinent point. I know that it does not come under the Minister's area of responsibility, but they said that they had stopped and interviewed a number of illegal Chinese immigrants. Few had legal or original documents. Many had forged documents and would not give their names. Those illegal immigrants knew that without legal documentation they could not be deported to the People's Republic of China because the Chinese Government have made it clear that they will not take back deportees who do not have legal documentation. One investigating officer made it clear to me that Chinese illegal immigrants often leave the People's Republic of China with identity cards and passports, but the snakehead and triad gangs advise them to destroy all documentation, which is replaced with false documents, including false names, when they arrive in this country. There is nothing the immigration service can do about that.

Those immigrants have my sympathy. They have paid king's ransoms to the people traffickers and triad gangs. Virtually all the money they earn goes back to their very poor families in China. I met some Chinese immigrants in the summer. I do not speak Chinese, but I had an interpreter. One has to admire them. They have travelled across the world to better themselves and to send money back to their home country. I understand from the local police that there may well be a connection between some of the Chinese in the part of the country that my hon. Friend the Member for Boston and Skegness and I represent and those who were so tragically killed at Morecambe.

I have always been tough on immigration, but what happened in Morecambe and the fire in my constituency, in which those Chinese people nearly died, make it clear that there is a human element to the issue. Those immigrants work hard. The ones who pick strawberries and other soft fruit and those who work in the food packing plants in my constituency work unbelievably hard. Some were working for well known, legitimate gangmastering operations that paid them the minimum wage and provided good accommodation and reliable transport. Others were undoubtedly working for illegal gangmastering operations. They were being paid a pittance, were exploited and lived in appalling accommodation. That situation in my constituency brought many things into focus for me.

My hon. Friend the Member for Boston and Skegness mentioned legitimate gangmastering operations. They realise that they are being undercut and that our local economies rely on a large number of labour providers who do not pay tax properly and who participate in a variety of VAT and benefit frauds. Above all, they realise that people are being exploited. That is why the mood has changed markedly.

Alun Michael: The hon. Gentleman spells out the nature of the complexity in the interrelation of a variety of different activities and different ways in which illegal activity is taking place and, indeed, the difficulty of enforcement. Does he agree that that requires co-operation across a number of organisations, and he mentioned some of his local ones? Does he also agree that the strength of the coalition that my hon. Friend the Member for West Renfrewshire (Jim Sheridan) has brought together gives us the opportunity to get those who are involved in commercial activities in the industry to work with the enforcement authorities, using the sort of proposals in the Bill, to create something that is effective, rather than imposing another piece of top-down bureaucracy?

Mr. Bellingham: I am grateful to the Minister for that intervention. He is absolutely right: we have to make sure that all the agencies are involved in solving the problem.

We have in this country a legal framework that is designed to prevent these abuses. We have quite tough immigration controls in some areas, and it is illegal to employ an illegal immigrant, although I understand that countrywide there have only been seven prosecutions in the past four years or so. Health and safety and environmental health authorities have some teeth, as do the fire service and the police. However, it became apparent during the King's Lynn meeting that many organisations and agencies did not know what the others were doing. That is one of the most important conclusions that I drew from the meeting.

Geraldine Smith: We held similar meetings in Morecambe. One of the problems of the multi-agency meetings was getting anyone to accept responsibility or assume leadership. The joined-up approach needs to operate at all levels of government, but it was missing in my locality.

Mr. Bellingham: That is true, and it also applies to enforcement of minimum wage legislation. In the agricultural sector, DEFRA has a lot of responsibility for that under the Agricultural Wages Act 1948, but in fruit-packing, potato-grading or carrot-topping plants, for example, the Inland Revenue is responsible. However, it is clear that there is overlap: when does agriculture become mainstream industry? That is a grey area.

I speak both as a Back Bencher and as shadow employment and small businesses Minister, although I speak from the Back Benches today. I am instinctively against new impositions of business regulation and red tape. The past few years have witnessed a plethora of additional red tape and regulation bearing down on businesses, and it is always small businesses that are hit the hardest. Most do not have human resources departments or the personnel needed to cope with extra legislation, and it is therefore small businesses that find it most difficult to adjust to new regulations and legislation.

One must ask whether, by regulating and introducing new laws, one is helping to create wealth, or to destroy it, or helping to create jobs and to increase the tax take. The first thing to do is to find out what industry and business want. In the present case, they want Government action. On the other hand, parts of the Bill cause me great concern, for example, the £3,000 fee that my hon. Friend the Member for Boston and Skegness mentioned. Many highly reputable organisations would find such a fee onerous—it is a large sum to small businesses. Farming is a precarious business at the moment. At times, certain crops and products fetch a good price, at other times, they fetch much less. We should not forget that many of the products that the gangs supply labour to harvest are not part of the

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common agricultural policy price support operations—they are in a free market—and the multiples have huge buying power. Margins are therefore very tight.

I also have reservations about the use of the criminal law against the end user. I have an open mind on whether we should use the criminal law at all in this respect. I accept the points made by the hon. Member for West Renfrewshire, who made a strong case for proper enforcement and sanctions and for using the criminal law. He does not want a toothless paper tiger; he wants a Bill that carries sanctions, and I accept the logic of his arguments. On the other hand, should the criminal law be applied to business, especially those that might have been acting in good faith?

This summer, I visited several operations in my constituency where gangmasters were providing labour. Harvest is an unbelievably busy, frenetic time. The end users are desperate to get crops such as strawberries and raspberries picked, because they have the multiples breathing down their neck, demanding the next delivery, saying that the fruit must be not quite ripe, but ready to ripen in the next 24 hours and with a shelf life of a week or so. The farmer or grower may have got up at 4 am, after working all night; he needs 40 or 50 people on the farm the next day, so he phones the gangmaster he normally uses, but he cannot send enough people, so that gangmaster phones another, who may phone a third or even a fourth to organise the necessary labour. In such circumstances, the farmer, who is desperate to get his crop picked, might end up with the full force of the criminal law bearing down on him, and that causes me concern.

Having said that I am by instinct, at every turn, anti-red tape and an anti-regulator who believes strongly that we should not regulate if at all possible, I acknowledge that the Bill has obvious merits. There is a feeling throughout the country, and in particular in East Anglia and south Lincolnshire, that people are being ruthlessly exploited by cynical, cruel and wicked people. As my hon. Friend the Member for Boston and Skegness said, that is wholly unacceptable in the world's fourth-largest economy. That is why it is important that the Bill is sent to Committee: it might not be perfect, but in Committee we can make it workable, so that it can be used to put things right.

11.6 am

Mr. Nicholas Brown (Newcastle upon Tyne, East and Wallsend) (Lab): I shall be brief, because it is of course possible for the Bill promoted by my hon. Friend the Member for West Renfrewshire (Jim Sheridan) to be talked out by its friends as well as by its opponents, and I would not want to be responsible for that happening. I congratulate my hon. Friend on introducing a Bill on this topic and on the enormous amount of work that has gone into preparing it and assembling the supporters who are lined up behind it. What is proposed is absolutely right and the Bill has my wholehearted support.

This is not the first time that Parliament has considered a licensing regime for gangmasters—there were licensing schemes in the 19th century. The most recent was introduced in 1973 and administered by the then Department of Employment, but that scheme was abolished in 1994 because the Government of the day believed that it was a burden on business. I was therefore interested to hear the hon. Member for Boston and Skegness (Mr. Simmonds) date the explosion in the abuses that we are trying to deal with to 1995. I wonder whether there is a connection between that and the abolition of the licensing scheme the year before.

Mr. Simmonds: The right hon. Gentleman is putting words into my mouth. The last time that any Government did any serious research into the gangmaster problem was 1995, and they found that there were about 5,500 such operations. To my mind, the explosion has taken place in the past three years.

Mr. Brown: Nevertheless, I wonder whether the hon. Gentleman would care to reflect on the wisdom of abolishing the previous licensing scheme in 1994.

I remind the House of the abuses with which we are trying to deal. Those who are taking advantage of the current position pay less than the national minimum wage and the agricultural wages boards minimum wage. They make people work longer than the 48-hour maximum and they do not observe statutory sick pay and holiday pay regulations, or rules on employment and termination notice. There is benefit fraud—people work and claim benefits. Illegal workers who are not entitled to work in our country are employed and illegal deductions from pay are made for so-called services provided. Income tax and national insurance contributions are not paid, VAT is evaded and health and safety regulations are breached.

As my hon. Friend the Member for Morecambe and Lunesdale (Geraldine Smith) made so clear to the House in a moving speech, health and safety issues are not minor matters. The agricultural sector's record on health and safety matters is not good, and the victims range from owner-operators—people who operate their own farm businesses—to employees. We should take these matters seriously, and it is perhaps worth reminding ourselves who the victims are. They include legal workers in the industry who are being paid the rate for the job, and having to compete with others who are not being so treated. The victims are also honest employers. I am not surprised that the National Farmers Union supports the Bill. There is nothing more galling for an honest employer than finding that they are being undercut by others who are not obeying the law and, worse, finding that the law is not being enforced. In other words, the dishonest get away with it. I can think of nothing that is more likely to induce cynicism and disrespect for the law than the fact that it is being honoured in the breach.

If that is not bad enough, there are people illegally in this country who are being exploited for poor rates of pay. We as citizens are perhaps turning a blind eye to all this. At least that is the current state of affairs. We are turning a blind eye to the oppression of an underclass, the members of which are in our country and among us but are being treated extremely badly. What should we do about it? I think that the licensing proposal is the correct remedy, but it will not work on its own. Of course we want an effective licensing regime, and that means a system that is backed by powers that are in force. More than that, we need to know who is doing the

enforcing within the Government. We need to know also which Department is accepting lead responsibility and which Minister can make the necessary decisions and come to the House and reasonably be held accountable for the decisions.

We understand that responsibility for different aspects of the problem lies with different Departments—the Home Office, the Department of Trade and Industry, the Department for Work and Pensions and the Department for Environment, Food and Rural Affairs. It is vital that we draw the strands together and ensure that there is a main Minister responsible, and that that Minister is able to operate with authority and be accountable to us in this place. It is not an easy thing to do. I have had ministerial responsibility both in the old Department of Agriculture, Fisheries and Food and in the Department for Work and Pensions. I have tried to tackle these issues, and I know that other Ministers have tried to do so as well. The willingness is there. Public servants are willing to play their part. So far, however, effective co-ordination and the single-mindedness that is necessary to tackle the problem have eluded us.

It is not true to say that nothing has been done. There have been prosecutions. In 2002–03, there were 138 prosecutions of gangmasters for benefit fraud. That is the work of the Department for Work and Pensions. There were 14 prosecutions for tax and national insurance evasion. That would come under the Treasury. Since 1997, there have been 22 prosecutions and eight convictions for employing a person subject to immigration controls. It seems to me that those figures for prosecutions do not tell the full story about the offences that are being committed. As we consider the Bill and the abuses that we are trying to clamp down on, we need to consider two other big questions. Before dealing with those I shall gently make the point that responsibility for dealing with these issues in agriculture, shell fishing and packaging does not lie only with the primary producer. A powerful supply chain operates in the food sector, and I welcome the fact that some major household names further down the supply chain have said that they, too, support the Bill.

That support needs to be given practical effect. When considering enforcement issues—I know that the Minister is interested in them—that are part of the licensing proposal, it is right to ensure that enforcement works right the way down the supply chain. In other words, powerful people have to accept the responsibility that goes with having great power and being able to weald it further down the supply chain. I do not think that it is fair to put all the pressure on the primary producer. In the Select Committee report—it is an extremely good report—the point is made that there are many people working in the primary sector who are trying to obey the law and trying to do their best, but they are up against illegal competition and also the pressures that the hon. Member for North-West Norfolk (Mr. Bellingham) properly referred to that are in the supply chain.

I take the view that the supply chain has a vested interest in the well-being of that chain and in taking responsibility for clamping down on practices that are not only illegal but considered to be completely unacceptable by Members on both sides of the House. Everyone has to take responsibility, and that includes the big and the powerful as well as those who are in the front line as primary producers.

Although I think that the licensing proposal set out in the Bill is right—the supply chain sits alongside it—there are two bigger issues that it would be wrong for us not to consider. The first is illegal working. Of course it should be illegal to work and claim benefit—to do so is to defraud the benefit system, and that is not acceptable. Leaving aside that rather obvious point, why should it be illegal nowadays to work? Surely the Government's whole approach is to encourage people to work and to make a contribution. The thrust of the working families tax credit proposal is to get people into work and so advantage themselves. They will be earning money and earning a better income than even the most generous benefit system could ever provide for them.

My view is that work should not be illegal, at least from the point of view of the worker. However, it is right that there should be illegal employment practices for which the employer can be held accountable. As we make progress with the Bill, I hope that the Government will reflect on this pretty fundamental point about employment law. I suspect that we do not keep illegal working as part of our framework of law because the Government philosophically believe that it should be illegal to work—most Members, certainly on the Government Benches, do not believe that. There is a view that if we make this country an unattractive place to immigrants—for example, difficulties in claiming benefits, difficulties in accessing the health service and difficulties in getting a job and being able to keep themselves—they will not come here. All the current evidence is that that is a hopeless argument. I urge the Government to think again.

At the heart of the matter is the question of how far employment law and conditions, and perhaps housing law, benefit law and the right to have access to the health service, can be used as deterrents to illegal immigration. I would like to see the Government take on, as they reflect on the licensing scheme, the issue of whether we should just deal with illegal immigration bluntly and in its own terms, and not try to use the labour market as a weapon in what the Home Office seems to find an intractable problem. There is a blunt side to this as well as obvious advantages. The labour market would work better if there were no such thing, from a worker's point of view, as illegal employment. However, it would mean having to face the question of what to do with people who should not be in the country and have exhausted all the avenues regarding their right to stay, particularly if the country that they have come from will not take them back.

Andrew George: The right hon. Gentleman has raised the difficulty of relating benefit claims to employment opportunities. Does he agree that there are significant problems, particularly in areas like mine, where people who are claiming benefit find it extremely difficult to undertake short, intensive periods of work? It is a devil of a job to try to get back on to benefit, so they risk losing benefit and getting into debt. That is a great problem, simply because the system is not working to their advantage.

Mr. Brown: That is a good point, although it is separate from the main thrust of the argument that I am

[Mr. Brown]

trying to make. When I was a Minister in the Department for Work and Pensions, we tried to deal with the problem by introducing a rapid return procedure, so that people who had been on one of the Government's in-work programmes could make a rapid return to benefits. I do not know how well that is working in the hon. Gentleman's area, but he has made a perfectly good point. Entitlement to housing benefit is particularly affected, because people have to pay rent from their earnings rather than their state benefit. The safety net that they previously enjoyed will be removed, so they worry about how quickly it will be reinstated, especially if their employment is short-term. The hon. Gentleman made a good point—the Department is aware of the problem, and is trying to deal with it. There are programmes in place, but that is not to undermine the value of his argument.

I am trying to make a broader point. How far should other aspects of the way in which we manage our society, whether acknowledged or not, be shaped by the desire to deter illegal immigration to this country? I am coming round to the view that it may be better to face up to the difficult issue of illegal immigration on its own terms and have a clear-cut policy, instead of hoping that the housing market, the health service and, above all, the labour market will operate as a covert deterrent. That is happening at the moment in agriculture, horticulture and the shellfish industry, as we have seen with such tragic consequences. I wish the Bill well, and I urge the Government to consider those other questions as it makes progress.

11.22 am

Andrew George (St. Ives) (LD): I congratulate the hon. Member for West Renfrewshire (Jim Sheridan) on introducing the Bill. As has been said, it clearly has all-party support. That support is both for its principle and the opportunity it provides to do something about the issue. There is not necessarily support for every aspect of the Bill, and much more debate is needed, especially in Committee, when I hope constructive proposals and amendments will be introduced to embellish and strengthen the enforceability of the measure.

A recurring theme in hon. Members' speeches was the fact that something needs to be done. The predecessor of the hon. Member for Boston and Skegness (Mr. Simmonds) raised the issue in years gone by, so it is not a new concern in his constituency. The hon. Member for Morecambe and Lunesdale (Geraldine Smith), who has a particular reason for raising the issue, has handled her response to the appalling tragedy in her constituency particularly well. The hon. Member for North-West Norfolk (Mr. Bellingham), like his hon. Friend the Member for Boston and Skegness, said that none of us wants unnecessary red tape and regulation, which is a burden on employers and often employees. However, something clearly needs to be done, and we all want to take the issue forward.

On 13 February, there was a lurid headline on the front page of *The Independent*, preceding a report on the 54 Greek Romanies in my constituency who were rescued by the Greek embassy from a gangmaster who, according to the headline, was allegedly beating and starving them and denying them their wages. The Greek embassy intervened and assisted those workers, helping them to return to northern Greece. I have spoken to the embassy and the gangmaster, who works for Boldline. I shall have further meetings with him, but he claims to be a legitimate operator and denies many of the press allegations.

I am concerned that workers are coming to this country on false pretences and with false expectations. The gangmaster claimed that the workers had no intention of working and made some uncomplimentary remarks about them. As an office holder in the all-party group on Roma affairs, when I hear about Romanies coming from northern Greece to my area, I am worried when I learn that they have been given rudimentary accommodation and allegedly been mistreated. I support an agenda of celebrating diversity in this country and more widely, so when I hear of Romanies living close to Hayle, the town where I live in Cornwall, I believe that we should welcome them and share in their culture. They should not live in rudimentary accommodation, suffer alleged mistreatment, and have to be rescued. We should hold civic receptions to meet them and hear more about them, instead of allowing them to be treated in that way, which is a matter of great concern.

In an intervention on the right hon. Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown), I spoke about the difficulty of claiming benefits. Ten years ago, during a period of high unemployment, daffodil, broccoli and bulb picking, as well as other agricultural work and, to a lesser extent, work in the fishing sector in my part of the world, was undertaken by local people. Although west Cornwall and the Isles of Scilly have much higher unemployment than the average for the rest of the country, our population is sparser, so the available work force among the unemployed and people on benefit is significantly smaller. Many growers and farmers in the area need other labour suppliers to provide labour for short, intensive periods because they cannot get that labour from the local area.

Locally and nationally, people who claim unemployment benefit find it tremendously difficult to undertake such work. The right hon. Member for Newcastle upon Tyne, East and Wallsend was right that the housing benefit system is a particular problem. Areas with a tiny public rented sector and high house prices have extremely difficult housing problems. If someone loses housing benefit for a period and gets into debt they risk losing their home and a fundamental part of their life. People who undertake short, intensive periods of employment discover that it is simply not worth their while. We therefore need to address that problem when looking at the wider issue.

I agree with the right hon. Member for Newcastle upon Tyne, East and Wallsend and others that part of the background to the issue is the debate fuelled by some of the right-wing tabloid press in recent weeks about illegal immigrants and benefit tourists coming to this country. That is a red herring. As the right hon. Gentleman rightly points out and in my own assessment—perhaps we need further inquiry into this—certain parts of the country, possibly including the great city of London, would collapse if not for the migrant workers who underpin the economy. The lurid headlines in some of the press do not provide a suitable environment in which to find a responsible way forward.

In an intervention on the hon. Member for West Renfrewshire, the Minister said that he wanted effective legislation. That is what we all want. As other hon. Members have said, it is not a question of licensing and regulation—that is the confetti in the background—what matters is enforcement. Within the Inland Revenue, an agricultural compliance unit is already operating. At the beginning of the year, growers in my area register all the gangmaster or labour supply companies that they intend to use during the year. They complete a form which they send to the agricultural compliance unit. If there is any amendment to that during the year, they must complete another form and send it to the Inland Revenue.

I do not know to what extent the Data Protection Act 1998 or other legislation is restricting the sharing of such information from farmers and growers between Government Departments with an interest in the operation of particular aspects of legislation. Those of us who do not want to create unnecessary additional regulation would not want farmers to complete yet more forms, when the information already available could be shared.

Alun Michael: The hon. Gentleman raises an interesting point, with which I agree. The duplication of information helps nobody. It has been demonstrated that some organisations believed that they could not exchange information, when in fact they could. When the Crime and Disorder Act 1998 was passing through the House, I recall inserting a clause to tell organisations explicitly that they could share information for the purpose of crime reduction. Although that was already believed to be the case, the purpose was to emphasise that information could be exchanged for virtuous purposes, provided that that was done properly and in accordance with the rules. The hon. Gentleman is right to point out that information is not shared when it should be. Perhaps we can consider the matter in detail in Committee.

Andrew George: I am grateful to the Minister for that intervention. I hope that in Committee we will be able to tease out such issues, rather than reinventing wheels that already exist. As other hon. Members have said, we need to see evidence of a joined-up Government who recognise that information can be shared. Instead of creating unnecessary brick walls, we need to facilitate a mechanism whereby information is shared by Government Departments. I hope that we can examine ways of doing that.

The Environment, Food and Rural Affairs Committee was critical of the Government, who clearly need to get a grip on the matter and adopt a more joined-up approach. As the right hon. Member for Newcastle upon Tyne, East and Wallsend said, there should be a Minister to give a clear lead and co-ordinate the approach among Departments.

I do not want to detain the House unnecessarily and I know that other hon. Members wish to speak. There are a few other points that I shall make as briefly as possible. The Home Office currently operates a scheme that causes concern to people in my area. Those who cannot get work permits are using, and allegedly abusing, a system operated by the Home Office called the training and work experience scheme, which allows people from other countries to come to the UK for up to 12 months, allegedly on a work experience and training module, and to take back to their country of origin the qualification that they are intended to achieve at the end of that period. The allegation is that the scheme is simply used as a means by which gangmasters can bring labour into the country, and that there is very little training and a great deal of repetitive work out in the fields. I hope the Bill will deal with the operation and supervision of such schemes.

Other speakers have mentioned fraud. Under Operation Gangmaster in 2002–03, the Government reclaimed £5.9 million in VAT, the Inland Revenue recovered tax and national insurance of £4.3 million during that year, and the Benefits Agency recovered £405,000. It is interesting that in this case—to use old Labour-speak, if I am allowed to do so in the present Chamber—the problem of fraud seems to involve the bosses, rather than the workers. That should be the main focus of action, enforcement and regulation.

My next point was made in an intervention, which, sadly, was deemed to be too long. We have heard reference to the Environment, Food and Rural Affairs Committee, and I want to emphasis the role of the supermarkets. It is good to have their support for the Bill. They are creating the market conditions in which pressure to cut producer costs through potentially unscrupulous practices has had such unfortunate consequences. People, especially those from urban constituencies, if I may say so, may not understand the pressure on small farmers and growers in rural areas. Their farm-gate prices and the conditions on the contract are being pushed to such an extent that they desperately seek lawful ways of cutting their production costs. That creates an environment in which unscrupulous gangmasters can thrive. We should not overlook that.

David Hamilton (Midlothian) (Lab): In those circumstances, does the hon. Gentleman agree that it is good news that every major supermarket has signed up to the aims of the Bill? That sends a signal to all farmers that they want a level playing field, which should remove some of the pressure on farmers.

Andrew George: That will take some of the pressure off the farmers, in the sense that the supermarkets are saying that they want the matter sorted out. It does not remove the pressure of unsustainable farm-gate prices, or the incredible pressure to which farmers are subjected by the conditions in the contracts. The supermarkets are not relieving that pressure. They are, however, attempting to achieve good publicity for themselves by backing the Bill. They must follow that up by enforcing their voluntary code of practice, which is supposed to help to protect suppliers—farmers and growers—from the unscrupulous misuse of supermarkets' monopolistic powers. Only last week, the Office of Fair Trading reported that farmers and growers are not using that code of practice because they fear the consequences. Of course the supermarkets will want to be seen to be supporting the Bill, because that is good publicity for them, but they must follow it through in the way they treat farmers and growers.

Alun Michael: The hon. Gentleman is raising some interesting issues, as he has throughout his speech. He is

[Alun Michael]

ranging quite wide by discussing the way in which the market works and supermarkets operate. Perhaps we should be a little less ambitious and not seek to solve the problems of the universe in one private Member's Bill, ambitious as my hon. Friend the Member for West Renfrewshire (Jim Sheridan) has been in promoting it.

Does the hon. Gentleman agree that the aim must be to create a situation in which fair competition works and unfair competition is penalised? That is the constructive but limited objective that the Bill should have. Then—this is where the retail organisations come in—we have to try to ensure that it is not worth anybody's while to employ illegitimate gangmasters. That will lead to light regulation because the whole industry is supportive of fair competition, which undermines the opportunity for unfair competition.

Andrew George: I entirely agree with the right hon. Gentleman. That is the kind of world that we are pushing towards. We need to strike a balance between ensuring the success of voluntary agreements and creating an environment in which all consumers look for ethical trading products when they go to the supermarket shelves and want to be reassured that they are not buying something that is part of an unfair trading practice. If that does not happen through the market, sadly regulation is required to make the supermarkets enforce it.

I am well aware that other hon. Members wish to speak, so I simply say that the hon. Member for West Renfrewshire has my full support and that of my party. We agree that something must be done about the problem, and the Bill provides a good framework on which to hang further discussions. I hope that the hon. Gentleman is not too precious about particular clauses and that he will welcome sensible and constructive amendments that would strengthen the Bill.

11.42 am

Mr. Frank Dobson (Holborn and St. Pancras) (Lab): I wholeheartedly welcome the Bill, which is intended to put right a long-standing wrong and to improve the lives of some of the most vulnerable people within these shores. I congratulate my hon. Friend the Member for West Renfrewshire (Jim Sheridan) on introducing the measure prior to the glare of publicity that followed the awful events in Morecambe bay, and on his exemplary, clear and, if I may say so, simple introduction of his Bill, which was a lesson to many.

I commend my hon. Friend the Member for Morecambe and Lunesdale (Geraldine Smith) for her long-standing efforts to try to prevent the awful occurrences in Morecambe bay before they happened, and for her most restrained and moving contribution to today's debate.

It is only fair to remind the House that two Members of Parliament who are no longer with us—the late Joan Maynard, a Labour MP, and Dick Body, a Tory MP—devoted a huge amount of time to trying to persuade the rest of us that we needed to do more to protect people from evil gangmasters. It is to the shame of us all that we did not take more notice of them.

For a long time, we have been urged to take action by the TUC and the Transport and General Workers Union, which incorporated the Agricultural Workers Union. Now, we are finally doing something. With a bit of luck, we will find that, following the contribution of my hon. Friend the Member for West Renfrewshire, Jim has actually fixed it. That would be good for everybody.

Casual working, contracted labour and agency staff have been around since employment has been around, and those arrangements are unlikely to disappear. We are therefore obliged to try to ensure that people who do casual work, who are contracted labour or who are agency staff are offered proper and full protection—the sort of protection given to people in permanent long-term employment. Such people are especially in need of it, because many of them are ill informed, particularly vulnerable and difficult to organise. Consequently, it is difficult for trade unions to arrange the protection that membership can bring. I hope that the some of the extra funds that the Government are giving to the trade unions for training will be devoted to training people to make them more effective in recruiting and representing vulnerable people in the casual labour part of our economy.

Decent gangmasters have nothing to fear from my hon. Friend's Bill; indeed, they have everything to gain. Bad gangmasters are the robber barons of our society. I emphasise that they are robbing not only the people they employ, but everybody else. They are robbing the legal and illegal work forces with which they are involved—not only of money, but of their entitlement to the national minimum wage. By the form of their employment, they are robbing them of the tax credits that would go to other people in similar circumstances. They are robbing them of national insurance cover and contributions, pension entitlements, holiday pay and sick pay. They are robbing them of their health—in some cases, of their lives—and all have been robbed of the dignity that everyone should be able to get from work.

But it does not stop there. They are robbing us all, as taxpayers. Income tax, national insurance and VAT are not being paid in, and most of these firms—if one can call them that—pay no other contributions. It is very unlikely that they pay business rates anywhere. They are the villainous people living on the edge of society who make no contribution to it but take a lot out. They are robbing reputable employers by undercutting the rates that reputable employers are required to take from the people to whom they supply the work force because they comply with the law. As my hon. Friend the Member for Morecambe and Lunesdale said, they are robbing our country of its reputation as a decent society. All that robbery must stop.

There are lessons to be learned, one of which is, as a generality, to beware of the worshippers of deregulation. Gangmasters were regulated from 1973 to 1994, but that system was abolished because it was allegedly a manifestation of the nanny state that involved red tape and snooping. If the nanny state, red tape and snooping would have stopped what happened in Morecambe bay, I am a proud supporter of all those things.

We must not fear being accused of introducing the nanny state, red tape and snooping if they offer decent protection.

As my hon. Friend the Member for West Renfrewshire pointed out, we have recently legislated to register nursing agencies and to establish a registration system for the security industry. We rightly propose to register and license landlords to deal with bad ones and we intend legislating for a licensing system to get rid of loan sharks. All are good examples of what Parliament is about. Gunfighters in American B-movies say, "We deal in lead"; in this place, we deal in regulation. We should not be ashamed of that.

The next lesson to be learned is that when dealing with cruel and evil wrongdoers, voluntary codes do not work. The voluntary code in the sector that we are considering has helped the evildoers because it has increased their advantage over those who comply with the code. As the costs of complying have increased, the wrongdoers have been better able to undercut those who complied. We do not have voluntary codes against other thieving villains. We have laws against burglars and those who mug people in the street. We enforce those laws and punish the wrongdoers. No one would suggest that we could stop mugging on the street through a voluntary code. Yet, in the case we considering, organised, wealthy villains are mugging some of the most vulnerable people in our society.

Let us consider enforcement. There is no point in me or any one else making a pious speech, passing a toothless law and patting ourselves on the back for it. We must have effective enforcement. The Bill provides for two-pronged effective enforcement. First, it places an obligation on those who are called principals—the people who use the gangmasters' labour. They will have an obligation to check on the gangmaster and all the way down the supply chain. If they want to retain their reputation as respectable people, they must do that. That is a singular requirement, with which most will want to comply.

Mr. Bellingham: The right hon. Gentleman presumably heard my few remarks, in which I mentioned the case of the farmer trying to get his strawberries picked at the crack of dawn. Many subcontracting gangmasters, and perhaps even a third or fourth subcontractor, are involved, so that in the early morning, the farmer has no idea where the labour has come from but is desperate to get his strawberries picked. Does not the right hon. Gentleman feel sympathy for the position of such a farmer or grower?

Mr. Dobson: Yes. I understand the hon. Gentleman's point, but if the Bill succeeds, matters will be much easier and the farmer will be more secure because there will be reputable suppliers of labour, on whom he has been able to depend in the past. If the suppliers need to subcontract people to help them, there will be other reputable people further down the supply chain. If we eliminate the disreputable, farmers and suppliers should be okay. In any case, the Bill provides for some sort of defence of reasonableness.

Although I believe that we need a separate agency for the task of enforcement, I do not accept that it is terribly difficult to co-ordinate the activity of various agencies and Departments to deal with the problem. An impression of difficulty is created through the possible involvement of the Inland Revenue, the Department for Work and Pensions, the immigration service, the police, the Agricultural Wages Board, the Health and Safety Executive and possibly the local environmental health department. However, they do not have to co-ordinate so that they all go on a raid together. All that they need to do is ensure that when one goes on a raid, the others are filled on in the details and that, if people are detained, the relevant parties can get there to quiz them on their aspect of the matter, whether national insurance, immigration or health and safety.

It is not impossible to conduct a raid involving, for example, two agencies, and subsequently ensuring that the other five, six, seven or eight do their job. My right hon. Friend the Minister and other Ministers should draw to the attention of those in the field that they have a job to do and that it is about time that they started doing it. If the debate gives Ministers an opportunity to say, "We want a bit better performance from you folks", that will be another merit of it.

I strongly support the Bill and stress the necessity for enforcement. A long time ago, when I did history O-level, the history master said, "They passed a factories Act, which had no impact. Then they passed another factories Act that included a factories inspectorate and it started having an effect." Without enforcement provisions, we will not get the changes that we want. I hope that the measure is passed and receives the resources that it needs for enforcement.

I speak as a central London Member. Although I represent Elm Village and Chalk Farm, that does not qualify me to talk about agricultural work, despite growing up in the rural east riding of Yorkshire and therefore having some knowledge of the position. However, I am worried about the exploitation of other vulnerable workers because it is not confined to the agriculture and food industries. It is much more widespread. It occurs in the rag trade, the construction industry, catering and cleaning. I have to emphasise a shameful point—the exploitation does not affect only the private sector. Clear evidence shows that people who work down the supply chain for the national health service, local government and central Government Departments are affected by such vile exploitation. The council, hospital or Department may let a contract to a reputable agency, but many members of the work force are probably not directly employed by it. The agency may subcontract and the subcontractor may subcontract and so on, further and further down the line, until we end up with people who do not get a decent rate of pay, who do not pay tax or national insurance and who are charged for their transport, overalls or uniforms and food. They are vulnerable people, and the position is disgraceful.

Those vulnerable people include many people who are legally entitled to be here—British citizens, who are as British, or not, as me. However, people who are here illegally are exploited even more. They are often trying to pay back the people traffickers who brought them into the country and rip them off. They pay probably the same collection of evil villains for their accommodation. Ultimately, they are enslaved by debt and violence, and the threat of violence. We should not forget the violence that lies behind much evil enforcement.

There is also a peculiar sub-category, to which the hon. Member for Boston and Skegness (Mr. Simmonds) referred: ill-informed people from the European Union who have been convinced by their evil gangmaster that

[Mr. Dobson]

they are not legally here. For example, many Portuguese people work in Britain without knowing that they are entitled to do that, and are thus exploited as if they were illegal immigrants and feel that they have no rights.

I have tried to give credit to everybody who has been involved in the Bill, and a great deal of emphasis and exploration of this exploitation has been done by Polly Toynbee of *The Guardian*. I do not agree with everything that she writes, but over a long period she has devoted a huge effort to identifying and drawing our attention to the problems faced by some of the most deprived people in our country. One measure of our success ultimately would be if she could start writing articles about something other than the impoverished work force in Britain, and I am sure that she would be delighted to be able to cease writing on the topic.

This excellent Bill brings protection to one group of exploited workers, but if we pass it roughly as it is, a large number will remain who are not protected in the way that we would wish. I reassure my hon. Friend the Member for West Renfrewshire that I do not seek to have his Bill amended and extended to cover everyone, because that is not his task, nor the task of a private Member's Bill. But we cannot sit back satisfied once the Bill becomes law. We need a much more comprehensive approach and a comprehensive measure to ensure that no one in Britain is employed in conditions that would be unacceptable to us, or our families. That must be the test. If the thought of us, our children or grandchildren being so employed is unacceptable, such employment is not fit for anyone else either.

One of the things that bothers me is that no one even knows how many people are not being paid the minimum wage. The TUC estimates that about 150,000 are in work not being paid the minimum wage, but there is no clear Government figure on those doing casual or agency work. Those figures seem to range from about 250,000 to 1 million, and I think that even 1 million is an understatement. God knows how many other people are employed in the so-called black economy.

The Government say that one of the attractions of Britain's economy is that we have a flexible labour market, but generally speaking it is the casual contract labour agency end of the market that provides the ultimate flexibility, and if it is that sphere that provides the flexibility that we say is helpful to our economy, we are under a special obligation to ensure that the people working in it are offered the protection that we would all like to see. It is imperative therefore that we strongly support and push for the implementation of the present directive that is held up in the European machinery to provide the proper protection for casual and agency workers Europe-wide, which would reduce some of our problems.

I warmly congratulate my hon. Friend the Member for West Renfrewshire. The Bill will do a good job as long as Ministers accept that it needs proper enforcement and the resources are provided. Not many people succeed in placing such a measure on the statute book and can look back and say, "I did that." My hon. Friend will be able to say, "I did that for some of the worst-off people in my country." Not many of us will ever be able to say that, and my hon. Friend should be really proud.

12.4 pm

Mr. John MacDougall (Central Fife) (Lab): I add my warmest congratulations to my hon. Friend the Member for West Renfrewshire (Jim Sheridan) on his timeous introduction of the Bill. When he first introduced it in January, no one could have imagined the horrific circumstances that were to unfold in Morecambe bay, which so shocked us.

The timing is right for such a Bill, which is welcome. We have a proud and rich inheritance of representing our work forces and trying to ensure that they are well looked after, and many have contributed to that over the years, including trade union representatives and others. Since I first aspired to enter the House, I have always believed that its task was to ensure that people were properly protected and that we could be proud of the working conditions that we offered to our workers.

Recent months have made clear how much we have failed in the past. There is no shame at all in saying that we can always do things better, and each and every one of us has had a good wake-up call. We can do something much better than exists at present, and the Bill offers that opportunity.

We have an increasing problem with the enlargement of the European Union. More and more people will move across Europe and Britain has a strong economy and is an attractive place in which to live and work. We should offer the best protection to anyone who seeks employment in this country, with the best conditions attached to that employment.

I am delighted that the supermarkets have spoken out so clearly in favour of adding their weight behind the Bill. It is important to have such commitment. It is a narrow-minded approach to believe that provision is adequate and to become complacent, so that we do not take the right steps at the right time. As I said, this Bill has been introduced at the right moment.

It is a very dark and intimidating world out there for people who are brought into this country. We can only begin to imagine what pressures the people in Morecambe bay were under. I add my congratulations to my hon. Friend the Member for Morecambe and Lunesdale (Geraldine Smith) on the excellent way in which she has represented her constituency during the horrific experience that it underwent. I am sure that the House has felt and will continue to feel much sympathy for that terrible set of tragic circumstances.

One can only begin to imagine what kind of pressures those people were under. What would make anyone go out in such conditions to carry out such work for the income that they were receiving? That is why, as has been said today, we should all feel some sense of shame for not addressing those problems.

It is time for the Government to act in this matter. The Select Committee report on gangmasters in 2003 concluded that the Government had not tackled the problem effectively. It is six years since the interdepartmental working party on the issue was set up, yet we still do not know how many gangmasters operate legally or illegally in this country, so we do not know how many people are legally or illegally employed. We should address that issue, and the Bill will give us the opportunity to do so when we consider it in Committee, as I hope that we will.

In discussing Operation Gangmaster, the report raised the question of whether there had been appropriate funding. Resourcing levels have been bad, and much more can be done in that regard. Mention has been made of enforcement, which is a very important issue that we must tackle. The Bill must have teeth and make a difference, and we should be able to measure the resulting difference clearly. I also welcome the work of the Ethical Trading Initiative. The code of practice is a good one, but we must ask ourselves whether it is sufficient in itself. I hope that we can look at that in Committee.

Casual workers are an important part of the economy. We must be careful not to be over-prescriptive with paperwork. We have heard about the burdens imposed by unnecessary legislation, but that does not apply in this case. There is clearly a weakness in the system, so in that regard the Bill is important; it is not legislation for legislation's sake. That is an important message. Reference has been made to a £3,000 charge, and such matters will doubtless be discussed in Committee. The legislation will bear much responsibility but whether it will stand the test of time will be determined by its effectiveness.

Jim Sheridan: On charging £3,000 for a licence, it is clear that the Secretary of State will determine any costs. Such payment will be graduated, so that smaller farmers can be accommodated and not disadvantaged in comparison with larger ones.

Mr. MacDougall: I thank my hon. Friend for that clarification.

We should also consider the rights of people in employment, and factors such as agricultural minimum rates of pay, the national minimum wage, written employment and pay details, working time, holidays and so on, which are important details. When people seek employment in these industries, they must be reassured that they will be properly represented in respect of their conditions.

Another factor is the temptation to use young children in such work. We must make sure that they do not fall into the grip of unscrupulous gangmasters. We must continually emphasise that we are talking not about those who operate properly, but about illegal activities and people who operate outside the law, not within it. That should be the central thrust of this legislation. Of course, such people do not only come from this country; as I have said, they also come from the enlarged European Union and even further afield.

This issue has been a difficult one for many years, which is why it has been discussed in the House on many previous occasions, and in different ways, by various Members in trying to increase awareness of the illegal activities of gangmasters. The Bill is a vital first step in legislating to deal with the current situation, and I welcome its simplicity. It does not get bogged down in the complex details; its purpose and intention are clear. I hope that the broad support that it has received in the House so far will continue, and that we all remain focused on the value of that simplicity. I hope, too, that the Government will make only minimal changes to that simple approach in taking account of their own concerns. That way, we can ensure clarity for everyone who operates within the law, while making clear to those who seek to operate outside it the exact implications of their actions.

Hindsight is a wonderful thing, and we would all like to have the vision to make the right decisions at the right time. There is no doubt that, had legislation similar to the Bill been in place, the tragic circumstances in which the Chinese cockle pickers lost their lives would have been much less likely to occur. That is what should drive us forward. The legislation is very much needed and people will benefit from it. If it is passed we could all rest easier and feel that we had done our best to protect people who seek employment in our country, because we will have offered a leading example for the whole of Europe on how best to employ people. The legislation will support best practice.

I reaffirm that the Bill is opportune and that the case for the legislation could not have been made more clearly than by the tragic circumstances that have occurred. Sadly, we have read about other cases, even in the public services, of the temptation to go for cheap labour. Cheap labour is one thing, but credible labour is entirely different. I hope that the Bill will bring about a more credible system in this country for the employment of people who, through no fault of their own, have to work at the bottom end of the wage scale and desperately depend on their low incomes. In those circumstances, unscrupulous people can exploit them so much that we end up with more lives lost. More than 20 people have lost their lives and that is more than 20 too many. We must seize the opportunity that the Bill provides to provide a much more secure employment system that will apply to all people seeking employment here.

12.16 pm

Mr. Owen Paterson (North Shropshire) (Con): I heartily congratulate the hon. Member for West Renfrewshire (Jim Sheridan) on his luck in coming so high in the private Member's ballot and on introducing a Bill that attempts to deal with an important area of concern in our national life, which is reflected in the attendance of hon. Members this morning.

Mr. Eric Forth (Bromley and Chislehurst) (Con): Before my hon. Friend gets carried away and to forestall any remote chance of the record being misleading, he will accept that, if I recall correctly, there are 659 Members of Parliament. Does he gauge the support for this or any other Bill by the number of MPs present in the House? On my count, to be generous, there were probably 30 Members in their places today, so I hope that my hon. Friend will accept that 30 out of 659 reflects the true measure of support for the Bill today.

Mr. Paterson: That is an interesting comment from one of the most assiduous attenders in the House. I congratulate my right hon. Friend, who turns up at every possible opportunity and uses every possible means in the parliamentary process to get his point of view across. I thought that there were about 30 Government Members in their places this morning, and it is rather surprising that more of them did not want to speak.

Alun Michael: Very often Members, including Ministers, are present in the House, but are engaged in

[Alun Michael]

other duties. They fully intend to support a Bill, if necessary, which often applies in respect of private Members' Bills.

Mr. Paterson: I am sure that the right hon. Gentleman is right that many Members are in their offices, watching our proceedings on the television. Perhaps they will be tempted down to the Chamber later.

The hon. Members for West Renfrewshire and for Morecambe and Lunesdale (Geraldine Smith) movingly reminded the House of the horrific recent incident in Morecambe bay, which involved illegal Chinese immigrants. On behalf of Her Majesty's Opposition, I should like to offer my deepest sympathies to the relatives of those who died.

There is a terrible poignancy about the ability of our society to enable a man to telephone his family on the other side of the world as the icy waters close around him, and its inability to enforce existing laws, which could have saved his life. That provided a terrible and haunting example of the simple fact that passing laws in the House is futile unless they are enforced.

The Asylum and Immigration Act 1996 made provision to fine employers up to £5,000 for employing illegal immigrants, but that legislation has not been properly used. According to the latest statistics on the control of immigration, published by the Home Office in November 2003, 22 people have been proceeded against under section 8 of 1996 Act, and just eight have been found guilty. The failure to use the Act properly is even more tragic in the light of what the hon. Member for Morecambe and Lunesdale told us this morning. She was on the case immediately; she had a warning; she wrote to the Minister on 28 June. Six weeks later, she received a reply saying that it would not be appropriate to participate in the particular operation. Her comments this morning were trenchant and pertinent.

The Morecambe bay disaster reflected a further catastrophic failure of enforcement by the Health and Safety Executive. Last week, it said:

"We were aware of an alleged near-miss incident on the Cumbrian side of Morecambe bay just before Christmas 2003."

It confirmed that the Health and Safety at Work, etc. Act 1974

"applies to all workers in Britain, including those who may be working illegally".

So those workers came under the remit of the HSE, whose inspectors have powers to serve a prohibition notice, with immediate effect, stopping unsafe working practices. Last week, the HSE admitted that

"our jurisdiction extends to the low water mark".

It is thus clear that the HSE could have stopped those unsafe practices.

As politicians, we should ensure that a true memorial to those who died so unnecessarily will be real enforcement of existing legislation, to prevent further tragedies. I wholly endorse the comments of the hon. Member for Morecambe and Lunesdale, who pointed out that another accident is waiting to happen.

Mr. Forth: Has my hon. Friend reflected on the possible relationship between the new authority that will be set up under the Bill and, for example, the HSE? I have some reservations about the fact that, as we set up more and more bodies and authorities with overlapping responsibilities, there is, at the least, a risk that the outcome will be less effective than it would be if—as my hon. Friend seems to be saying—the existing authorities did their job properly.

Mr. Paterson: That is indeed the drift of my remarks. I think that the Minister, too, believes there is no point in setting up extra bodies for the sake of it. As I hope to elaborate, there is a clear case for better co-ordination of the existing bodies.

Lessons can be drawn on the subject of gangmasters from the excellent report produced by the EFRA Committee. It noted that law-abiding gangmasters provide a vital service, supplying labour to a wide variety of industries, not just to agriculture. That is especially true at times of seasonal demand, as was eloquently made clear by my hon. Friends the Members for Boston and Skegness (Mr. Simmonds) and for North-West Norfolk (Mr. Bellingham).

Yesterday, I was talking to one of my constituents who runs a substantial agricultural operation. He depends heavily on what he prefers to call agency labour—he does not use the term gangmaster. He uses a wholly legitimate, responsible organisation and brings in workers at busy times. He told me that many of those staff are paid as much as £6 or £7 an hour and are in responsible jobs. As he says,

"We wouldn't use them if they weren't good at it."

He supplies large supermarkets and told me:

"There is enough legislation in place already."

In fact, while I was talking to him he was filling in a seven-page questionnaire, relating to his commitment to the ethical trading initiative. He confirmed that it is almost impossible to run a legitimate business while in breach of current legislation.

As the spokesman from the Transport and General Workers Union said at the briefing meeting organised by the hon. Member for West Renfrewshire in Committee Room 12 on Wednesday, there is a market need for legitimate, legal gangmasters; they provide a vital service. However, as the EFRA Committee showed, legitimate gangmasters are being undercut and damaged by unscrupulous operators whose activities are criminal. They are a disgrace and, as the report showed in some horrific examples, which were movingly repeated by the hon. Gentleman this morning, they present us with a problem that must be addressed.

The Opposition are wholly committed to ending the shameful activities of criminal gangmasters as soon as possible. Following the good work of his predecessor, who promoted a private Member's Bill on this subject, my hon. Friend the Member for Boston and Skegness described some of the appalling behaviour of gangmasters, but pointed out that nearly all those activities are already illegal.

In a particularly helpful contribution, my hon. Friend the Member for North-West Norfolk graphically showed the need for co-ordination between agencies. He showed that when they met, they did not know what they were doing or what remit the other agencies had. Dramatically, the immigration authorities say that to

enforce existing legislation they need 150 people to cover Lincolnshire and Norfolk, but they have only five, so it is not surprising that existing legislation is not enforced.

The central issue seems to be that many laws and enforcement agencies are associated with the matter. The basic legal framework for gangmasters is set out on page 14 of the Select Committee report, which lists the activity, the main legislation and the enforcement agency, and we should put it on the record. Illegal working is covered by the Asylum and Immigration Act 1996, which should be enforced by the immigration and nationality division of the Home Office. The national minimum wage was introduced by the National Minimum Wage Act 1998, which should be enforced by the Inland Revenue on behalf of the Department of Trade and Industry. The agricultural minimum wage was introduced by the Agricultural Wages Act 1948, which should be enforced by DEFRA.

Deductions from pay are covered by the Employment Rights Act 1996, and the enforcement agency is effectively an individual worker bringing a complaint to an employment tribunal—as my hon. Friend the Member for North-West Norfolk said, there is a problem with language there. Minimum standards for employment agencies are laid down by the Employment Agencies Act 1973, which should be enforced by the DTI's employment agency standards inspectorate. Requirements on notice of termination of employment are laid down in statute by the Employment Rights Act 1996, and an individual worker enforces it by bringing a complaint to an employment tribunal. The right to a written statement of employment particulars is also included in the Employment Rights Act 1996, and again the complaint mechanism is an individual worker bringing a complaint to an employment tribunal.

Working time and holidays have been mentioned several times this morning, and the working time regulations and agricultural wages order cover them. Again, complaints are made through an employment tribunal, which is already established in law.

Mr. Forth: I am loth to interrupt my hon. Friend in the middle of that interesting and relevant catalogue, but I represent a suburban constituency and wonder whether he can help me with this question: is it so difficult to identify people, either of ethnicity or not, working in open fields in the open country? Given the catalogue that he is reading out, it strikes me, as a city boy, that it would not be rocket science for an enforcement agency to go round fields in the picking season to feel a few collars, ask a few questions and find out which regulations are being breached. He has an intimate knowledge of the countryside; can he help me?

Mr. Paterson: In the case of people picking crops in the open countryside, my right hon. Friend is right. That activity happens in daylight only and the people are easily visible. However, many of the people who fall under the remit of the Bill will work indoors in packing houses and sheds.

There is still more legislation covering those employed by gangmasters. Income tax and national insurance requirements are laid down in a raft of tax legislation—there are far too many such Acts and, as we all know, taxes are far too high—which is enforced by the Inland Revenue. On benefit fraud, clear guidelines are laid down in the Social Security and Administration Act 1992 and in the Theft Act 1968, which are enforced by various units working for the DWP. VAT requirements are laid down by the VAT Act 1994, which is enforced by Customs and Excise. Finally—we have already touched on this—health and safety is the most important issue, and the details are set out in the Health and Safety at Work etc. Act 1974, which is enforced by the inspectorate of the HSE. The inspectorate has the power to move in on all workers at all times, whether they are legal or illegal.

Geraldine Smith: One of the problems with the Health and Safety Executive is, obviously, the resources and the number of offices that it has. Would the hon. Gentleman support an increase in public spending to help with some of those enforcement problems?

Mr. Paterson: That is the most pertinent point, and the hon. Lady is absolutely right to suggest that we need to consider how that great raft of legislation should be enforced, because it is not enforced. The Government, whom she supports, spend £50 million of taxpayers' money every hour. It is up to them to sort out how they spend those resources, but I should have thought that there would be enough money to make some rearrangements, so that money is put into the enforcement of that raft of legislation.

Rob Marris: The hon. Gentleman is being generous in giving way. Some of the legislation to which he refers—principally, the Employment Rights Act 1996—states that the remedy for the individual is to go to what is now called an employment tribunal. However, a case that involves an illegal employment contract—for example, where a tax dodge is going on—will be thrown out by an employment tribunal and the individual worker will not have a remedy. That is one of the reasons why we need such a Bill.

Mr. Paterson: That point is pertinent because, obviously, those who work for illegal gangmasters are, in effect, criminals themselves, but they can be picked up under current legislation.

It is clear that there is a massive enforcement failure, and it is interesting to compare the rhetoric of Operation Gangmaster, which was introduced in 1998, with the Government's commitment to solving the problem. Lord Donoughue said:

"There are a significant minority of gangmasters in this country whose activities are simply unacceptable. I am very concerned about the intimidation and abuse of workers' rights, which some of those people are involved in. The Government is also determined to clamp down on gangmasters who abuse the taxation, national insurance, benefit and immigration systems."

Paragraph 45 of the Select Committee report has been mentioned by several hon. Members today, but it provides such devastating criticism of the Government's initiative that it is worth reading out in its totality to get it on the record:

"We are appalled by the lack of priority given to, and political accountability for, what is supposed to be the Government's co-ordinated response to illegal activity by gangmasters. Operation Gangmaster has been little more than an umbrella term for a few local enforcement operations in which the various agencies have exchanged information. Five years after it was established

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Operation Gangmaster has had no significant resources allocated to it, has no targets and no Minister to take overall responsibility for its actions. Nobody could give us a comprehensive picture of what Operation Gangmaster does, how much it has spent and what it has achieved. Far from being 'a good example of joint action by several Government agencies' we conclude that Operation Gangmaster remains a woefully inadequate response to the complex enforcement issues arising from the illegal activities of gangmasters."

That comes from a Committee, with hon. Members of all parties, chaired by my very sober and reasonable right hon. Friend the Member for Skipton and Ripon (Mr. Curry).

The Government's response to the 14th report describes Operation Gangmaster in somewhat different terms. The Government say:

"Operation Gangmaster was originally intended to be a forum in which interested agencies could discuss areas of mutual concern and exchange information and intelligence—in other words an umbrella organisation."

That umbrella organisation has no specific Minister in charge, no targets and none of the enforcement agencies involved allocated any staff or resources specifically to deal with gangmasters. The Government now say in their response to the Select Committee that

"many of the illegal activities of gangmasters fall within the wider, informal economy. The Government's approach to tackling the problems associated with the informal economy is driven by a report on the subject, by Lord Grabiner, which was published in March 2000. Operation Gangmaster needs to be viewed within this context and not in isolation."

The Grabiner report is well worth reading—it contains some very interesting material—and he argues on page 29, paragraph 6.3:

"In many areas, the evidence suggests that Departments could achieve better results simply by investing more in their current investigations and through better co-ordination of their activities, rather than through any new approach".

That was entirely endorsed by my hon. Friend the Member for North-West Norfolk and by the Minister's interventions. The report's central recommendation, on page ii, is that

"the best solution is to improve the rate of detection and the effectiveness of punishment. In order to detect people in the informal economy, Departments must co-ordinate and improve their investigations. They also need to be able to share the information they hold and use information from other sources to check for suspicious signs of fraud."

In the body of his report, Lord Grabiner elaborates, in paragraph 6.9:

"One common finding is that, in certain classes of business, there is a culture of tax evasion that spans different tax regimes, and either collusion with benefit fraud by employees, or turning a blind eye. This leads to significant loss of revenue and is a major source of benefit fraud. It also gives the business an unfair advantage over honest competitors. As indicated in Chapter 2, it is especially common in labour-intensive sectors where the competitive pressures to hold down pay-roll costs are strongest."

He continues, in paragraph 6.10:

"It seems to me that such a multi-faceted problem requires a more co-ordinated approach across the relevant Departments and Agencies."

The right hon. Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown) touched on that. The paragraph continues:

"As listed above, there are examples of joint working, but they are not the norm. And, as long as individual Departments pursue their investigations separately, there is a danger that they will only see the aspect that concerns them – and that it may not, on its own, be serious enough for them to take action against the business. Joint investigation would reveal the total cost to the taxpayer of combined tax and benefit fraud."

That is exactly what the hon. Member for Morecambe and Lunesdale found. She discovered that the immigration authorities were not going to get involved in health and safety aspects, and what she said on that was most helpful, because it completely confirms what Lord Grabiner said.

Lord Grabiner concluded, on page 32:

"I recommend that the most realistic way to overcome this barrier is to set up a specific Government function or line of work, accountable for investigating businesses in the informal economy. This would be specifically funded for, and capable of, taking action against the range of tax and benefit offences associated with the informal economy. It would provide a mechanism for bringing greater coherence to work across Departments, building on the good practice which exists in several places. The key is accountability, and appropriate resourcing."

That is exactly what the right hon. Member for Newcastle upon Tyne, East and Wallsend said, drawing on his interesting experience as a Minister.

We therefore come right back to the beginning: to enforcement and the need for the different agencies to work together to share information; to the need for adequate resourcing; and, so far as accountability is concerned, to the need for a single Minister to be in charge. That cannot happen unless there are the resources, the political will and clear political direction. Despite the good intentions behind it, the Bill as currently drafted does not help. The Select Committee report conveys the complexity of the gangmaster structure, in which one gangmaster, who might be legitimate, often subcontracts to another, who will use another, who will use another, and so on.

Under the Employment Agencies Act 1973, whose licensing and registration requirements were repealed under the Deregulation and Contracting Out Act 1994—a Conservative initiative—the legitimate agencies registered, but most complaints concerned unregistered agencies. I draw the attention of the right hon. Member for Newcastle upon Tyne, East and Wallsend to the Department of Trade and Industry's submission on page 100 of the Select Committee report, which somewhat refutes his comments on the impact of that Tory reform. Even if we had licensing, there would be a major detection job in picking up the illegal operations that had not applied for a licence. Paragraph 5 of the DTI submission says:

"A proportion of persons acting as gangmasters have continued to be found to be in breach of a range of legislation that is enforced by the inspection bodies of a number of Government Departments. It is considered unlikely that a statutory registration scheme would prevent individuals, who currently operate illegally and in defiance of existing legislation, from continuing to work in that manner."

Mark Boleat of the Association of Labour Providers—the ALP is the newly formed trade association for gangmaster—has offered powerful logic on that issue. He writes that if the Chinese cockle pickers, who so tragically died in Morecambe bay, had been working for a man who was selling the cockles on to a wholesaler—as appears to have been the case—then

technically he would not have been a gangmaster as defined by the Bill and such operations will not be covered by it. He adds that illegal gangmasters do not confine their activity to agricultural work; they are highly flexible and will fill any niche where there is a buck to be made. He also explains that his association supports the principles of the Bill, but believes that there are difficulties confining it to agriculture.

Lord Grabiner explains on page 16 of his report that the sectors where

"illegal immigrants are usually found working are those where casual and cash-in-hand work is widespread".

He cited catering, contract cleaning, farm working and the clothing industry. He could equally well have mentioned construction. I was interested to hear the hon. Member for West Renfrewshire say that possibly even health workers are getting involved in such activities.

My major criticism is that we are dealing with a symptom of the black economy, but the Bill focuses on only a narrow part of it—the agricultural sector. The problem is much wider than that, something on which the Grabiner report elaborates. If there is heavy enforcement in the agricultural sector without similar activity elsewhere, it is likely that the criminal gangmasters will move into other less well policed sectors. That will always happen if we target a sector rather than the criminal because we simply displace the problem without solving it. That is the essence of the Grabiner report and his call to see the problem in the wider context of the informal economy, a stratagem that the Government endorse. As drafted, the Bill does not address the wider issues.

The Grabiner report makes other good recommendations, addressing how to facilitate interdepartmental co-operation, which would help to track gangmasters. Again, the Bill does not deal with that. It would create a new offence of not registering and would apply statutory codes of practice, which create yet more offences, most of which are covered by existing legislation. The hon. Gentleman proposes a separate authority, which some might call a quango, to administer and police the licensing system. It appears from schedule 1(d)—

"the payment of a fee to accompany the application for the grant of a licence"—

that the body would be self-financing, its costs covered by licence fees.

The figure of £3,000 has been bandied around, and the hon. Gentleman says that there will be a fee scale. I am sceptical about whether that would work because the honest gangmasters would be hit by a double whammy of increased costs and increased regulation, which would make them even less competitive in comparison with illegal gangmasters. So the licensing system could make the problem worse by making the cut-rate gangs' labour and product more attractive.

Mr. Bellingham: Will my hon. Friend elaborate on the possible £3,000 registration fee? He knows that many gangmastering operations are small businesses. Some in my constituency have a full-time staff of perhaps two or three people. In difficult times, £3,000—or even £2,000 or £1,000 if there is a scale—would be hard for them to find given the small margins.

Mr. Paterson: That is a most helpful and legitimate point. The other danger is that the illegal criminals will carry on outside the system; they will not pay the fee, which will be a burden on respectable operators. Past experience of the operation of similar self-funding regulatory agencies should be used as a guide, and it is not encouraging. As a rule, they tend to expend most of their efforts on policing the legitimate players.

Jim Sheridan: It would help if the hon. Gentleman could explain where the figure of £3,000 has come from.

Mr. Paterson: I heard it cited in the debate and it comes from a Transport and General Workers union briefing. If it is not right, that can be discussed at a later date.

Jim Sheridan: Some confusion might have arisen when we talked about 3,000 gangmasters—not £3,000. That is what the TGWU briefing said. The £3,000 figure has been mentioned only by Conservative Members.

Mr. Paterson: If any of my hon. Friends can provide clarification, I shall be grateful.

Alun Michael: Far be it from me to help the hon. Gentleman, but he has pointed to a necessary element of working out the Bill's details. We must ensure that the arrangements we make keep the fees or charges for licensing or registration to the absolute minimum in order to create an effective system that can be well policed. That is one of the issues that I have discussed with my hon. Friend the Member for West Renfrewshire (Jim Sheridan). At this point, I would not give too much credence to a specific figure, wherever it comes from. It is something that everyone who wants the legislation to succeed will have to work out carefully.

Mr. Paterson: I thank the Minister for that intervention.

Mr. Simmonds: I think it was I who mentioned the figure earlier today. It comes from an article in the *Grower* that quoted the Association of Labour Providers saying

"The TGWU's proposed licence fee of £3,000 is huge for small businesses".

If that is not accurate, I shall be grateful if the hon. Member for West Renfrewshire intervenes again to say so, but the figure is here in black and white and it is too much for small-scale gangmasters to afford.

Mr. Paterson: That, too, was a helpful intervention, in that it clarified where the figure came from. I entirely endorse the Minister's comment that the fee is a detail that should be examined later, but we should bear in mind the warning given by my hon. Friend the Member for North-West Norfolk that the final figure should not be too onerous. The danger of a self-financing authority is that it will spend most of its time bearing down on the

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legitimate players—the easy targets who produce its income—while the illegal gangmasters, who cost too much to police, will be left alone.

The National Farmers Union is in favour of the Bill, provided there is adequate enforcement. Its brief states:

"We agree with the EFRA Committee that licensing alone is not enough; it should be complementary to the key requirement for more effective enforcement of the law."

Taking all those points into account, it seems most appropriate for the Government to implement the Grabiner report. A Minister should be put in charge of its implementation, as the right hon. Member for Newcastle upon Tyne, East and Wallsend said, because we are dealing with a vast number of agencies subject to many different Ministries.

Mr. Forth: It may be that my hon. Friend deals with this point later in his speech, and I hope that he does, but no one has yet mentioned in my hearing any regulatory impact assessment in respect of the Bill. He remarked, almost casually, that the NFU is in favour of it, but has the NFU provided any estimate of the likely increase in the cost of food resulting from the combination of the licences, the bureaucracy and the potential increase in basic labour costs?

Mr. Paterson: The briefing mentions no such figure.

Lord Grabiner strongly recommends having a Minister to deal with the whole informal economy, of which gangmasters form only a part—they are only a symptom of a much wider problem. Then, he says, the Government should determine priorities, targets and, as the hon. Member for Morecambe and Lunesdale said, resources—the scheme will cost money that has to be diverted from somewhere else.

Jim Sheridan: May I remind the hon. Gentleman that the scheme will be self-financing in the sense that it is estimated that £100 million a year is lost to tax evasion?

Mr. Paterson: The hon. Gentleman is right to say that fraud leads to a great loss of revenue, but he presumes that the system will work 100 per cent. I am sceptical about that, as I have just explained.

My point is that to put a Minister in charge, backed up by a taskforce, could be done easily and quickly—it could be done this afternoon. To pick up the point made by the hon. Member for Morecambe and Lunesdale, there is another accident waiting to happen up in Morecambe if nothing is done. Action must be taken, but a new Act and yet another agency—the authority specified in the Bill—would simply slow matters down.

Rob Marris: The hon. Gentleman assumes that there will be a new agency. I draw his attention to clause 3(1), which states:

"The Secretary of State shall by regulations nominate or establish a body".

Therefore, if she wished, the Secretary of State could nominate an existing body to administer the scheme. There will not necessarily be a new authority.

Mr. Paterson: That is a good point. If the hon. Gentleman is right—

Rob Marris: It is in the Bill.

Mr. Paterson: The Bill talks about an authority. Perhaps the Bill's promoter, the hon. Member for West Renfrewshire, can confirm that. I understand that there will be a new authority that will act as an independent quango. It is a detail that may be elaborated on later; perhaps the Minister will do so.

Jim Sheridan: I am happy to be helpful to the hon. Gentleman. Perhaps he will deal with the factual elements of the Bill and not with hypotheses, or with what he might have heard in the Tea Room or anywhere else.

Mr. Paterson: That was a less helpful intervention.

I have taken an authority to be an authority. The Bill will take time to get through Parliament and it will take time to establish the new organisation, whatever it is and whether it is inside a Department or is not. I think that the creation of an authority will slow down matters because it will take a year or so to set it up, and it will have to recruit and organise. Only then will it start working. It could be two years or more before the authority is fully effective. It will then have to devise a co-operative plan with other agencies, whose functions would overlap, exacerbating rather than resolving the problem with the introduction of yet another agency.

Rob Marris: I will not repeat my quote from clause 3(1), instead I shall focus on its use of the word "nominate". I suspect that no one who has been present throughout the debate would wish for a two-year delay, or whatever. Would the hon. Gentleman care today to suggest or nominate an existing authority that he thinks could pull the issues together and deal with enforcement, which many of us, if not all of us, want to be applied?

Mr. Paterson: Perhaps I have not expressed myself clearly or perhaps the hon. Gentleman has not been listening carefully. My drift—the Grabiner report made this clear—is that there should be a Minister co-ordinating activities right across—*[Interruption.]* I am a shadow Minister. It is up to the Government to decide which of their Ministers should have such responsibility. The approach I have suggested is endorsed by senior Labour Back Benchers. There should be a Minister appointed in charge whose responsibility extends across all the activities of the black economy. We are talking about a narrow symptom, which is the failure of the black economy.

Mr. Andrew George: In view of the hon. Gentleman's answer to the last intervention, can I conclude from what he is saying that Conservatives believe that there is no need for any further legislation and that existing legislation should be implemented? Will the Opposition divide on this issue? Are they opposing the Bill?

Mr. Paterson: That is a rather niggling intervention.

Our attitude is that if there is a failure of existing legislation, we would agree that there is a role for a Bill to introduce measures to fill that legislative hole. I have been making the point at some length that a raft of legislation has not been properly enforced. We are as keen as anyone in the House to bear down and close on illegal gangmasters and the ghastly activities that they encourage, and we entirely endorse the objectives of the hon. Member for West Renfrewshire. As I have said, if there is a hole in existing legislation, we would endorse additional legislation to fill it, but at present I am not convinced that there is.

I am making the point—I have the agreement of the hon. Member for Morecambe and Lunesdale, who had such a terrible incident in her constituency—that there is a need for action now, and I think that action could be taken by appointing a Minister with a broad remit across Departments.

Mr. Forth: My point follows the intervention of the hon. Member for St. Ives (Andrew George). One could be driven in the direction of saying that before we rush to legislate it might be worth considering whether the course that my hon. Friend is suggesting might be more effective, certainly in the short term. If a Minister were to be nominated or to be given responsibility to range widely across all the existing different agencies to ensure that they enforce their responsibilities, that might be a much more effective way of dealing with the matter than legislating as suggested, which may take much longer to take effect. Surely, therefore, it is not a matter of either/or; as my hon. Friend's suggestion would, at the very least, have a much quicker effect than the Bill.

Mr. Paterson: I agree entirely. The events at Morecambe and other industrial accidents can be addressed immediately by ensuring that the Health and Safety Executive is properly resourced and focused. That could happen today if a Minister took action. I repeat yet again that what happened at Morecambe resulted from the Executive's failure to enforce existing legislation. Logic dictates that the Government should implement their own findings, get a multi-agency taskforce up and running immediately with a Minister in charge, announce a budget allocation from existing resources and set targets for enforcement action. Running through the discourse is the issue of adequate enforcement. The Association of Labour Providers makes the point eloquently:

"Arguably, if there was proper enforcement of the existing legislation there would be no need for a licensing regime."

The activities of illegal gangmasters are shameful, and we will support measures to end them. If there are deficiencies in existing law, the Bill could be amended to remedy them, but deficiencies in enforcement and political will are more of a problem than legislative deficiencies. I completely endorse the admirable intentions of the hon. Member for West Renfrewshire to stop the activities of criminal gangmasters, and cannot stress enough our determination to help to solve the problem. I sincerely regret, however, that, as currently drafted, the Bill will not realise the high hopes that he and his supporters have for its efficacy.

12.56 pm

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): I welcome the Bill, and thank my hon. Friend the Member for West Renfrewshire (Jim Sheridan) for introducing it. Anybody who leads a coalition that includes the Transport and General Workers Union and the National Farmers Union is formidable. This week, I met Tim Bennett, the new president of the NFU, and Jack Dromey, deputy general secretary of the TGWU. The Department for Environment, Food and Rural Affairs has good relations with both organisations and regards them as friendly and co-operative, although not usually at the same time. My noble Friend Lord Whitty has had discussions with the British Retail Consortium as well.

We fully support the Bill's objectives and, by making the changes that my hon. Friend the Member for West Renfrewshire is willing to accept and which I shall spell out in more detail, I am confident that we can co-operate in getting it on to the statute book without delay. The hon. Member for North Shropshire (Mr. Paterson) expressed some genuine concerns, but they can be overcome. Everybody wants effective legislation. When one starts work on legislation one begins with something crude that can be refined by discussion over time. The Bill as drafted is a serious attempt to put legislation on to the statute book, but it can be improved. Today's debate has looked at a series of issues and demonstrated the wish of Members on both sides of the House to have effective legislation in place. That is often easier said than done, and legislation can be a substitute for action, as the right hon. Member for Bromley and Chislehurst (Mr. Forth) said a few moments ago. My favourite comment about legislation is telling. In "The Decline and Fall of the Roman Empire", Gibbon warned that laws often fail to prevent what they forbid. I am proud to have introduced in the House the antisocial behaviour order, a mechanism designed to prevent antisocial activity, rather than just say that it should not happen. I hope that together we can effectively create an antisocial behaviour order for gangmasters by fine-tuning the Bill.

I agree with the right hon. Member for Bromley and Chislehurst about the need to make enforcement by existing agencies more effective. There is a need for licensing to deal with the offences both of acting as a gangmaster while not licensed to do so and employing unlicensed gangmasters. That would help the work of existing agencies and assist the creation of a fair market by squeezing out illegal activity.

I pay tribute to my hon. Friend the Member for West Renfrewshire for his enthusiasm not just to get the Bill through, but in working with Government organisations and the wide group of organisations that have supported him in order to get it right. Even before the events in Morecambe bay, we were close to agreement, and I am pleased that he has extended his ambitions for the Bill following those tragic events.

All the contributions to the debate have demonstrated the value of debating such issues in the House. My hon. Friend the Member for West Renfrewshire gave a comprehensive introduction, virtually all of which I agreed with. The hon. Member for Boston and Skegness (Mr. Simmonds) said much that I agreed with, particularly his comment that the Bill

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was not about bureaucracy, but about enforcement and effectiveness in order to create fair competition. I understand fully his concern about the possible level of fees, which was reflected in later contributions. We need to address the matter and engage the industry in that discussion.

Clearly, the important thing is to create mechanisms that will work and which build on the strength of organisations. Farmers know what their needs are and how the system works on a day-to-day basis, which many of us do not. They should be engaged in the decision-making process that defines the activities of the licensing body, which in my view should be kept as simple as possible. The hon. Gentleman also mentioned scams and the possible outcomes. That is why people engaged in the industry, who understand the fragility of some of the processes, are important. Leadership in the hands of the industry is an important element of the measures that we design.

My hon. Friend the Member for Morecambe and Lunesdale (Geraldine Smith), to whom I responded following a parliamentary question a couple of weeks ago, pointed out that problems still remain. That is why the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Exeter (Mr. Bradshaw), was with her in the area yesterday, listening to comments from local people. She is right to identify a number of ways in which enforcement and co-ordination could be improved and a better understanding developed between the various organisations, although a great deal is being done. I shall return to that point in a moment.

The hon. Member for North-West Norfolk (Mr. Bellingham) made a number of points about enforcement and the work of Operation Gangmaster. I agree with his concern to make sure that we do not increase the amount of red tape. My right hon. Friend the Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown) rightly referred to the need for leadership. Indeed, the leadership in Operation Gangmaster is with the Department for Work and Pensions, in which he played such a distinguished part.

The hon. Member for St. Ives (Andrew George) mentioned changes in the nature of work and employment and in the terms on which labour is supplied. He is right to highlight that. We are responding to changes in a market, some of which have happened over a number of years and some quite rapidly in response to need. We should bear that in mind. My right hon. Friend the Member for Holborn and St. Pancras (Mr. Dobson) expressed vigorously the need to help stop robbery of various sorts. He went slightly further than I would in promoting red tape, but I agree on the need to squeeze out performance and to make sure that we do not underestimate what has been done to tackle the difficult problem of illegal activity. My hon. Friend the Member for Central Fife (Mr. MacDougall) emphasised the importance of the Bill.

The hon. Member for North Shropshire focused on the importance of legislation being effective. In many ways he reinforced my key points about the Bill. He rightly pointed out that the range of illegal activity involved is extensive. People are breaking the existing law in complex ways in order to undertake such activity. We are talking about individuals at the hard end of the business, who will certainly not help the enforcement authorities or those operating in the legitimate market. They are among the nastiest people in our society and are some of the most difficult to deal with in a decent society.

The hon. Gentleman quoted from Lord Grabiner's report, which has played into the work of Operation Gangmaster and the thinking of Ministers. However, I agree that more needs to be done. The test of how we design and use the requirement for licensing will be its outcome, not whether we have managed to put another piece of legislation on to the statute book.

There are a variety of concerns about the Bill as drafted, including the level of charges that might emerge, the operation of the licensing body and the engagement of the industry. The latter is absolutely crucial. I hope that a simple licensing scheme, and a simple offence and penalty, can create a different environment in which fair competition is strengthened and rewarded, and in which enforcement of all the legislation that the hon. Member for North Shropshire mentioned becomes much simpler as a result of the additional provisions in the Bill.

We need to create a framework by which everyone in the industry—workers' representatives, especially the Transport and General Workers Union; those who use gang labour, particularly the National Farmers Union; consumers of the outcome, including the British Retail Consortium; and legitimate gangmasters—plays a part in creating the atmosphere of enforcement. Against that background, I have to say to the hon. Member for North Shropshire that I am not convinced of the need to set up a new agency, which, as he said, takes a long time. We should consider in Committee the option of nominating or establishing an agency if that proves necessary, but we should also consider the possibility of a co-operative approach within the industry. Giving the industry ownership underpinned by legislation might be the best way to carry forward effective licensing.

I want to stress that, as Members on both sides of the House have said, it is not illegal to operate as a gangmaster. The Government have no intention of making such activities illegal. As my hon. Friend the Member for West Renfrewshire made clear, those who run legitimate businesses provide a flexible labour resource that is vital to key parts of the agriculture and fresh produce industries, which would be crippled were they not to have access to the labour that they need.

Rob Marris: Will my right hon. Friend join me in paying tribute to Joseph Arch? I am sure that he will, because last June he and I stood in the rain in Warwickshire commemorating him. Joseph Arch set up the first agricultural workers' union, which became part of the Transport and General Workers Union—my own union. Later on, he became a Member of this place, but before that he was a gangmaster.

Alun Michael: He was also a lay preacher, which demonstrates just how virtuous such people can be. I thank my hon. Friend for reminding me of that day. I am tempted to reflect that I was greeted with a certain amount of wet weather as I made my historical remarks,

but when he stood up, thunder, lightning and sleet ensued. I am not sure whether that was because of his talent for expressing himself.

Mr. Dobson: He is not a lay preacher.

Alun Michael: That may indeed be the reason—I thank my right hon. Friend for another excellent line.

As my hon. Friend says, this issue has been around for a long time. We need to support and reinforce those who treat labour properly and help labour to meet the needs of those who want to employ it. A certain amount of courage has been shown by some of the people who have come forward to support co-operative activity across the industry and to support the Bill.

The problem is that flexibility is too often delivered at workers' expense. At the extreme, there are gangmasters who trade in human misery, disregard the law, and resort to intimidation and violence in pursuit of their personal power over people and their profits. The Government are committed to tackling the exploitative activities of gangmasters who have no respect for the law or for people. Efforts to end the human misery caused by certain labour providers have been going on for some time, and the Bill gives us an opportunity to strengthen the process.

As many hon. Members have said, there is also the matter of fair play. Legitimate gangmasters pay taxes, but the lawbreakers are responsible for considerable Exchequer fraud, health and safety offences, failure to pay the minimum wage and the use—rather, the abuse of illegal labour. Other forms of non-compliance are often associated with the exploitation of gang workers.

We do not wish to reduce flexibility or create labour shortages, but we are committed to tackling abuse and promoting the employment of legitimate workers. The only point of my hon. Friend the Member for West Renfrewshire with which I disagreed was his underestimate of the efforts to tackle the difficult issue and of recent progress.

As exploitation of gang workers is not a new problem, let me set out the context for the Bill and the efforts to tackle the problem. The National Farmers Union and the Fresh Produce Consortium have tried to tackle the problem through codes of practice. Although such efforts are to be welcomed, and several hon. Members did so, such soft regulation is clearly not enough on its own. Gangmasters' abuse of workers has continued for far too long, but no one should delude themselves that resolving that will be easy. The worst culprits already break the law in many ways, as the hon. Member for North Shropshire said. Some break a range of laws and large profits are being made illegally.

It is important to fit well with the work of Operation Gangmaster, through which the Government took action to deal with the issue soon after coming to office in 1997. I believe that the Bill does that. Operation Gangmaster has been piloted in Lincolnshire and East Anglia since 1998. However, it became a casualty of foot and mouth disease, which brought most enforcement operations to a halt in 2001. That fact appears to have escaped the notice of the hon. Member for North Shropshire. The operation was relaunched in 2002, with the Department for Work and Pensions co-ordinating the activities. My noble Friend Lord Whitty has done a sterling job in representing DEFRA in the team of Ministers that drives the work forward.

Ten regional operations are active under the Operation Gangmaster umbrella more than at any time in the past. The work supports and complements but does not replace the compliance activity that individual enforcement agencies undertake better. Positive outcomes have been achieved under Operation Gangmaster against gangmasters and their employers. In 2002-03, that included identification by the Department for Work and Pensions of 235 overpayments and 1,023 adjustments to benefit worth £405,000, and securing 138 sanctions and prosecutions. In the same period, the Inland Revenue specialist team settled 46 inquiries and reviews that identified unpaid tax and national insurance worth £4.3 million and led to criminal prosecutions of 14 gangmasters for VAT offences involving VAT of £5.9 million and resulting in prison sentences that totalled 31 years.

I do not claim that that is enough, but we should not discount the efforts that have been made and the lessons that are being learned as a result of the enforcement agencies' work to co-operate more effectively. I entirely accept the views of colleagues in all parties, but especially those on the Labour Benches, that we should be impatient about greater effectiveness. However, let us not pretend that nothing has been done because that would be untrue.

Each of the organisations to which I referred and others, including the police, will have their hand and their capacity for swift intervention greatly strengthened by the creation of a simple offence: operating as a gangmaster while not licensed to do so. If we keep administration to a minimum, we will achieve a simple offence that requires little evidence and therefore does not take up too much time of the courts or the enforcement agencies to secure a prosecution. That is simple in concept, and in terms of evidential requirements and court time.

A significant level of enforcement activity by individual agencies is already going on in parallel with Operation Gangmaster, which itself will continue for the foreseeable future. In the right form, the Bill will strengthen that activity and provide a simple framework to make a lot of hard, arduous and time-consuming work much simpler to pursue.

Events of recent weeks have shown that we cannot be complacent about illegal working. We have heard graphic accounts today of some of the abuses perpetrated by gangmasters in several parts of the country. Those abuses affect UK and foreign nationals alike. We also know about the involvement of criminal gangs in people trafficking. Those activities create the conditions that allow gangmasters to exploit vulnerable workers, preventing them from claiming their rights, and profiteer at their expense. That is why the immigration service increased the number of staff working in enforcement from 1,677 in April 2002 to 2,463 by November 2003.

There has been a £60 million investment over three years in the multi-agency anti-trafficking force, Reflex. The new serious organised crime agency will in time pull together police, immigration, Customs and other experts to tackle organised immigration crime. It has

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been recognised that such action is necessary, but it is not the sort of action, nor the sort of organisation, that can be achieved overnight.

We cannot condone illegal working and will do all that we can to stamp it out, but we have a responsibility to those who fall into the hands of the unscrupulous gangmaster, and that again has been reflected in contributions today from both sides of the House.

Mr. Simmonds: Does the Minister have a view on the expansion of the Bill to include areas outside the agricultural and horticultural sectors? My hon. Friend the Member for North Shropshire (Mr. Paterson) and others have made the point that it excludes people in the construction and cleaning industries who operate with the gangmaster system.

Alun Michael: We need to focus on the specific activities covered by the Bill. There has been a particular history of gangmaster activities in agriculture and related areas, as defined in the Bill, and we should focus on that because that is where a simple and straightforward licensing system can be most effective. In many of the other areas of activity, legislation is in place. The hon. Gentleman referred to an overlap with the employment agencies legislation. We will be most productive if we focus on the specific activities in the Bill, including the fisheries issue as a result of the events of recent weeks. It would be wise not to over-extend the Bill's scope. I understand the relationships with other parts of the employment market, but if we create something that is over-complex, we might fall over our own feet and fail to achieve the clarity of outcome that hon. Members clearly want to see.

There has been clear support for statutory licensing from hon. Members on both sides of the House. I recognise that licensing in this sector also has the support of many organisations involved in the food supply chain, and that strengthens the case for it immeasurably, because to have that practical support, provided that the legislation is in place, will be enormously important.

As I have said already, those organisations include the NFU, the Fresh Produce Consortium, the major supermarkets and local government representatives, as well as bodies such as the citizens advice bureaux, the Catholic Church and the Refugee Council, which has seen some of the elements of human misery that have been reflected in contributions today.

In particular, I pay tribute to the Transport and General Workers Union, which has been active in promoting the Bill to the Government and to the public, as well as to my hon. Friend the Member for West Renfrewshire and to Members of Parliament generally.The newly formed Association of Labour Providers, representing legitimate gangmasters, also backs action to curb the exploitative activities of some gangmasters.

We are approaching the measure in a way that will maximise effectiveness while keeping legitimate operators' costs and bureaucracy to a minimum. That is a small price to pay to ensure that all labour providers compete on a fair and equal footing. That is precisely the approach that I discussed with my hon. Friend, and which I believe he is prepared to support.

It would be wrong to let the occasion pass without recording my concern about the recent tragedy in Morecambe bay. The details of gangmaster involvement in that incident have yet to be established conclusively, but it is clear that the workers who lost their lives were being exploited. The Bill will help to protect some people from unscrupulous gangmasters.

The Morecambe bay tragedy also raises a number of issues that are beyond the Bill's scope. I agree with the hon. Member for North Shropshire that it is not a panacea or a magic wand that deals with everything; rather, it seeks to provide one tool that will be useful in combating illegal activity. However, I can assure Members that we are actively considering what can be done to ensure that working conditions in the bay are made as safe as possible. There are complexities with regard to legislation, but they are being worked on.

The Department for Environment, Food and Rural Affairs has been working closely with the Ethical Trading Initiative in the past few months to develop a best practice guide for labour providers. Such work has brought together key organisations involved in food production, packaging, processing and retailing. The major supermarkets have been closely involved, and their support for this work has been invaluable. When the Bill leads to the establishment of a licensing scheme, this best practice work will be a valuable aid to the industry in determining the conditions to be applied to a licence. I accept that such work is not enough on its own, but it is invaluable in giving body and content to a simple licensing system. It will also be of help in determining how to audit compliance with licence conditions.

Historically, the problems caused by gangmasters have been particularly acute in agriculture and the related fresh produce trades. Much of the work undertaken by the Government and other stakeholders to tackle gangmasters' exploitative activities has therefore concentrated on the agricultural industry. The work done in association with the Ethical Trading Initiative has also been undertaken in an agricultural context. The support for licensing that all the major food chain interests have shown—from producer to retailer—will help to ensure that it is successful in tackling the problem of exploitative gangmasters in this sector. We believe that licensing should target agricultural activities, because as I have said, it is the agricultural sector that has caused the greatest concern in recent years. That will capitalise on the support for action offered by all organisations, including the supermarkets operating in the food chain, and on our knowledge of gangmaster involvement in the agricultural sector.

We believe that the time is right to introduce statutory control of labour providers operating in agriculture and related areas, so we support the concept of a statutory licensing scheme. I am pleased that my hon. Friend the Member for West Renfrewshire has agreed to work with us to amend his Bill in Committee, in order to introduce a licensing scheme that the Government can support. Many of the contributions to today's debate have helped us to move in the direction that he and I have already discussed.

It is envisaged that the Bill in its amended form will be specifically limited to gang workers who are supplied or used to undertake work in agriculture, horticulture,

shellfish-gathering and related areas and activities; that it will apply to primary labour providers and to subcontractors; that it will define clearly the form of licensing to be used and its boundaries; that it will make provision for the Secretary of State to recognise or establish a licensing scheme and the associated register of licensed gangmasters through secondary legislation; that it will agree to, or make provision for, appeals in relation to a refusal to issue a licence, or a decision to revoke a licence; that it will provide for charges to be made for licences to cover full costs, with the level to be set through secondary legislation; and that it will establish the offences of operating as a gang labour provider while not being registered, and of engaging the services of an unlicensed gangmaster. I recognise the need for protection to ensure that that is not an overbearing penalty, but the provision is important to ensure that there is buy-in, and that there is no reward for those who are willing to ignore the legislation.

It is also envisaged that the amended Bill will give the Secretary of State the authority to designate officers from existing enforcement agencies to deal with the offences of operating while not being registered and of using unlicensed gangmasters, and that it will set out the powers of enforcement officers and ensure that officers from different departments are able to share information, work together and target those who are the main concern of all who have contributed to today's debate, without placing onerous burdens on others.

As has been said, we will need to avoid duplicating other legislation, such as the Employment Agencies Act 1973, which covers labour providers. However, we need to do so in a way that ensures that there is no loophole, and that gangmasters are not able to evade the intentions behind the Bill: that we can proceed against illegitimate gangmasters however they operate, and that they cannot evade the legislation.

In that form and with those changes, we believe that the Bill will significantly strengthen our attempts to curb the exploitative activities of gangmasters without introducing unnecessary new regulatory burdens. The sort of amendments that we are suggesting will enhance the Bill, and in no way divert from the direction and intentions that led my hon. Friend the Member for West Renfrewshire to bring the Bill in its present form before the House. We will use existing enforcement mechanisms, as it is not our intention to create an additional layer of inspection and bureaucracy.

The proposed provision to allow information about gangmasters to be shared among enforcement agencies will help to ensure much more effective co-ordination of enforcement activities. As I have said, in combating crime we have found that misunderstandings are sometimes made about the exchange of information, which is usually for quite legitimate purposes. We intend to deal with that matter so that there is no doubt about it in the Bill. The provision will greatly strengthen our ability to enforce existing legislation governing the conduct of gangmasters.

The primary offence that the Bill creates will be easy to prove and it will aid enforcement in respect of other offences. It will enable people to be put out of business if they are breaking the law. A successful prosecution will lead to the loss of a licence. That, combined with the commitments made by buying organisations in the food chain, will help to prevent such businesses from continuing to act as labour providers. In other words, it will remove the incentive for people to break the law. Experience from Operation Gangmaster suggests that the benefits to the Exchequer could be substantial.

We acknowledge that the introduction of licensing could mean some small increases in labour costs and a marginal increase in prices. However, it will place a much bigger burden on the illegal competitors, so it will promote fair competition. We therefore believe that the balance will be favourable. In any event, keeping labour costs down at the expense of workers' rights, welfare and safety cannot be condoned. I hope that nothing said in the Chamber today was intended to suggest that that is not the case, and I am grateful to the hon. Member for North Shropshire for confirming that I am right in that interpretation. Neither can it be right to allow legitimate gangmasters to be squeezed out by the unscrupulous ones.

I am pleased that the supermarkets have given their backing to statutory licensing to underpin the introduction of ethical labour supply practices in the food chain. I noted the earlier remarks of the hon. Member for St. Ives, which were intended to encourage supermarkets to go further in their ethical policies. I am sure that that would win support on both sides of the House, but the supermarkets are supporting the propositions underlying the Bill, which is welcome. I hope that they will work with us to ensure that there is no place for unlicensed gangmasters in the future.

I commend the Bill as a positive response to the problems caused by gangmasters, and I look forward to working with my hon. Friend the Member for West Renfrewshire to develop and amend the Bill in Committee. I hope that, as the Bill moves forward from Second Reading, it will gain support from both sides of the House and that we will all seek to make it a non-bureaucratic but effective and cost-effective measure. I hope to hear that my hon. Friend supports the approach that I have spelled out in my response.

1.28 pm

Mr. Eric Forth (Bromley and Chislehurst) (Con): I very much welcome the tenor and content of the Minister's response. I would like to think that it is a sign of a shift in political thinking—and, indeed, in the political landscape—when a Minister places such welcome emphasis on minimising bureaucracy and cost and the focusing of legislation. Those are welcome sentiments, and I hope that he will share his new-found views with some of his ministerial colleagues. I hope to hear more of that sort of thinking from more Ministers in respect of future legislation, but let us be grateful for what we have had today. I certainly welcome the thrust of what he said.

I shall be uncharacteristically brief for me on a Friday, as I can see the hon. Member for Pendle (Mr. Prentice) on the other side of the Chamber and I am keen for his Bill to get a proper airing. Indeed I intend to ensure, as far as I am able, that it does, because I support it. However, I want to say a few words in this debate and to pick up on three points. The first is enforcement and the second is scope, on which the right hon. Member for Holborn and St. Pancras (Mr. Dobson), who, sadly, has just left the Chamber, made some telling points that I hope will not be forgotten. The

[Mr. Eric Forth]

Minister, too, touched on the scope of the measure, as did my hon. Friend the Member for North Shropshire (Mr. Paterson). Finally, I want to say something about impact and cost—the gaping hole in the argument that we have heard today, especially in the context of the much-vaunted claims about support from retailers.

The voice that has not yet been heard is that of the hapless consumer, yet if the Bill, or some similar measure, is to have the impact that everyone wants, there is bound to be an on-cost effect, principally for food, but possibly for other things, too.

Anne Picking: The point about the consumer is important, but does my right hon. Friend—*[Interruption.]* Well, I quite like him. Does the right hon. Gentleman agree that no consumer would want to eat cockles at the expense of people who had lost their lives?

Mr. Forth: It is difficult to ask 60 million individual consumers what they want, but I know what the hon. Lady is saying. That is not the point at issue, however; I should prefer, in discussing such legislation, that we be aware of the likely cost impact so that consumers could make a judgment—for example, through studying our debate.

The risk is that we do things in this place that increase costs—

Geraldine Smith: Will the right hon. Gentleman give way?

Mr. Forth: Of course, I will, when I have finished my point. I welcome all interventions on Fridays, Mr. Deputy Speaker, as you know—I encourage them.

In order for consumers to make the judgment to which the hon. Member for East Lothian (Anne Picking) has rightly referred, they should know more of the facts than have been put before us today, or are likely to be put before us.

Geraldine Smith: Is there not a cost to the Treasury if we do nothing? The cockles in the middle of Morecambe bay were worth £10 million, but I doubt that much income tax was paid on that.

Mr. Forth: That is a fair point which, with a bit of encouragement, I might want to develop—who knows?

There is always a trade-off between tax forgone and tax that is more collectable, were we more successful in enforcement; but there may also be a negative effect. If we shrink activities through excessive licensing, other losses may be incurred.

Alun Michael: The right hon. Gentleman is right to refer to excessive licensing. That is why it is so important to keep licensing activity and costs to the minimum. I was reluctant to comment on the possible figures, as my hon. Friend the Member for West Renfrewshire (Jim Sheridan) and I need to consider the issue; it is of course legitimate for other Members to look into it, too. At a later stage, a regulatory impact assessment for business will have to be carried out, but I hope that the right hon. Gentleman will accept that, as I indicated earlier, our first task is to ensure that, by working with the industry, we keep the costs to the minimum that is necessary for effectiveness. We can then achieve outcomes such as an improved marketplace in legitimate activity.

Mr. Forth: I am most grateful to the Minister for those comments. We all look forward to those aims being carried forward.

There are subsidiary arguments, although I shall not be tempted into them. However, if by introducing such measures we force up the price of ethical or regulated produce, there is a danger that it could be displaced or replaced by products from elsewhere that are much less ethically gathered or manufactured. That balance must always be struck. We have to be aware of the global context in which these things operate—whether it be cockles or any other produce.

All of us who go to the supermarket, as I do every week—

Anne Picking: Aye, right.

Mr. Forth: If the hon. Lady doubts me, she should ask Mrs. Forth the next time she sees her. We do our shopping as a joint activity in Waitrose in Bromley, if the hon. Lady really wants to know. I shall be in the supermarket tomorrow, as I am every Saturday morning, and the hon. Lady is welcome to shop with me in Bromley. As well as monitoring prices closely—perhaps that belies my origins—I examine the origin of produce and am struck by the vast variety of sources. When we seek to regulate, control or tax activities in our country, we must consider the likely impact on imports.

Mr. Bellingham: My right hon. Friend has touched on an important point. I represent a number of chicken producers in Norfolk who implement high standards of animal welfare. However, we import millions of chickens from Thailand that have never seen the light of day and that have been force fed chemicals and other ingredients, but the bottom line is that the consumer wants cheap chickens.

Mr. Forth: That example specifically makes the point that I was trying to make generally. I am sure that the Minister will bear it in mind because it is consonant with his argument.

Rob Marris: The effect on the price for the consumer may not be as great as the right hon. Gentleman fears. We have heard today that the principal—the farmer—may not pay a cheap price for gang labour because the gangmaster rips off the workers by operating illegally by, for example, overcharging for accommodation, and the farmer ends up paying for the labour and charging supermarkets for it.

Mr. Forth: I accept that, but there may be another effect—the produce will not be gathered at all if we are not careful. If we eliminate problems such as multiple occupation of homes and hot bedding, the supply of labour may reduce to such an extent that farmers, the principal producers, will have difficulty obtaining labour to gather their produce. Again, that would have

a general effect on the domestic agricultural sector, and it could have a displacement effect on imports. We are not necessarily at odds here, but, as the Minister says, we must be mindful of the tensions inherent in the Bill.

I was going to discuss enforcement, but I shall leave that matter because I want to discuss the scope of the legislation. Almost as a throwaway line, the right hon. Member for Holborn and St. Pancras said that the Bill is focused on the agricultural sector, which is currently on people's minds. As he said, we should not forget that the phenomenon exists in catering, construction and other sectors of our economy. That raises the questions of whether we should legislate and how focused legislation should be. There is a tension between saying that the legislation should be focused and therefore more effective, and ignoring similar problems in other sectors, which does our voters and us a disservice. We should bear that point in mind as we examine the Bill.

Given the Bill's title, there is no possibility of extending its scope, but I hope that a marker has been put down that such matters will not be forgotten. That point relates to enforcement, because if Customs and Excise and the immigration authorities can enforce legislation on agriculture, which the Minister told us about a moment ago, presumably they can do it in other sectors. If they have demonstrated their capacity to enforce legislation in agriculture and other sectors, why can they not rapidly extend their effectiveness, which we all want?

Jeremy Corbyn (Islington, North) (Lab): One important problem is that there are considerable numbers of asylum seekers, particularly in London and the south-east, who are not allowed to work and who want to work. They do not receive state aid or benefits and are therefore prey to the worst kinds of exploitation, which one can find in catering, hotels and building sites all over London and the south-east. I understand that that issue is outside the scope of the Bill, but it must be addressed at some point.

Mr. Forth: Without trying your patience too far, Mr. Deputy Speaker—I am a student of your body language—I would agree with the hon. Gentleman, except to say that again a balance has to be struck between over-protecting such people and denying them an opportunity to work. That is another issue that has to be borne in mind. I had some furniture delivered recently by two charming young Ukrainian gentlemen. Being the decent sort of chap I am, I did not ask to see their work permits. I could not decide whether I wanted to encourage them to bring my furniture or whether I felt that they were prevailing too much on our hospitality. I shall not dwell on that issue.

With my eye on the hon. Member for Pendle, I wish to make a final point.

Mr. Bellingham: At the peak of the growing and picking season, there are several gangmaster operations in East Anglia that supply gang labour to the farming industry. At quiet times, they may supply labour to the catering, construction and hospitality industries. Does my right hon. Friend agree that that issue must also be addressed?

Mr. Forth: I hope that that would be generally agreed, but as we are talking about this Bill today, we can only note my hon. Friend's remarks on this occasion.

Despite everybody's efforts to keep me on my feet, I wish to conclude by saying a few words about the lack of an impact assessment. I am nervous when we embark on such legislation without any attempt to measure the impact on the cost structures of the industry, on tax revenues—be it plus or minus—and, as importantly, on the consumer. The Bill is bound to have an effect in all those areas. Despite all the expert advice that the hon. Member for West Renfrewshire (Jim Sheridan) has had on the Bill from unions, retailers and others, no one appears to have made any attempt to estimate the impact on their costs, employment practices, ability to gather the produce or the cost to the final consumer. The hon. Member for East Lothian may be right that consumers would not care about the cost if such tragedies as we have seen recently are eliminated or it meant that people were treated decently. That may be the view that the consumer takes, but for them to be able to take that view they must know something about the additional bill.

Mr. Simmonds: Is my right hon. Friend aware that many legitimate gangmasters, especially those who have to provide labour 364 days a year to packhouses to enable them to supply supermarkets with an all-year round supply, operate inside the law under very slim margins of profitability? If the bureaucracy and additional cost is over and above what is necessary, many will not be able to operate profitably and will therefore not provide the much needed labour to send the food up the chain of supply.

Mr. Forth: My hon. Friend knows much more about this issue than I ever will and he may be right, but I suspect that a countervailing force would be at work. If the illegal operators are eliminated, the legal operators will have that much more opportunity to carry out their tasks effectively and more efficiently. I welcome the fact that the Minister said that he wants to minimise any cost burden involved.

I said to the hon. Member for Pendle that we would be able to move on at about 1.45 pm. I pride myself on having a good sense of the passage of time and I am aware that the Bill's promoter will wish to say a few words, so I will conclude my remarks. I can see that the Bill will receive a Second Reading, but it will also receive thorough scrutiny in Committee—and that I very much welcome.

1.44 pm

Jim Sheridan: With the leave of the House, I thank all right hon. and hon. Members for their support today, especially those who made such powerful and eloquent contributions to this important debate. That applies regardless of how late they joined it or how early they left it. I also want to mention the fact that—this is not a measure of the support given by those hon. Members who are in the Chamber—a number of right hon. and hon. Members from across the spectrum have given their support to the Bill.

In particular, I thank my right hon. Friend the Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown). I was humbled by his presence, given his experience of agriculture, and pleased that he joined us today. I am also impressed by the presence of my right

[Jim Sheridan]

hon. Friend the Member for Holborn and St. Pancras (Mr. Dobson), who is equally experienced in introducing legislation in the House.

I also welcome and appreciate the support given by my hon. Friend the Member for Morecambe and Lunesdale (Geraldine Smith), whose constituents had tangible experience of the consequences of unscrupulous gangmasters.

I thank all those people outside the House for sending their letters and e-mails of support during the past couple of weeks. Of course, once again, I thank all the coalition partners for all their support and help. Their backing has helped the Bill to make progress. In that vein, I also thank the right hon. Member for Bromley and Chislehurst (Mr. Forth) for his brief contribution, and I certainly hope that he continues in that way.

I have learned a great deal from the debate today, and I believe that gangmasters and gang workers may also learn something—that the days of exploitation must come to an end. Again, I thank my right hon. Friend the Minister for his response and for his words of support and encouragement. I hope that, as the Bill progresses and we debate the issues further, the result will be that he and the Government will be able to work with me and my colleagues during the next stages. However, the Bill is deliberately non-prescriptive. We have said that it is entirely up to the Secretary of State to decide which agency should take up the responsibility. I was encouraged when my right hon. Friend said that existing agencies could perhaps do so, but serious consideration should be given to resourcing those agencies.

I finish by saying that, for all those who are exploited and those who have lost their lives because of exploitation, the Bill could and should be the most fitting memorial that the House could give to them and their families.

Question put and agreed to.

Bill read a Second time, and committed to a Standing Committee, pursuant to Standing Order No. 63 (Committal of Bills).

Referendums (Thresholds) Bill

Order for Second Reading read.

1.48 pm

Mr. Gordon Prentice (Pendle) (Lab): I beg to move, That the Bill be now read a Second time.

This is a very short Bill, with a very narrow focus, but a big purpose. It will set a 50 per cent. threshold on turnout in a referendum. If fewer than half the electorate turn out to vote, the referendum will be null and void. My Bill deals with referendums triggered by an Act of Parliament; it does not cover local authority referendums.

The Government have already set a threshold for the promised referendums on regional assemblies in October. The Minister for Local and Regional Government has said that the result of the referendum would not necessarily be acted upon if the turnout were "derisory". My dictionary defines the word "derisory" as "laughably small". In the Library, I have just been looking at the "Oxford Dictionary", which defines the word "derisory" as "ridiculously small or inadequate".

Mr. Andrew Dismore (Hendon) (Lab): My hon. Friend mentions derisorily small turnouts. Under Standing Order No. 41 of this House, the threshold that has to be achieved is 40 hon. Members. May I suggest that he put his proverbial money where his mouth is and call a vote immediately under Standing Order No. 163 to check whether he has such a threshold for his Bill? Looking round the House, it seems extremely unlikely that he would be able to achieve that.

Mr. Prentice: I daresay we will have more of those lawyerly points, but I want to concentrate on the bigger picture.

Mike Gapes (Ilford, South) (Lab/Co-op): Will my hon. Friend give way on that point?

Mr. Prentice: I should like to make some progress, but I will then give way, because I like my hon. Friend.

I do not know what the Government mean by derisory, and I suppose that it will mean whatever the Minister for Local and Regional Government wants it to mean. However, Ministers have told us that they expect the turnout in October to be boosted by the move to postal ballots, so the vote might not be derisory after all. I certainly hope that it is not.

The referendums in the northern regions—for the North West, the North East and Yorkshire and Humber assemblies—will not just be about regional assemblies. In areas such as mine, east Lancashire, there are two tiers of local government: the district and the country council. A second question on the ballot paper will give the options for a new single-tier or unitary authority. There will be no option to stick with the status quo. The reform of local government in two-tier areas such as mine is contingent on there being a yes vote regionally for a new assembly, so Pendle could vote no for an assembly in order to keep its present form of local government, but be outvoted in the region as a whole. What happens in Pendle in October will therefore be very important. My constituency could find itself bolted

on to Burnley and Rossendale to be become a new "Burpendale", or we could be subsumed in a new giant east Lancashire authority of 500,000 souls, no doubt based on Blackburn.

All that is being done on the back of a so-called soundings exercise carried out by the Deputy Prime Minister at the end of 2002. He wanted to know how many people wanted a referendum on the proposed regional assemblies. Many would say that the results of that soundings exercise were derisory. In the north-west, 56 per cent. of responses were in favour of a referendum on a regional assembly and 44 per cent. were against it. However, we must look behind those percentages, stripping out the councils, interest groups and organisations to consider the number of individuals who are calling for a referendum. In the north-west, 2,050 people called for a referendum and 1,530 did not. That is in the region of just under 7 million people.

In Yorkshire and Humber, 696 people wanted a referendum and 290 did not. In the north-east—to which everyone points as the region that is desperately anxious for a new regional assembly—323 individuals wanted a referendum and 403 did not. A majority of individuals in the soundings exercise in the north-east did not want a referendum. We could fit all those who wanted a referendum in the soundings exercise in all three northern regions into the Albert hall—downstairs. There is absolutely no pressure out there for this new tier of government.

Mike Gapes: My hon. Friend said that his Bill does not cover referendums in local government. Given that he has talked about derisory turnouts, and given that the turnout in local elections is lower than in other elections in this country, why does his Bill not apply to local government?

Mr. Prentice: I wanted to keep the focus very narrow. The Bill could have encompassed local government. As my hon. Friend said, there have been some very low turnouts. The lowest—I am looking at a Library paper written by Oonagh Gay—was 9.2 per cent. in Ealing. The lowest turnout resulting in a yes vote—the vote for the mayor in Lewisham—was 18 per cent. So, yes, those are derisory turnouts. He makes a valid point.

Mr. Owen Paterson (North Shropshire) (Con): While the hon. Gentleman is on the point about the soundings exercise, will he bear in mind the fact that the result of consulting 5.3 million people in the west midlands was even more striking? Of 356 responses, only 58 wanted an assembly. There is merit in what he is saying.

Mr. Prentice: I have all the figures for all the English regions, but I will not embarrass the Minister and my Government by pointing to some of the derisory turnouts in that soundings exercise.

We should not embark on a major upheaval on the back of such flimsy support. The Labour Government should be concentrating on delivering first-rate education, health and public services, and not on rearranging the organisational furniture. I think that that is a complete distraction. We also need to make it clear to people voting in the referendum that a regional assembly will not mean that they will get more cash at the expense of other English regions. The Government have made it clear that that is not the case, and I would like them to keep on saying it, because there is a feeling among the enthusiasts for regionalism that Balkanising Britain into regions will result in those with assemblies getting a bigger cut of the cake than they would be entitled to.

Mr. Mark Francois (Rayleigh) (Con): The hon. Gentleman has made it plain that he has all the figures for all the regional consultation exercises and that he does not want to embarrass the Minister by reading them out. I do not want to embarrass the Minister by reading them all out either, but would the hon. Gentleman cite the figures for the east of England, because they were truly derisory?

Mr. Prentice: I prefer to concentrate on my own speech. The hon. Gentleman can have a look in the Library and unearth the figures for his region if he wishes.

Referendums are with us and it looks as if they are here to stay; we are in the age of the referendum. I say that despite the fact that we have had only one United Kingdom-wide referendum—that was to join the European Community in June 1975—although we have since had referendums in Scotland, Wales and London. Later this year, as I have said, we are promised referendums on setting up assemblies in the three northern regions of England.

There is also a referendum promised on the euro. I do not know when that will be, but it has been promised. In addition, there is agitation among Opposition Members and, indeed, Labour Members for a referendum on the proposed European constitution. The Labour party has also promised—although it is very much on the back burner now—a referendum on a new voting system for election to the Westminster Parliament. I think that that was stitched up in the old days when the Prime Minister and the then Leader of the Liberal Democrats had a kind of love-in on constitutional issues, but we have moved away from that.

Turnouts in previous referendums have in most cases been respectable, but they have been declining. In 1975, the turnout in the EEC referendum was 64 per cent. In the 1979 devolution referendum in Scotland, the turnout was 63.6 per cent. In the 1979 devolution referendum in Wales, the turnout was 58.8 per cent. In 1997, to bring us closer to the present day, the Scottish devolution referendum returned a turnout of 60.2 per cent. Then we had the Welsh devolution referendum, for which there was a turnout of 50.1 per cent. In London, the Greater London assembly referendum clocked up a turnout of 34 per cent. in 1998. If my Bill had been an Act back then, only the referendum on the Greater London assembly would have been caught by its provisions.

Why do we bother with referendums? They are supposed to give legitimacy. The referendum is seen as the ultimate legitimising device. It is seen as decisive, especially if it is carried by a huge majority, and as expressing the will of the people—the people have spoken. David Butler's 1994 book "Referendums Around the World" covered 200 referendums. Few were decided by close margins. Clearly, if a referendum is decided by a close margin, it raises questions about the legitimacy of the result.

[Mr. Prentice]

We had a string of referendums in the 1990s. The Danish and French Maastricht referendums delivered results of 51 per cent. against 49 per cent. The Irish divorce referendum in 1995 again delivered a result of 51 per cent. against 49 per cent. The Welsh devolution referendum was close indeed. Curiously, the losers accepted defeat in every case.

Andrew George (St. Ives) (LD): Although I share the hon. Gentleman's scepticism about the soundings exercise and the boundaries drawn up by the Government to form the basis of regional devolution, if 49.9 per cent. of the electorate turn out and 90 or 95 per cent. of them are enthusiastically in favour of something, does he accept that his Bill would mean that the proposal could not go forward?

Mr. Prentice: Yes. That proves that the hon. Gentleman has read my Bill, because that is what it does. A 50 per cent. turnout is required—I am speaking slowly.

Some people say that a turnout requirement is fundamentally undemocratic. In fact, quite a few of my colleagues have e-mailed me over the past 48 hours to tell me just that and that it would encourage abstentions.

Mr. Eric Forth (Bromley and Chislehurst) (Con): Where are they?

Mr. Prentice: Well, they are not here.

Mr. Dismore: I am here.

Mr. Prentice: My hon. Friend is always here on a Friday.

Others highlight technical problems with the Bill, such as ensuring the accuracy of the electoral register. A stipulation that 50 per cent. of the electorate have to vote would mean removing from the register those who have died and those from the region who are in prison, because convicted prisoners cannot vote. My Bill deals with that by making the responsibility lie with the chief counting officer to estimate or decide on a figure that reflects the number and percentage of the electorate who would not be counted.

On abstentions, I looked at the Scottish devolution referendum in March 1979, the one that failed. Although that had a threshold, there is no evidence of a strong abstentions campaign. In fact, the Conservatives were the only major party to urge a no vote. One of the crucial interventions in the campaign came from Lord Home, who supported devolution. He urged those who were against devolution to vote no rather than abstain. It is a curious paradox that the turnout of 63 per cent. in that referendum was higher than the turnout for the 1997 referendum, which carried through Scottish devolution.

Andrew George: I appreciate that the hon. Gentleman appreciates the fact that I have read his Bill, but wonder whether he read my mind accurately when determining the purpose of my previous intervention. Given what he has just said, does he not accept that election turnouts tend to be higher when the contest is significantly close? When one side is clearly going to win many people do not turn out to vote simply because they accept that the conclusion is foregone. The result is both a low turnout and low enthusiasm for what is on offer.

Mr. Prentice: I get the point, but the responsibility falls on politicians and political parties to motivate and galvanise people so that they are interested enough to exercise their vote. If people are not turning out in the numbers they should, responsibility for that lamentable state of affairs lies with politicians and their parties.

Mr. Paterson: Does the hon. Gentleman accept that to someone who, like me, represents an English seat, the real scandal of the Scottish and Welsh referendums was that 85 per cent. of the population whose constitution was, in effect, torn up were not consulted at all?

Mr. Prentice: The argument can be made from any direction. Should we have referendums on regional assemblies only in the three areas designated by the Deputy Prime Minister, or should the rest of the country be consulted? I do not know. As I said, the Government have stated that having a regional assembly will bring no financial benefits at all to the regions in question, so perhaps in those circumstances it is legitimate to have a referendum only in those regions.

Geraldine Smith (Morecambe and Lunesdale) (Lab): Is it not true that not only will having an assembly not bring an extra penny into the three northern regions, but it will cost people a lot of money because they will have to pay for the reorganisation and the costs of setting up extra bureaucracy and an extra layer of politicians?

Mr. Prentice: My hon. Friend has to qualify her remark about an extra layer of politicians, because although the regional assemblies will have a membership of between 25 and 35, we will lose an awful lot of councillors. Should regional assemblies be set up, the number of elected people will contract. That would be the result of what the Government have presented us with.

The short answer to the question of whether my Bill is unusual in imposing a turnout requirement is: no. There are special majority requirements in many countries that use referendums. I referred to the Library paper earlier; another paper on which I have drawn was written by Mads Qvortrup of the Initiative and Referendum Institute in Washington DC—I am sure that there is a copy in the Library and I recommend it to hon. Members. The Italian constitution stipulates that turnout in a referendum must exceed 50 per cent. if the result is to be valid. There are turnout requirements in Portugal and in many of the new democracies in eastern Europe, including Estonia, Latvia, Lithuania, Poland, Slovakia and Slovenia.

For an example from a mature western democracy, we can turn to Canada. In 1998, the Supreme Court of Canada ruled that a majority requirement was needed should a narrow majority of voters in Quebec vote to secede from the rest of Canada. The court left it to the politicians to determine what constituted

"a clear majority on a clear question",

but the legislation stipulates that a referendum must be

"a clear expression of will by a clear majority of a province that the province cease to be part of Canada."

When the matter was discussed in the Canadian House of Commons in Ottawa in December 1999, the President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Stéphane Dion, said:

"You don't break a country with support of 50 per cent. plus one."

He said that separatist leaders around the world called for a fair vote that would show that their people want to separate. They do not go around saying, "Half my people want to separate." More is needed than a simple 50 per cent.

Does this have relevance for us in the United Kingdom? It is not entirely fanciful to suppose that at some point in future there may be a majority Scottish National party Government in Edinburgh with what they would claim is a mandate to seek independence. Would 50 per cent. plus one on a turnout of 45 per cent. be regarded as the settled will of the Scottish people? I do not think so.

There is no need for anyone, and certainly not the Government, to feel frightened of my Bill. If a referendum is to be a way of conferring the ultimate legitimacy on a proposed policy or course of action, it is right that we seek to persuade at least half the electorate to turn out to vote.

2.11 pm

Mr. John Randall (Uxbridge) (Con): I congratulate the hon. Member for Pendle (Mr. Prentice) on introducing the Bill, which we think is an admirable measure. For my own part, I can immediately accept the suggestion that if his Bill had been in place, the only referendum that we have had so far that would have been declared null and void would have been the one setting up the Greater London Authority and the Mayor for London. If that had happened, we would all have been much happier in my constituency and we would have all saved a lot of money.

The hon. Gentleman touches on voter apathy, and that is really what we are talking about. If we want a referendum to have a clear result, we must ensure that voters are interested enough to consider the given question and to vote for or against it.

I can remember a rather interesting play that was shown on television many years ago. The fictional Government decided to become much more in favour of democracy, and so they had referendums on everything. Rather pre-dating what happens these days with reality television and voting, they gave everybody a television and a box to record their vote. The people thought that it was a marvellous, absolutely wonderful idea because they had been complaining about politicians taking decisions that they did not think were right. The Government were regarded extremely highly.

That was until real matters were involved. As we know in the House, sometimes statutory instruments, although many are fine and interesting, do not catch the imagination of every hon. Member. In the play, one member of each family was nominated—a sort of family head—and had to stay in every evening to vote, and go through a lot of papers. After about two or three months of this, there was almost a revolution. People could not go down the pub and they could not watch other television programmes. All that they had on was the statutory instrument channel, or whatever it was called.

The Prime Minister of the day decided to have one final vote. He said, "Would you like to give the power to me to vote for everything for you?"—by this time, the Members had all been got rid of. Funnily enough, the people voted in favour of the Prime Minister taking all the decisions and that was how dictatorship was established in this country.

I am not assuming or even presuming to suggest that the fact that we have so many referendums these days is a plot by the Government to lull everybody into a false sense of security. However, in my opinion there seem to be a huge number of referendums, and there could be more and more. The more that there are, the less interest there is. As the hon. Gentleman said, only 34.1 per cent. of people voted in London for the Greater London Authority being set up and the London assembly, on a day when there were the local elections as well. The Government tried to make the election as interesting as possible, but they failed miserably, and nobody in their right mind would regard it as a vindication of the setting up of that authority.

The hon. Gentleman's Bill would provide politicians on both sides of an argument with an incentive to instil enthusiasm in people and achieve an increased turnout. At the moment, there is no such incentive. In fact, if one was of a suspicious nature one might say that the more difficult the question and the boring it seemed to the electorate, the less likely they are to vote. Consequently, one could get all kinds of strange things through using referendums. The Bill is therefore a great step forward, and would make sure that referendums are not called just when the Government fancy doing something. I cannot speak for the regions, and can only speak about what happened in London, but the hon. Gentleman and many of his colleagues are wise to be extremely cautious about setting up assemblies. If the Bill were passed, the Government would have to work hard to prove to the electorate that regional assemblies were needed. They would have to do so not just in the case of the referendums covered by the Bill but for all referendums, which would be a good thing.

Yesterday, I attended the Hillingdon branch of the UK Youth Parliament. Interestingly, those young people felt hard done by, because votes in the House on two issues about which most of them had strong feelings had gone the wrong way. One issue was Iraq, and the other top-up fees, and they said that they would like a referendum on both of them. However, as with all such issues, would they be prepared to vote? The measure should therefore be in place for all questions that are put to a referendum, as that would make us all work a lot harder. I shall conclude my speech, as I want to hear how the Minister will prove that he is in favour of democracy. The Opposition thoroughly support the Bill, and hope that the Government see the sense of it too.

2.17 pm

Andrew George (St. Ives) (LD): The hon. Member for Pendle (Mr. Prentice) gave an interesting introduction to the Bill. I share his scepticism, and my beliefs about the preparation of the Government's proposals on devolution are on the record. The regions where the Government propose to devolve power are not proper regions, so the appropriate devolution of power, a policy that I fundamentally support, is unlikely to gain support. There is clear popular support for the Government's proposals, but it is also clear that support for devolution has been created from synthetic Government zones. Many soundings, as the hon. Gentleman pointed out, demonstrate derisory levels of interest and enthusiasm for taking things a stage further, which only embellishes the point.

The Minister for Local and Regional Government, when dealing with amendments and arguments that a threshold should be established, argued that the Government would not proceed in circumstances in which support for a regional assembly was derisory. However, the responsibility for determining that level of support would rest entirely with the Secretary of State, and the only recourse to the people of this country would be the recourse of law, which is entirely unsatisfactory. I am not certain that in its present form the Bill is necessarily the answer, but the hon. Gentleman initiates an important debate. The Bill deserves further consideration, even though it puts far too much power into the hands of the Deputy Prime Minister to determine whether the level of support is derisory. Judging from the way the debate is going, I fear that in those regions the vote may well be derisory—

Mr. Forth: Good.

Andrew George: That would be insufficient and would raise serious questions about the way in which the Government proceed with the policy of devolution. I wish the hon. Member for Pendle well in raising an important issue, although I do not necessarily agree with the figure that he suggests.

2.20 pm

Mr. Andrew Dismore (Hendon) (Lab): I was extremely disappointed by the response from my hon. Friend the Member for Pendle (Mr. Prentice) to my earlier intervention. If he is arguing for thresholds for referendums in the wider world, why on earth is he not prepared to abide by the threshold that we set in the House for primary legislation? I think that is not a lawyerly point, as he said in response, but a point fundamental to our constitution. If legislation is to go through the House, it should have appropriate support from those present in the House.

Mr. Forth: In that case, would the hon. Gentleman accept my suggestion that the quorum in the House should be 50 per cent.? In order for a measure to get on to the statute book, surely it is not unreasonable for at least half of the MPs to turn up to vote for it.

Mr. Dismore: The right hon. Gentleman makes an interesting point, but I suspect that with such a threshold we would probably not get any legislation through at all—

Mr. Forth: Good. Excellent.

Mr. Dismore: I know that it is one of the right hon. Gentleman's primary objectives on a Friday to make sure that we get no legislation through.

There is not a great deal of time, but I shall address the point made by the hon. Member for St. Ives (Andrew George) in an intervention, about the position when it is pretty clear what the result will be. We have had a lot of sniping from those on the Opposition Front Bench and Back Benches about the referendum for the Greater London assembly and London Mayor. It is true that the turnout was only 34 per cent., but it is equally true that the overwhelming voice of the people of London was expressed in that vote—

Mr. Forth: No!

Mr. Dismore: —through a yes vote of 72 per cent. That reinforces the point made by the hon. Member for St. Ives that when the result is so overwhelmingly clear, there is a tendency for people not to bother to vote because they see how the vote will turn out.

Mr. Francois: The hon. Gentleman is making rather an interesting argument. In the old Soviet Union the turnout in elections was often 98 or 99 per cent., and everybody know who would win.

Mr. Dismore: The hon. Gentleman is probably making a point against himself in the context of the Bill. We have a very successful operation through the London Mayor, and I very much hope that in the elections in June the Mayor will be returned to build on his excellent record on behalf of the people of London.

I shall deal now with another right: the right not to—

Mr. Paterson: Will the hon. Gentleman give way?

Mr. Dismore: I always give way on a Friday, as does the right hon. Member for Bromley and Chislehurst (Mr. Forth).

Mr. Paterson: I am grateful to the hon. Gentleman. With reference to his pride in the Mayor, why did the Labour party oppose him?

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. Even in a wide-ranging debate, that is not acceptable.

Mr. Dismore: That is a great pity, Mr. Deputy Speaker. I was looking forward to answering that intervention, but I shall go on to my next point, which concerns the right to abstain. Our democratic process does not require people to vote if they do not want to. Under my hon. Friend's Bill, people's decision not to

vote would effectively be counted as a vote, whether they liked it or not. That is an infringement of the democratic process.

Article 9 of the Human Rights Act 1998 provides for freedom of thought, conscience and religion. Everyone has the right to freedom of thought, conscience and religion, and I think that includes the right to have their political views respected. I put it to my hon. Friend that Jehovah's Witnesses have a principled view that although they register to vote because that is a requirement of the law, they do not wish to participate in the political process. The Bill would force them to participate, whether they like it or not, by counting their principled abstention from the democratic process as a vote against a particular reform.

Mr. Prentice: I would have to think a bit more about the Jehovah's Witnesses—they always creep into these debates, do they not?

I remind my hon. Friend that other countries in the European Union, notably Portugal and Italy, implemented provisions of the kind that I propose without in any way infringing the European convention on human rights, which is the linchpin of our own Human Rights Act.

Mr. Dismore: Further to my hon. Friend's comment about the Jehovah's Witnesses, religious groups are often the subject of our debates. When we discussed the Pensions (Winding Up) Bill, we had an interesting diversion around the tenets of the Plymouth Brethren.

My hon. Friend says that such provisions do not infringe the convention, but he may not have considered the issue in one important context; indeed, perhaps I am the first person to do so. It is certainly important in my constituency. In Mill Hill, we have Watchtower house, the headquarters of the Jehovah's Witnesses, and a significant number of Jehovah's Witnesses are on the electoral register. That could affect the turnout significantly in the event of a referendum in my constituency.

That raises the whole question of the electoral register. Some of our electoral registers are more accurate than others—let me put it that way—and they are not designed to provide for thresholds or abstentions. Although we have a rolling register, its accuracy often leaves a great deal to be desired. For example, it is rare for people who have died during the year to be removed from the register. Indeed, they often crop up for several years before the local authority gets round to amending it. Under my hon. Friend's Bill, people who had died would effectively have a vote: they would be counted as having voted against because they had not turned out. That is an inevitable consequence of the Bill as drafted. *[Interruption.]* My hon. Friend says that he made that point during the debate, but it is nowhere in his Bill. It makes no provision for changes to the maintenance of the electoral register.

The same argument applies to people who have moved house during the currency of an electoral year. They remain on the register and technically still have the right to vote, yet under the Bill their vote would be counted irrespective of whether they decided to do so. The same goes for overseas voters. Moreover, in certain parts of the country, the register turns over much more quickly than in others. My hon. Friend has not thought through his proposals.

I have a great deal more to say, but I know that my hon. Friend the Minister would like to have a few minutes to speak. In the unlikely event of the Bill's making progress, I reserve the right to return to the matter at a later stage.

2.27 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): In the generous amount of time that I have left, I will endeavour to explain why, after a great deal of consideration, we have concluded that the Government cannot support the 50 per cent. threshold for referendums that my hon. Friend the Member for Pendle (Mr. Prentice) proposes. I know that that will be a disappointment to him, so it will be helpful if I explain why we take that view.

First, let us not forget that there is a legal and legislative structure for our referendums. The Political Parties, Elections and Referendums Act 2000 governs the general rules for matters such as expenditure limits and organisation. There is also a requirement for separate Acts of Parliament to specify the details of particular referendums—the question, the franchise, the date and so forth. Clause 1 of my hon. Friend's Bill would amend the generic legislation. That would be wrong. It would be too rigid and inflexible an approach to apply the 50 per cent. threshold for all referendums in all circumstances. It is important that every referendum is considered on its merits. On principle, it would be wrong to have a 50 per cent. threshold, thereby allowing non-voters effectively to veto a yes vote or even a no vote, depending on how one viewed a threshold. That is a fundamentally undemocratic approach. People who wanted a no vote could campaign for abstentions rather than a positive—

It being half-past Two o'clock, MR. DEPUTY SPEAKER *adjourned the debate, without Question put, pursuant to the Standing Order.*

Debate to be resumed Friday 12 March.

REMAINING PRIVATE MEMBERS' BILLS

CROWN EMPLOYMENT (NATIONALITY) BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 14 May.

Hours of the House

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Kemp.]*

2.30 pm

Jane Griffiths (Reading, East) (Lab): Although I am grateful for the opportunity to introduce the debate, I am a little amused, given the topic that I chose, because I suspect that the sitting hours of the House will not have an impact on me in the next Parliament. None the less, it is an important matter. I am well aware that there have been consultations, questionnaires and reviews on the matter and that discussions are continuing. However, I should like to share with hon. Members my view and perspective on the discussions that have taken place.

I was part of the large intake of hon. Members who entered the House in 1997. On that day, the composition of the House changed by more than 50 per cent. More than half the hon. Members who entered Parliament were new. As such, perhaps, many of us had a fresh perspective. It remains true that a majority of hon. Members have served for relatively few years. Perhaps, therefore, some of our views may be worth considering.

First, anyone who tries to become a Member of Parliament knows that that occupation is neither family friendly nor nine-to-five. It simply cannot be that. I also submit that anyone who tries to be a Member of Parliament will have been engaged in various activities, usually party political, which took up a considerable amount of their time. They will not therefore have lived the sort of life in which one goes to work, finishes, goes home and watches television. Many of our constituents do that, but we do not.

I know about all the discussions that have been held, so the purpose of today's debate is not to take hon. Members through what has been said because there will be reports, and there have been reviews and, indeed, early-day motions, which are often derided as political graffiti. I do not take that view. Early-day motions are a valuable opportunity to express parliamentary opinion and many of our constituents value them. As hon. Members know, constituents often approach us and seek our support for various early-day motions, although not those on the sitting hours of the House. It is a matter of great interest not to our constituents, but to us as Members of Parliament.

I want to refer briefly to a comment that my hon. Friend the Member for Milton Keynes, South-West (Dr. Starkey) made in the House. She sought, rather unusually, for parliamentary time not to be found to discuss sitting hours of the House. I have been a Member of the House for more than six years, and I have heard countless calls for parliamentary time to be found for one issue or another, but that is the only time that I have heard a request for parliamentary time not to be found. However, I can understand the thinking behind that request.

Between 1997 and 2001, the House had a great many late sittings, and I could understand the need for that. It is important for Government business to be done and for full debate to be had. But I can recall occasions where earlier in the day I had been fully cognisant of what a Bill was all about, but by 2 or 3 o'clock in the morning my mind was less keen. Therefore, I quite enthusiastically supported the change to the sitting hours of the House to sit in the morning and to attempt to finish the day's business by the early evening. That seemed sensible.

Many of the arguments for that change in the sitting hours of the House were not mine. Various hon. Members say that since the House and Committees began to sit earlier in the day they find it difficult to drop their children off at school. That may be so, but in the 23 years of my working life before becoming a Member of the House, I never had a job that made express provision for me to drop my children off at school. I made my own arrangements, as working parents do. I find demands for hours that allow children to be dropped off at school, or whatever other things family life requires, a little excessive, given that most employment does not offer that facility, and there has been no suggestion from Government or anywhere else that it should.

Leaving that to one side, I supported a change to the sitting hours of the House because I believed, not for family friendly reasons but purely for reasons of efficiency, that our parliamentary business could be done in more normal hours, while still allowing us to do what we did before, and enabling the wider public to be informed of what we do here in this Chamber more efficiently. Before the sitting hours changed, it was quite difficult, in this era of 24-hour rolling news, for newspapers to report the proceedings of the House in an up-to-date fashion.

However, once the sitting hours changed, I found that the rosy dream of an efficient parliamentary day did not quite become reality. When I first entered the House, we sat until 10 o'clock in the evening, but in 1998, before the blanket change was made, the decision was made to finish at 7 o'clock on a Thursday evening, which I think was universally welcomed. It contributed to the efficiency of our business, and hon. Members could travel back to their constituencies on a Thursday evening.

My constituency is close to London and I can be there in an hour or an hour and a half, so for me the journey is not a problem. My hon. Friend the Member for Reading, West (Mr. Salter) boasts that he does not require to stay overnight in London because the journey to Reading is so easy, and that is right. When the sitting hours of the House were changed, some constituents said to me, "You do family friendly hours now, so you will be able to get back to Reading and come to meetings. We would like you invite you, and you will be able to be there." But even though I can leave this House and be in the centre of my constituency in just over an hour—transport permitting, and if everything goes well—I found that I simply could not get to such meetings and functions. I have been invited to speak at dinners, only to arrive when people were drinking their coffee. They had been told that they could expect me in time for the main course, but I simply could not do it, even though my constituency is very close to London. Of course, those Members whose constituencies are much further away cannot go home to them in the evenings; yet nothing happens in the House in the evenings, certainly not on Tuesdays and Wednesdays.

That offers an opportunity. I had a useful time this week, in that I was able to have dinner on Tuesday evening with other Members and a Minister. I shall not

share the content of that conversation with the House now, but it did constitute a good use of evening time, because it was an opportunity to sit down with parliamentary friends and colleagues and discuss issues. However, we have to ask ourselves what Parliament is for. It is very pleasant to sit down with friends and colleagues to have dinner and chat, but what is this House? It is a workplace and, at times, a tourist destination. Members should consider that point in the context of the reviews that have taken place.

Members should consider that this House is a workplace, a legislature and a tourist destination. Not only now but historically, those three aspects have been very hard to reconcile. Many Members have said that they find it difficult to arrange tours and to bring their constituents to the House since the change in the hours, yet constituents greatly welcome such visits. Again, this is not a problem for me, because my constituents in Reading can reach the House quite early in the day; however, many others do experience difficulty. I suspect that that difficulty can be resolved by considering other practical measures. I have my own thoughts on that issue, but I shall not share them with the House now, given the little time available.

I feel strongly that we should move away from the notion of family friendly hours and normal working hours, because those are impossible to achieve for Members of this House. After all, only about one in three of Britain's work force works anything approximating a nine-to-five day, or normal working hours. We should move away from those notions, to which the media refer as a kind of shorthand. Of course, the attempt was made in the media to suggest that we were voting for shorter hours for ourselves, which we were not. The number of hours that the House sits has barely changed at all.

As a Member of this House, I have had the great opportunity and privilege to visit Parliaments in other parts of the world, and I recall in particular my visit to the Mozambique Parliament in 2002. I asked the Members of that Parliament what time it began sitting, to which they replied, "Eight-thirty in the morning." The notion of sitting at 8.30 am would strike horror into the hearts of many Members, but that comment made me think. I asked, "Does everyone turn up at 8.30 am?" I was told, "Oh yes, we have to. There is a roll call, and if you're not there you get into trouble."

I have heard it said by hon. Members who describe themselves as modernisers that the new—now a year old—sitting hours could prevent hon. Members from engaging in other occupations, but they do not, because it is not compulsory to attend in the Chamber. Hon. Members could be elsewhere doing all manner of things: we do not know; we know what they are doing only when we see them here. I wish fervently that whenever the House is sitting, more hon. Members would be in their places. I ask the Minister to reflect a little on what I have said, as I know that there will be further deliberations.

2.45 pm

The Deputy Leader of the House of Commons (Mr. Phil Woolas): I congratulate my hon. Friend on securing the debate, which, as the Committees of the House progress their deliberations, is timely. As the House knows from the statements of my right hon. Friend the Leader of the House, his deliberations—based on formal and informal consultations—have reached what could be described as fever pitch in the past few weeks. I put on record my admiration for her, the dignity with which she has conducted herself, and the seriousness with which she has presented her arguments. I congratulate her on all of that.

I should like to respond briefly to a few of my hon. Friend's points and to put on record the Government's view of the position on the sitting hours of the House. She rightly said that, whatever sitting hours or days of the week are determined for the House to conduct its business, it is recognised everywhere that the work of MPs and the House is not a 9 to 5 job. Under whatever arrangements are made, it is unlikely to be family-friendly. My view, which is borne out by the testament of Members throughout the House over the years, is that it is often MPs' families who bear the heaviest burden as a result of the work load that inevitably and rightly falls on hon. Members.

My hon. Friend said that the argument in favour of change was not particularly that it was family-friendly. The experience of recent months has been that one individual Member's circumstances differ so much from those of their colleagues that it would be impossible to set sitting times throughout the year that would be convenient for all MPs with families. There are many differences, with some families based in constituencies, others in inner London, so it is difficult to find arrangements suitable for one and all. I strongly agree with my hon. Friend, however, about the dangers of sending out the message that we are somehow feathering our own beds for our benefit in ways that are not available to members of the public. Not many of my constituents in Oldham, East can take their children to school before starting work in the morning, so my hon. Friend makes a good practical point about that. However, many Members who do not see their children other than in the morning do benefit from the ability to do so, and the House should take that into account.

I noted my hon. Friend's point about the practicalities of the differential impacts on different Members, which depend on where their constituencies are. She said that she could not often make it back to Reading in time for coffee, let alone the soup, or she might have said the cheese and biscuits. If I make it back to Oldham for last orders, even on our 6 o'clock finish on a Thursday, I am grateful. The impacts are different. My hon. Friend's analysis of the House as a workplace, a legislature and an attraction for visitors was important and accurate.

My hon. Friend mentioned that the Parliament of Mozambique sat at 8.30 am. In doing my research for this debate, I was greatly assisted by the House authorities and, as ever, by the Library. I discovered that the debate about sitting times first began in 1570 when the House met from 8 am to 11 am or noon, depending on the business of the day. That was the norm from 1571 until the civil war. Throughout the centuries, the sitting hours of the House have been subject to votes and to debates that were no doubt as vigorous and robust as those we hold currently.

The latest time ever appointed for the House to meet was 10 pm on 11 August 1853, to enable Members to attend the Spithead naval review. The research paper shows that the advent of what the modern world

[Mr. Phil Woolas]

understands as the weekend—Saturday and Sunday off—came about, in part, because the House at one time sat regularly on Saturdays. The demise of Saturday sittings began in 1732, under the influence of Sir Robert Walpole, so that he

"might secure at least one day's hunting a week".

The House voted to allow Members to go hunting, and that was the advent of the weekend. In the 19th century, the House always adjourned on Derby day, even if it did not fall in the Whitsun recess.

Although such debates have been around for centuries, this debate is important. The Government's intention was and is, in part, to be family-friendly, in part, of course to improve the efficiency of the working of the House and, in part, to influence public perception—not in a crude attempt to fit in with the daily news agenda, although that is an important consideration if we want the public to have access to the work and debates of the House, but to send a message to the country and the wider world that this place is modern.

I think that my right hon. Friend the Leader of the House has widespread support for ruling out the idea of ever returning to limitless debates that went on through the night. That often gave rise to a situation whereby in Parliament Wednesday would still be Tuesday because we had sat through the night, yet in the real world Wednesday was, of course, Wednesday.

I am glad that my hon. Friend the Member for Reading, East broadly supports the change in sitting hours, and I share her view that the new hours are more in keeping with the modern world. They send out a much more modern and family-friendly message to our constituents, which is important.

The House will know that, at present, the Procedure Committee is undertaking a detailed survey of Members' attitudes towards sitting times and we await the publication of its findings with interest. My right hon. Friend the Leader of the House has held consultations, informally with Members on both sides of the House, and formally through the Modernisation Committee, which is charged to make recommendations on the matter.

It is clear that many Members would like some adjustment. Early-day motion 652, tabled by my hon. Friend the Member for Burnley (Mr. Pike), has attracted 66 signatures and it is clear from all the consultations and discussions that the House is divided. There are strong views in favour of reverting back to Tuesday evening sittings. Some Members want to sit on Wednesday evenings and some argue that we should not sit on Fridays, to allow Members more time in their constituencies, when schools, factories and so on are open. Unfortunately, any suggestion for change is inevitably reported in some parts of the news media as a retrograde step—that Members are trying to have longer holidays and take more time off. In fact, my experience is that, on the whole, Members of Parliament work extremely hard and provide a very good public service.

I do not say that from a partisan point of view. Public opinion research shows that although, in general, the standing of politicians is low, that is not the case for individual Members of Parliament in their local constituencies. When local constituents are asked, "Does your MP do a good job on your behalf?", the answer—irrespective of political party—is overwhelming: 80 per cent. of people say, "Yes, they do." I am glad to report to the House that at least we are respected among our local constituents. The media filter those matters and often misinterpret them. Someone—I think that it was Enoch Powell—said that a politician complaining about the media is like a fisherman complaining about the sea.

My right hon. Friend the Leader of the House has made it clear that it would be pointless to hold a vote that simply replicates and reinforces the division of opinion. It is important for people on all sides of the argument to reach a compromise on the way forward, and he has rightly urged hon. Members to discuss how we may move the matter forward.

The early-day motion argues that we should examine Tuesday evenings and move away from Fridays. I know that many hon. Members would like to dedicate Fridays to constituency business and would favour using Tuesday or Wednesday evenings instead. My right hon. Friend has indicated that the Modernisation Committee will explore that option as part of its review.

Inevitably, there are difficulties: moving private Members' business from Friday would not be straightforward and raises a number of serious questions. For example, would one allocate every Tuesday evening, or just some? Some 22 evenings would be required to match the 13 Friday sittings in each Session—how would one divide those days between Second Reading and the remaining stages of the Bill? If Divisions at 7 pm eroded the three-hour period, would there be enough time for a Second Reading debate, and would a single evening be sufficient for the remaining stages of the Bill? It might require a thorough rethink of how we approach private Members' Bills.

In conclusion, my right hon. Friend has said to the House that we want to move forward, but only on the basis of consensus. If hon. Members remain divided, the status quo must continue. The current arrangements will take us through to the end of the Parliament. They will be reviewed before the end of the Parliament, and some of the provisions are, of course, subject to review by motions at the end of the Session.

I welcome the opportunity to put the Government's position on record, and I congratulate my hon. Friend on securing the debate and on the manner in which she presented her sound arguments. I look forward to the findings of the Procedure Committee and the recommendations of the Modernisation Committee in order to settle the issue to the benefit of all hon. Members and to enhance the reputation and public standing of the House. The reputation of the House of Commons is growing, and it is clear that Parliament remains the centre of public policy debate and of national life. Its sovereignty is under attack from many quarters, and my right hon. Friend and I have the job of securing that sovereignty on behalf of the people.

Question put and agreed to.

Adjourned accordingly at two minutes to Three o'clock.

House of Commons

Monday 1 March 2004

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

Arctic Convoys

1. **Mr. Graham Allen** (Nottingham, North) (Lab): What medals have been awarded to British citizens who served on the Arctic convoys. [156729]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): Two campaign medals were awarded to those who saw service in the Arctic convoys. The qualifying criteria for the campaign medals awarded after the second world war were published in Command Paper 6633 in May 1945, and subsequently modified by Command Paper 6833 in June 1946. Both awards specifically stated that service on the convoys to north Russia was to be marked by the award of the Atlantic star in acknowledgement of their exemplary conduct.

In addition, in 1994, on the advice of the Foreign and Commonwealth Office, Her Majesty the Queen granted permission for surviving veterans of the Arctic convoys to accept and wear the Russian 40th Anniversary of Victory in the Great Patriotic War medal, which was instituted in 1985.

Mr. Allen: I thank the Front-Bench team, the Prime Minister and Members in all parts of the House for the recognition of the Suez veterans a few months ago, which was much appreciated by them and showed that it is possible to recognise veterans even at such a late stage.

Given that it is at least 50 years since the last serious discussion of this issue by the Ministry of Defence, will my hon. Friend have another look at it? There are very few surviving veterans who served our country on the Arctic convoys. As he said, the Russian Government have awarded them a specific medal. I hope that he will bear in mind the feelings of Members in all parts of the House and consider the matter again while a few of those heroes still survive.

Mr. Caplin: I assure my hon. Friend that the contemporary documentation has been looked at again. The evidence confirms that the HD committee—the Committee on the Grant of Honours, Decorations and Medals—of the day did not overlook the convoys to Russia; indeed, the Command Papers specifically mention service in the Arctic. Like my hon. Friend and all other Members, we recognise the bravery of those who served on the convoys. Their service is recognised and covered by the award of the Atlantic star.

Bob Spink (Castle Point) (Con): My father was an Arctic convoy veteran. He received the Russian medal in the mid-1990s, and wore it with great pride until he died a few years ago. He would be the first to want me to stand up in the House and say that there were very special circumstances on the convoys, and that the Government should now find it in their heart to remember and recognise those who gave such valiant service to this country.

Mr. Caplin: We do exactly that through the award of the Atlantic star. I recognise the bravery of the hon. Gentleman's father, but the award of the Atlantic star is the right one according to the Command Papers published for the House in the 1940s.

D-Day

2. **Mr. Bill Tynan** (Hamilton, South) (Lab): What plans his Department has to mark the 60th anniversary of D-day. [156730]

8. **Mr. Dave Watts** (St Helens North) (Lab): What plans his Department has to mark the 60th anniversary of D-day. [156736]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): The Government recognise the importance of all the major events that led up to the end of the second world war, and in particular the continued interest and importance of the D-day landings. Our plans to mark those events include the recently launched "Veterans Reunited" programme. With the aid of lottery funding, it will involve all generations of UK residents in commemorating the events, both overseas and here at home.

I can also confirm that Her Majesty the Queen, my right hon. Friend the Prime Minister and senior members of the armed forces will attend the main D-day commemorative events organised by the French Government at Arromanches on 6 June. We will also send military bands and other service detachments.

Mr. Tynan: I congratulate my hon. Friend on the establishment of lottery funding for "Heroes Return". I know that the veterans in Hamilton, South welcome this vital opportunity to receive financial support. There is, however, concern about what I understand to be a 21 March deadline for application to the French authorities for identity passes. A constituent who contacted me did not know about the deadline until he made his application. Will my hon. Friend ensure that publicity is given to the deadline, and that if by any chance people do not manage to meet it, everything is done to ensure that they participate in the events?

Mr. Caplin: The deadline applies only to the event on Sunday 6 June; no other events are affected. I can also reassure my hon. Friend that if his constituent telephones the Veterans Agency freephone number, 0800 169 2277, he will be given all the help he needs.

Mr. Watts: I welcome today's announcement, but may I ask whether the Minister will be organising events to celebrate VE-day and VJ-day? If so, will he ensure that they take place nationwide? Many of those involved in the original events are getting old, and need to celebrate in their localities. Will there be events in places such as Merseyside?

Mr. Caplin: I am pleased to announce to the House that there will be a national celebration and commemoration of VE-day and VJ-day on Sunday 10 July 2005. The main event in London will be led by Her Majesty the Queen, but I greatly hope that other towns and cities across the UK, including my hon. Friend's constituency, will stage their own events on that day.

Sir Sydney Chapman (Chipping Barnet) (Con): Following the Adjournment debate last week, will the Minister tell the House how many of the estimated 10,000 surviving Normandy veterans expressed an interest in or plan to attend the commemoration services and parades in France during the first week of June?

Mr. Caplin: As the hon. Gentleman is aware, I used the figure 5,000 to 10,000 in last week's Adjournment debate—we do not have a more precise figure—but one of the reasons for asking travel operators to register their tour parties with the Veterans Agency is to ascertain a fuller picture. Considerable consultation and discussion with the Normandy Veterans Association, with which the hon. Gentleman is involved, has taken place. The most recent meeting with its chairman took place in France on 21, 22 and 23 January this year.

Mr. Julian Brazier (Canterbury) (Con): I hope that, in view of the Minister's substantive first answer, it is in order to say that when the extremely welcome VJ-day celebrations take place, prominence should be given to the Indian Army. It was, after all, the largest volunteer force in history and largely broke the back of the Japanese on land. I have an interest to declare in that my grandfather served in it.

Mr. Caplin: I am certainly prepared to accept bids today in respect of who should take part on 10 July, but every consideration will be given to the hon. Gentleman's point.

Mr. Gerald Howarth (Aldershot) (Con): I thank the Minister for announcing in advance the VE-day and VJ-day celebrations next year, and we look forward to Her Majesty's Government being represented then by my right hon. and learned Friend the Member for Folkestone and Hythe (Mr. Howard).

The Government's organisation of what is likely to be the last D-day commemoration—it will be attended by a significant number of survivors—has, according to the spokesman for the Normandy Veterans Association today, been lamentable. Originally, the Government were going to send one junior Minister and one military band, but now they have been shamed into sending the Prime Minister and four bands. I have been told today by Leslie Frost, the chairman of the Normandy Veterans Association, that there is complete confusion about who is supposed to be organising the church service at Bayeux on the Sunday. Since nothing is more likely to sour the event than individuals who liberated Europe being turned away for lack of photo ID, will the Minister ensure that the Normandy Veterans Association has all the information for dissemination to its branches and that it will not simply be left to people themselves to find out the number of the Veterans Agency?

Mr. Caplin: It is always good to start on a Monday afternoon with a joke, and the hon. Member for Aldershot (Mr. Howarth) has certainly obliged. I shall tell the House what is truly lamentable—the comments that he just made about the organisation for commemorating Normandy this year. We have made genuine arrangements with the Royal British Legion, the Normandy Veterans Association and others who will travel independently to ensure that people are secure, safe and able to visit the events that they want to attend. That includes the Bayeux church service, which I will attend.

Regimental Museums

3. **Mr. David Chaytor** (Bury, North) (Lab): What level of financial support his Department allocated to regimental museums in the last three financial years; and what plans he has to increase such support. [156731]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): The Ministry of Defence funds staff costs of those military museums that are associated with the regiments and corps of the Army. In addition, we provide property maintenance, rates and utility costs for museums within MOD premises. As those costs are not separately identified, I am not in a position to provide a figure for the overall level of financial support. There are, however, no current plans to increase the funding for regimental museums.

Mr. Chaytor: I should like to tell the Minister about the excellent work done by everyone associated with the Lancashire Fusiliers regimental museum in my constituency. I should also like to mention the museum's ambitious expansion plans. It is due to move to more central and more accessible premises in the near future. I ask him, as we move to the difficult and final stage of the negotiations, to take a personal interest in the project, so that the Royal Regiment of Fusiliers and the people of Bury can have a museum of which they can be proud.

Mr. Caplin: I am pleased to congratulate my hon. Friend on his efforts to ensure that that museum is developed. I understand that a grant of £50,000 has been provided by the Heritage Lottery Fund in anticipation

of a larger grant. I am always interested to know about the progress that we are making on regimental museums, and when I am next in the north-west, I shall give him the chance to show me around the museum in his constituency.

Dr. Jenny Tonge (Richmond Park) (LD): The Minister might remember that I wrote to him recently about the Medloc train, which was used to transport soldiers going home on leave across Europe during the second world war, and which many of them remember very fondly. Will he reconsider his decision not to provide funds for the National Army Museum to preserve a small part of that train, perhaps its restaurant car, as a memorial of that splendid effort during the second world war?

Mr. Caplin: The National Army Museum, as the hon. Lady well knows, is a royal charter body and a registered charity that already receives the bulk of its running costs, including a purchase grant, via grant in aid from the Ministry of Defence. Collections policy, however, is a matter for and responsibility of the museum's council. From the number of letters that I have signed on the matter, I am aware of the Medloc campaign on that carriage, in which hon. Members of both Houses have been involved. I have spoken to the museum, which advises me that it has done its best to respond constructively, but that it does not want to acquire the carriage for its collection or to display it in the National Army Museum.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): I congratulate the Minister on his superb answers, not only on museums but on anniversaries and Arctic convoys. I know that he and I would be ruled out of order if we were to discuss Tory policies, but let us just suppose that our Chancellor contemplated adopting the policies of the shadow Chancellor. Would all these matters not be put in jeopardy?

Mr. Caplin: I always welcome my right hon. Friend's contribution, and I certainly share his views on the shadow Chancellor's policies.

Mr. Robert Key (Salisbury) (Con): The museum of the Royal Gloucestershire, Berkshire and Wiltshire Regiment, the finest regimental museum in the country, receives no direct financial assistance from the Ministry of Defence but has benefited from the Treasury's gift aid scheme. However, that is about to be removed from museums, including regimental museums. What representations has the Minister made to the Chancellor of the Exchequer on the impact on regimental museums of that mingy treatment? If he has made none, will he do so?

Mr. Caplin: I thought that gift aid was a policy of my right hon. Friend the Chancellor of the Exchequer, introduced by the Labour Government. However, I shall certainly look at the point that the hon. Gentleman makes on regimental museums.

Iraq

4. **Claire Ward** (Watford) (Lab): What recent steps the Department has taken to assist the post-war reconstruction of Iraq. [156732]

10. **Mrs. Joan Humble** (Blackpool, North and Fleetwood) (Lab): What steps the Department has taken to assist the post-war reconstruction of Iraq. [156738]

The Secretary of State for Defence (Mr. Geoffrey Hoon): Our principal role in Iraq is to help to provide the conditions for reconstruction. A crucial aspect of that involves developing Iraq's own security capabilities. That is why I announced last December the deployment of an additional infantry battalion and two additional platoons of Royal Military Police to Iraq. They and other experts are helping to train Iraqis in modern, accountable security methods that respect human rights and international law. We aim to give the Iraqis the ability to defend their country against terror, violence and crime. Over 100,000 Iraqi security personnel are now operating across the country.

We also contribute directly to reconstruction. The armed forces, working with the Department for International Development, with the coalition provisional authority and with Iraqis, have opened supply routes such as the rail link between Basra and Umm Qasr, repaired key bridges and strengthened vital transport links. They have restored clean water provision to Umm Qasr and most of Basra, and helped to refurbish infrastructure, hospitals and schools.

Claire Ward: Can my right hon. Friend reassure the House that he has no proposals to reduce the funding available to our military while they are in Iraq reconstructing essential facilities? Will he prioritise the reconnection of electricity and water supplies, which are essential for the Iraqi people?

Mr. Hoon: I can give my hon. Friend that assurance, and I look forward to the Conservatives offering a similar assurance. This Government's current budget for defence represents the largest planned increase in defence spending in more than 20 years, in stark contrast to the cuts proposed by the shadow Chancellor, of which the hon. Member for Mid-Sussex (Mr. Soames) apparently had no notice at all. So far as other reconstruction projects are concerned, I expect the British armed forces to continue their excellent work in providing basic essentials to the people of southern Iraq. They do that job with extreme professionalism—a professionalism that would be likely to be damaged by the cuts proposed by the Conservatives.

Mrs. Humble: Is my right hon. Friend aware that, along with other Lancashire Members, I met representatives of the Queen's Lancashire Regiment when it returned from Basra last year? We learned that it had been involved in reconstructing 30 local schools and two orphanages, that it had worked to train the local police support unit in Basra, that it had maintained fuel supplies and much more. Will he therefore join me

in congratulating the Queen's Lancashire Regiment, in particular, and the other units that have been doing such vital work in reconstructing Iraq?

Mr. Hoon: I am grateful to my hon. Friend for her question. I was able to see for myself the excellent work done by the Queen's Lancashire Regiment. It has made a significant contribution to the stability of Basra, where it is involved in patrolling the city as well as planning and organising the training of the Basra police support unit, as my hon. Friend mentioned. It is also practically engaged in a number of reconstruction projects on the ground.

Mr. Paul Keetch (Hereford) (LD): While I of course acknowledge the excellent work done by our forces in the reconstruction of Iraq, does the Secretary of State agree that continuing concerns at home about the legality of the action in Iraq must be affecting the morale of the forces involved in that work? Will he tell the House precisely whether he knew of the anxieties of the chiefs of staff about the legality of the conflict before it began? Did he pass those concerns on to the Prime Minister?

Mr. Hoon: Unlike the hon. Gentleman, I much prefer to rely on the words of the then Chief of the Defence Staff, Lord Boyce—as he is now—when he made it plain over the weekend that he had had none of the doubts apparently reported in the newspapers. Perhaps unsurprisingly, the Liberal Democrats prefer to believe the bad news that they read in the newspapers rather than the good news from members of our armed forces.

Mr. Keith Simpson (Mid-Norfolk) (Con): The whole House appreciates the heroic work of British personnel engaged in the post-war reconstruction of Iraq. Nevertheless, the Government have some questions to answer about the slow preparation for such an eventuality. Does the Secretary of State believe that the failure in planning was due to the delay in obtaining a definitive opinion on the legality of war from the Attorney-General? The Ministry of Defence had to work closely with the Department for International Development, and it still does. Does the Secretary of State believe that the then Secretary of State for International Development, the right hon. Member for Birmingham, Ladywood (Clare Short), was dilatory in her preparations for the post-war reconstruction of Iraq because of her doubts about the Attorney-General's opinion?

Mr. Hoon: I wonder whether the hon. Gentleman believes that cutting £1.5 billion from the defence budget would help preparations, because that is his policy—*[Interruption.]* That is what he comes to the House believing in. As recently as 6 January, the hon. Member for Mid-Sussex said:

"you can't do defence on the cheap."

He also said that he would be "lobbying hard" to secure more funds for defence. We now know the result of his lobbying. We know that he has lobbied so successfully that the shadow Chancellor proposes to cut £1.5 billion from defence—*[Interruption.]*

Mr. Speaker: Order. I call Shona McIsaac.

Heroes Return

5. **Shona McIsaac** (Cleethorpes) (Lab): If he will make a statement on "Heroes Return". [156733]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): "Heroes Return" is the central element of the New Opportunities Fund's "Veterans Reunited" programme to commemorate the 60th anniversary of the end of the second world war. This lottery-funded programme will help to ensure that all generations of United Kingdom residents can commemorate the 60th anniversary together, with events both at home and abroad, and is part of wider cross-government work involving the Ministry of Defence, the Department for Culture, Media and Sport, and the Department for Education and Skills.

Shona McIsaac: It is clear from other questions that have been asked in the House today that all hon. Members welcome this excellent initiative, which is proving very popular with our veterans. Given its popularity, will my hon. Friend consider extending the scheme to the veterans of other conflicts, such as the Korean war or Suez, so that our veterans could go there and wear their medals with pride?

Mr. Caplin: "Heroes Return" is a two-year, lottery-funded programme commemorating the 60th anniversary of the end of the second world war. I know of the importance of Korea to hon. Members and to the British Korean Veterans Association, members of which I visited at the arboretum recently; I was also with a number of veterans in Korea last summer. I acknowledge my hon. Friend's bid as the first for an extension to the scheme. I will have to consider it and talk to the lottery operator when the time is right.

Dr. Julian Lewis (New Forest, East) (Con): Lottery grants are often controversial, but the Minister will agree that this one will achieve universal acclaim across the Chamber and throughout the country. In considering the grants made and the representations given at veterans' events, will he bear it in mind that, two days before the heroes return to Normandy this June, other heroes will be returning to Rome because it will be the 60th anniversary of its liberation? Will he bear it in mind that those who are entitled today to wear the Italy star belong to a force that lost 45,000 British and Commonwealth servicemen? Is there any prospect of a royal and prime ministerial presence in Rome two days before the same dignitaries go to Normandy?

Mr. Caplin: The hon. Gentleman would not expect me to comment on the last point. However, in April, it will be the 60th anniversary of Kohima in Burma, and in May, it will be the 60th anniversary of Monte Cassino. Both events take place before the D-day commemoration. It is important to emphasise that "Heroes Return" is about all events worldwide and does not support only veterans going to events or their carers. It is also an educational project that allows veterans to

commit to regaling their stories and legacy to young people in our society so that we have a living history of the great sacrifices many of them made.

Andrew Mackinlay (Thurrock) (Lab) *rose—*

Mr. Speaker: Andrew Mackay. *[Laughter.]*

Andrew Mackinlay: I am the good-looking one.

Will the Minister consider how the many thousands of volunteers from the Republic of Ireland who served in the British armed forces during the war and those of whom Winston Churchill made special mention in his "Victory in Europe" broadcast can be included in the scheme? There were thousands of them, they were outstanding and every single one of them was a volunteer. They need to be included in "Heroes Return", in the absence of an Irish delegation here today.

Mr. Caplin: I never for one moment thought that my hon. Friend was the right hon. Member for Bracknell (Mr. Mackay).

Mr. Dennis Skinner (Bolsover) (Lab): He has not been under the sun lamp.

Mr. Caplin: I shall leave that comment from my hon. Friend the Member for Bolsover (Mr. Skinner) alone, Mr. Speaker.

The lottery money amounts to £10 million and, under the rules of the national lottery agreed by this House, we can only give grants to UK citizens. Those veterans resident in Northern Ireland will qualify. Unfortunately, it is unlikely that those resident in the Republic will qualify unless they are UK citizens.

Aircraft Carriers

6. **Mr. Robert Syms** (Poole) (Con): If he will make a statement on the future of the aircraft carrier programme. [156734]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): The future carrier programme is currently in stage 3 of the assessment phase. Design work is progressing, as are discussions on the alliance strategy, which remains our preferred approach to delivering the capability to our time and cost targets. Our target in-service dates remain 2012 and 2015.

Mr. Syms: There has been a lot of debate, certainly in the press, about the size, capability and cost of this welcome project. Originally, British Aerospace and the Ministry of Defence hoped to agree a firm design for the project by this April. Is the Minister holding to that April date or will it be missed?

Mr. Ingram: Work is progressing on the assessment phase and is due to continue until spring this year. At that point, Ministers will consider proposals on the overall CVF—carrier vessel future—programme and make a decision on when to proceed to the next phases, demonstration and manufacturing, of the project.

Mr. Kevan Jones (North Durham) (Lab): Does my right hon. Friend agree that the two carriers not only add to the defence capacity of the United Kingdom but will also give a great boost to the regional economies in areas such as the north-east? Can he give the House an assurance that those orders will not be cut, as is being suggested in some quarters of the Opposition?

Mr. Ingram: We have no plans to cut the programme. My hon. Friend may be referring to others who are developing programmes that would have such an implication were they ever to get into power. A cut of £1.5 billion for defence might mean only one aircraft carrier, but if there were two carriers, such a cut would mean fewer aircraft or a smaller Army; it is not for me to answer on what others are saying about their future programme. We shall continue with the project and my hon. Friend is right that it means a lot for the north-east, the Clyde and the rest of the UK shipbuilding industry.

Mr. John Wilkinson (Ruislip-Northwood) (Con): Is not the programme crucial to the fleet, which already faces a grievous air defence gap between the elimination of the Sea Harriers from service in about 2005 and the earliest date for entry into service of carrier-embarked joint strike fighters in 2012? Can the Minister assure the House that there will be no further slippage either in defining the design or in the time scale for entry into service? If that were to occur, he would open up the fleet to exceptional vulnerability.

Mr. Ingram: We have had a lot of debate about the Sea Harriers and it has been explained time and again why that military judgment was made. The upgrade would have been very expensive and there were also technical difficulties. On protection of the fleet, we have also said that the highest likelihood is that we would always be in coalition with our allies, so we should have that combined defence. The hon. Gentleman makes another important point, which is about the future size of the fleet. Perhaps he should ask the shadow Chancellor about the implications for defence if £1.5 billion were cut from defence expenditure. There is an old adage, "If the enemy isn't in front of you, he's behind you." The hon. Gentleman's enemy is sitting in front of him.

Mr. Brian Jenkins (Tamworth) (Lab): Will my right hon. Friend assure the House that no progress will be made on the construction of that programme until, before it goes to the gateway, every risk reduction strategy has been developed, it meets the criteria set down under smart acquisition and it is not in danger of becoming another legacy project, similar to those we inherited from the previous Administration, which went over-time and over-cost?

Mr. Ingram: My hon. Friend is absolutely right. We need to ensure that we do everything we can to reduce risk in the programme, but of course, we are facing inherited programmes where such sophisticated planning was not undertaken early enough. The Government have learned lessons from that and we shall do everything we can to ensure that those elements of the project are adhered to. My hon. Friend is right to raise the matter as he did.

Mr. Nicholas Soames (Mid-Sussex) (Con): May I start by saying what a pleasure it is to see the Secretary of State back and in such good form after his political near-death experience? Can the Minister assure the House that the main gate approval date for the future carrier programme will not slip further? When will he actually be able to make an announcement on the programme and will agreement with the contractors be reached by April?

Mr. Ingram: I should welcome the hon. Gentleman to the Dispatch Box; we had a sweep running on whether he would turn up to ask a question as he is clearly embarrassed by his non-involvement in the development of his party's future spending programmes, if the Conservatives were ever to get into power.

The hon. Gentleman asked about the future of the carrier programme. I set it out in my answer to his hon. Friend the Member for Poole (Mr. Syms). The in-service date is still as set down and, as I said in answer to a previous question, we have to ensure that we are smart and are very specific about the way in which we develop the programme. Every announcement on the details of the next phase of the project will be made on time, when we are ready to give the information. The hon. Member for Mid-Sussex (Mr. Soames) should not expect anything other than that from us.

Mr. Soames: I thank the Minister for his concern for my welfare, but Conservative Members are entirely satisfied with the shadow Chancellor's robust and assured commitment to defence.

Is the Minister aware that any delay, leaving this country with no aircraft carriers at all in the early years of the next decade, will result in a serious gap in our expeditionary capability?

Mr. Ingram: That obviously has to be worked against, which is why we have a decommissioning timetable for the three current carriers that is consistent with the in-service date of the new carriers. No one can predict with certainty 10 years ahead, but the reality is that the programme will deliver what we have already announced and improve immeasurably this country's expeditionary war-fighting resources.

Mr. Lindsay Hoyle (Chorley) (Lab): I congratulate my right hon. Friend on his and the Government's commitment to the two carriers, but will he assure me that he will not rule out different options for different types of aircraft using this platform around the world? Will he keep the options open for the future?

Mr. Ingram: I suspect that my hon. Friend is asking about the modernisation of Typhoon. We have already ruled that out and have no plans to change our mind.

Defence Medical Services

7. **Mr. Peter Viggers** (Gosport) (Con): If he will make a statement on the recruitment and retention of Defence Medical Services staff. [156735]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): I am pleased to say that recruitment to the Defence Medical Services remains in line with our expectations, and with anticipated better retention than for some years. Over the next four years, an increasing number of consultants and nurses will complete training, which will help to alleviate some of the shortages that have been experienced in the past. Retention of experienced medical personnel, especially in key specialist areas, remains the focus of management action, and we recognise that both pay and non-pay measures have a part to play in supporting the future development of the Defence Medical Services, which did, and continue to do, a first-class job in the Gulf for our armed forces.

Mr. Viggers: Will the Minister confirm that the main conclusion of the Lawrence committee in 1998 was that the Defence Medical Services should move from the Royal Hospital Haslar to a new centre that was later identified as a 22-acre site at Selly Oak, Birmingham? Will he confirm that £200 million was allocated to fund the new centre, but that has now been withdrawn? Does that not effectively mean the collapse of the strategy set out by the Lawrence committee? Will he review that committee's decision, because my constituents and many others in the Defence Medical Services cannot believe that the Government intend to close the superb facilities at the Royal Hospital Haslar?

Mr. Caplin: I know that the hon. Gentleman takes considerable interest in these matters. In fact, I think that he was a member of the Select Committee in the 1992 to 1997 Parliament that dealt with many of the defence medical issues of the time. I know that he recently visited the Royal Centre for Defence Medicine in Birmingham. We remain absolutely committed to delivering a military medical centre of excellence at that establishment in Birmingham. We are pursuing a number of options to ensure that the centre continues to develop to meet the needs of the Defence Medical Services in the future.

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): My hon. Friend will know that a recent report from the Armed Forces Pay Review Body recognised certain shortages in nursing. How does the Department intend to tackle that? Will he join me in recognising the contribution made by staff at establishments such as the Royal Naval hospital not only to our forces in the Iraq conflict but to our local communities?

Mr. Caplin: I certainly join my hon. Friend in welcoming the key contribution that defence medical staff make—both abroad and here at home. I very much enjoyed meeting recently some of the members of the Defence Medical Services at Devonport in her constituency. We are going to introduce golden hellos for nurses, especially in specific areas in response to the Armed Forces Pay Review Body's recommendations. Those categories are: operating theatre nurses; accident and emergency; orthopaedic; intensive care nurses; burns; registered mental nurses; and registered general nurses. I believe that that will be an important contribution to the ongoing success of the Defence Medical Services.

European Defence Capabilities

11. **Mr. Desmond Swayne** (New Forest, West) (Con): What changes have been introduced regarding the implementation of the EU headline goal; and if he will make a statement. [156739]

The Secretary of State for Defence (Mr. Geoffrey Hoon): No changes have been introduced to the implementation of the Helsinki headline goal. A successor to the headline goal with a target date of 2010 is now under discussion. This will capture continued progress on the European capabilities action plan, the development of European rapid response capabilities, and the European security strategy. This goal will place a new emphasis on interoperability, deployability and sustainability as its major themes. We anticipate an announcement being made at the European Council in June.

Mr. Swayne: I draw the House's attention to my entry in the Register of Members' Interests. What assurance can the Secretary of State give the House regarding any commitment that we might make to the European rapid reaction forces given that defence statistics published last year show a fall in our trained strength of some 12,000, despite increased commitments? Will the reserves make up the gap?

Mr. Hoon: I am surprised that the hon. Gentleman is not coming to the House to support enthusiastically our efforts to improve European military capabilities, not least because of the cuts in military capabilities that would have to be carried through in the unlikely event of his party being elected to power. Not least of those would be the equivalent of a 40,000 cut in armed forces personnel if a £1.5 billion cut in the defence budget were made. That is a matter that our European--

Mr. Speaker: Order. I expect the Secretary of State to answer the question. That was not a proper answer.

Mr. Hoon *rose--*

Mr. Speaker: Order. I call Mike Gapes.

Mike Gapes (Ilford, South) (Lab/Co-op): The Secretary of State referred--*[Interruption.]*

Mr. Speaker: Order. If Mr. Skinner has any objection, he can always leave the Chamber. *[Interruption.]* He can always leave the Chamber; there is no problem.

Mike Gapes: The Secretary of State referred to the importance of interoperability. In that context, when SFOR in Bosnia is handed over to the EUFOR before the end of this year, will he assure us that that will be able to operate as effectively as SFOR, and that national caveats, which are currently taken by some of our European NATO allies--especially Germany--will not impair the work of our forces and the important security role that they currently play, and will continue to play, in Bosnia?

Mr. Hoon: If NATO decides that the SFOR mission has been completed successfully, the United Kingdom has indicated its willingness to lead a successor EU operation. It is obviously crucial, as far as the United Kingdom is concerned, that effective military contributions are made by our EU allies, and those matters are already the subject of discussion.

Mr. Henry Bellingham (North-West Norfolk) (Con): Will the Secretary of State give me a proper answer? Will he make it absolutely clear that there will not be any wasteful duplication and that there will be no common control of any nuclear assets?

Mr. Hoon: I can give that assurance. That is precisely why the Government have consistently supported the development of European military capability on a European scale and why it is so difficult for us to understand why the hon. Gentleman's party has so consistently opposed that. It is to avoid the duplication of military capabilities that such a coherent strategy is required.

Mr. Nigel Beard (Bexleyheath and Crayford) (Lab): Will my right hon. Friend comment on the warning given by President Putin's special envoy last week against NATO stationing forces in the Baltic states, despite the recent accession of those countries to NATO? Is it likely that that is linked to Russian unwillingness to ratify the conventional armed forces in Europe treaty?

Mr. Hoon: It is important to emphasise that once the Baltic states fully become members of NATO, they will be in exactly the same position as any other member of NATO as far as the deployment of NATO forces is concerned.

Defence Industry

12. **David Cairns** (Greenock and Inverclyde) (Lab): What contributions the defence industry made to the UK economy in the last year for which figures are available. [156740]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): The UK defence industry is a major contributor to the economic well-being of the UK, employing directly and indirectly around 300,000 people and turning over some £15 billion per annum. It also, of course, plays a vital role in providing our armed forces with the equipment that they need.

David Cairns: My right hon. Friend will be aware that in my constituency the defence sector is incredibly important, both in terms of those providing capability at Coulport, Faslane and the Royal Maritime Auxiliary Service Clyde, and for those who work in defence manufacturing in the upper Clyde shipyards, among other places. Does that not demonstrate the importance of defence spending throughout the country, and highlight the fact that any reduction in that spending would not only put the defence of the realm at risk but have a devastating effect on UK plc?

Mr. Ingram: Absolutely. My hon. Friend will be only too well aware of the impact that the defence sector has in Scotland. The figure that I gave was for the whole

United Kingdom, but the Ministry of Defence has placed almost 2,000 contracts in Scotland, with a total value of about £2 billion—slightly more than the amount of the cuts envisaged by the Conservative party.

Dr. Vincent Cable (Twickenham) (LD): As there is a need to maintain an absolutely clear distinction between our competitive, efficient defence producers and the consumer—that is, the taxpayer—why have the Government given permission for the retiring head of defence procurement to work, within months, for one of the leading defence contractors?

Mr. Ingram: Because, I can only assume, that person conformed to the regulations and rules that apply to those in such circumstances.

Iraq

13. **Mr. Tam Dalyell** (Linlithgow) (Lab): What assessment he has made of the effect on retention of service personnel of the recruitment of British soldiers by security firms in Iraq. [156741]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): We are not able to assess the effect that the potential recruitment of soldiers by security firms in Iraq will have on retention, because soldiers are not required to provide details of their future employment when they leave the Army. However, serving personnel are normally required to give 12 months' notice of their intention to leave, so we are not expecting such recruitment to have had a significant impact.

Mr. Dalyell: As it is the considered view of Correlli Barnett, writing in *The Spectator* this week, and that of many other thoughtful military commentators, that British troops will be stuck in Iraq for years to come, should not some thought be given to the problem of the haemorrhaging of highly skilled trained personnel to the infinitely more lucrative jobs that security firms are offering?

Mr. Ingram: The reality is somewhat different from what my hon. Friend is trying to present. The current recruitment and retention measures that we have introduced for the regular Army are starting to turn the 15-year downward trend round, and on 1 January this year the whole Army strength stood at 103,840, an increase of about 2,000 personnel in the last 12 months. That seems to contradict those who talk about a haemorrhage out of the armed forces; on current trends, the very reverse seems to be happening.

Army Recruitment and Retention

14. **Bob Russell** (Colchester) (LD): When he expects to fill all vacancies in the Army. [156742]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): The current requirement for the Army is 106,730 personnel. The Department's target is to achieve manning balance by the end of 2005 and to maintain it thereafter.

Bob Russell: I thank the Minister for that answer, because if it is true, this will be the first time for many years that any Government have been able to fill all the places that the Army requires. With that in mind, does the Minister agree that, considering the footprint of the regiments of the British Army and their natural recruitment areas, one way of the filling the gap would be to enable regiments that currently recruit at full strength to form an additional battalion? The Minister will be aware that the nine counties that recruit into the Royal Anglian Regiment could comfortably fill all the places that a reinstated 3rd Battalion, Royal Anglian Regiment would provide. Will he therefore look into the possibility of reinstating that battalion?

Mr. Caplin: I have to put the hon. Gentleman right about the Royal Anglian Regiment, because both its battalions are now slightly under strength, although that does not affect their ability to undertake their current roles. We expect both battalions to reach their establishment in the near future, once personnel currently undergoing basic training are incorporated into the regular Army. As for the future, we made our plans for future Army structures clear in the defence White Paper.

Mr. Gordon Prentice (Pendle) (Lab): But may I have an assurance that there will be no forced amalgamations of regiments that fully recruit up to strength? My hon. Friend paid tribute to the Queen's Lancashire Regiment, which has always fully recruited. It would be a tragedy if that regiment were amalgamated yet again.

Mr. Caplin: Obviously we are considering all the options that were before the House in the defence White Paper. I understand that a debate on the White Paper was asked for at business questions last week, and no doubt we will discuss it shortly. Proper consideration and debate of many of the issues will be carried out then. My right hon. Friend the Secretary of State made it clear that if changes are needed, hon. Members will be consulted before they come about.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): Many Opposition Members are concerned at the apparent complacency of Government Front Benchers when it comes to manning figures. Not only did we hear about the undermanning of the Territorial Army in response to my question last Defence Question Time but we have heard from my hon. Friend the Member for Gosport (Mr. Viggers) today about the serious undermanning in Defence Medical Services. We now hear that the armed forces are undermanned by up to 5,000. Is it not time that the Government took those matters more seriously and came up with new initiatives to plug the gaps?

Mr. Caplin: This Government are certainly producing new initiatives, in particular in relation to the Defence Medical Services. The Defence Committee's third report "Defence Medical Services", published in February 1997—the hon. Gentleman was a member of that Committee—says:

"We conclude that staff shortages in the Defence Medical Services are so serious that it is not clear whether it will recover."

Under this Government, with the innovations that we made, the Defence Medical Services is recovering and our retention is good. That will always be the case for our armed forces. After a 15-year downward trend, retention is on an upward trend for the first time.

Service Personnel (Job-finding Support)

15. **John Robertson** (Glasgow, Anniesland) (Lab): What steps his Department is taking to help servicemen and women in moving from the armed forces to civilian occupations. [156743]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): Those servicemen and women who have currently served at least three years in the armed forces are eligible for job-finding support when they leave. This support is provided under the career transition partnership contract placed by the Ministry of Defence in 1998. RFEA Ltd.—the regular forces employment agency—and the officers' association are also involved with much of the job-finding work under the career transition partnership contract. While all discharged personnel remain on the career transition partnership's books, for two years after discharge, the RFEA and officers association offer ex-service personnel support for the rest of their working careers.

John Robertson: I thank my hon. Friend for his answer, but does he remember that on Second Reading of the Armed Forces (Pensions and Compensation) Bill he told the House that nine out of 10 armed servicemen and women found employment on leaving? That means that 10 per cent.—well above the national average for unemployment—do not get jobs. Does he agree that that is not good enough? Will he assure me that the Government will do their best to find jobs for that 10 per cent. of men and women who fight for their country on a daily basis?

Mr. Caplin: I certainly share my hon. Friend's concerns. Do I remember the Second Reading and Committee stage of the Armed Forces (Pensions and Compensation) Bill? Of course I do; it is fresh in my memory, as the hon. Member for Aldershot (Mr. Howarth) will recognise.

As I said, although only service leavers who have served at least three years are eligible for resettlement provision, from 1 April the early service leavers initiative will be introduced into the new contract for career transition partnerships for all members of our armed forces.

Mr. Crispin Blunt (Reigate) (Con): First, I suggest that the Under-Secretary tell the Secretary of State's special advisers to use a formulation other than

"What steps his Department is taking"

for the handout questions, because it is a little obvious. Secondly, on the small number of veterans who have fallen into, or are in danger of falling into, social exclusion, can he tell the House what proportion that represents?

Mr. Caplin: I have no idea what the hon. Gentleman is talking about in relation to "handout questions".

The figure that I used before is that 90 per cent. of our armed forces leavers get good employment within six months of leaving the armed forces. As my hon. Friend the Member for Glasgow, Anniesland (John Robertson) explained, it is the 10 per cent. who are of considerable concern to me as the veterans Minister and to the Government as a whole. As I said, we are doing a lot of work on the transition issues that are related to that 10 per cent. by working with the voluntary and other sectors to reduce that number as speedily as possible.

European Defence Capabilities

16. **Roger Casale** (Wimbledon) (Lab): If he will make a statement on measures to improve defence capabilities of EU member states. [156744]

The Secretary of State for Defence (Mr. Geoffrey Hoon): The European Union is working on a number of programmes to improve the defence capabilities of member states. These include the European capability action plan, the establishment of a European defence capabilities agency, the development of European rapid response capability including the battlegroups concept and the drafting of a new headline goal. We fully support all these initiatives.

Roger Casale: I am chairman of the all-party British-Italian parliamentary group, which, along with other hon. Members, has sought to encourage the commitment of successive Italian Governments to standing alongside British troops in peacekeeping missions in areas as diverse as the Balkans, Afghanistan and Iraq, where losses of troops and police have been sustained. It is clearly in the national interest to build bilateral and multilateral defence co-operation in Europe. Will my right hon. Friend take every possible step to encourage other European countries to increase their spending on defence and their defence capabilities to allow them to work with us on the most important peacekeeping missions?

Mr. Hoon: I am grateful for my hon. Friend's observations. The British Government's policy is to ensure that we encourage other countries to develop their military capabilities not only in our bilateral relationships but in our multilateral relationships, which not only benefits autonomous EU operations but is a crucial contribution that European nations can make to NATO.

Efficiency Savings

17. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What recent submissions he has received about the potential for efficiency-driven savings in the defence budget; and if he will make a statement. [156745]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): As my hon. Friend will be aware, the Ministry of Defence spending review 2002 settlement represented the largest sustained increase in defence spending plans for 20 years. That means there will be year-on-year real increases in defence spending plans until at least 2005–06. Nevertheless, the MOD continuously seeks to increase its efficiency. We regularly receive advice, suggestions and submissions on how we might do that, from both within and outside Government.

David Taylor: When gimlet-eyed management consultants have been tasked by the Government to

seek efficiency-driven savings elsewhere in the public sector, their recommendations have often been deeply harmful to the quality of service provided. Will the Minister reassure the House that he will never listen to the siren voices of those who would jeopardise the efficiency and quality of our armed forces by implementing cuts that would aggregate to more than £4 million a day?

Mr. Ingram: I echo that sentiment entirely.

Mr. Peter Pike (Burnley) (Lab): As an ex-Royal Marine, may I ask whether my hon. Friend agrees that multi-functional forces such as the Royal Marines provide best value and that their future will be safeguarded by this Government in the years ahead?

Mr. Ingram: Last week, I was with the Royal Marines in Norway and saw at first hand the tremendous cold-weather training undertaken by those exceptional soldiers. Some 2,300 Royal Marines are there, 1,500 of whom have never experienced cold-weather training. At the end of their eight-week training period, they will be fighting fit to carry on their tremendous recent work in Afghanistan and Iraq—there is no threat to their future.

Iraq

18. **Alistair Burt** (North-East Bedfordshire) (Con): What recent assessment he has made of the security of British troops stationed in Iraq; and if he will make a statement. [156746]

The Secretary of State for Defence (Mr. Geoffrey Hoon): Force protection has the highest priority for UK forces. Commanders on the ground employ appropriate force protection measures in accordance with threat assessments. The security situation is under constant review and commanders adapt protection measures to reflect changing circumstances.

Alistair Burt: In order to reassure my constituents serving in Iraq and their relatives, it is surely necessary for the Secretary of State to clear up discrepancies about the recent past. Why did servicemen tell "Channel 4 News" that, in the face of anticipated attacks from weapons of mass destruction they were given nuclear, biological and chemical protection kits that were routinely incomplete and gas mask filters that were out of date? As that is contrary to assurances that the Secretary of State gave to the House on 6 February 2003, will he clear up the discrepancy, and appreciate how such unresolved discrepancies affect current confidence?

Mr. Hoon: As the hon. Gentleman knows, there has been a series of investigations into the difficulties that certain individuals experienced in the course of operations in Iraq. They need to be put in the context of the overall success of the logistic effort found by the National Audit Office and in our own investigations, but obviously we take seriously any of the problems that were highlighted. If we had precise details of the particular circumstances of the individuals in question, we could investigate them properly.

Denison Barracks

20. **Mr. David Rendel** (Newbury) (LD): If he will make a statement on the future of the Denison barracks. [156748]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): A study of the future of the Defence Geographic and Imagery Intelligence Agency's estate, including Denison barracks, was initiated in 2003. As part of the wider examination of the defence estate, this study remains ongoing.

Mr. Rendel: Is the Minister aware that there have been a number of rumours flying around my constituency as to what would become of Denison barracks, were the current operations to cease there? Will he assure my constituents that a decision will be taken in the shortest possible time so that the rumours can be laid to rest?

Mr. Caplin: It may not surprise the hon. Gentleman to know that I am not aware of those rumours, but I can assure him that we will keep the matter under careful review. If there are to be any changes at Denison barracks, I will make sure that I come and speak to him.

Points of Order

3.31 pm

Mr. Dominic Grieve (Beaconsfield) (Con): On a point of order, Mr. Speaker. Last Wednesday, the First Minister in Scotland made a statement to the Scottish Parliament saying that he had reached an agreement with the Home Secretary that would enable overseas graduates at Scottish universities to be allowed to stay in Scotland longer under visa concessions designed to boost Scotland's dwindling population. The effect of that provision would be to introduce a system whereby there would be a change to the immigration rules in Scotland that would not apply across the rest of the United Kingdom. That proposal has not been put to the House in an oral or written statement. I seek your guidance as to the propriety of announcing such a major policy change without the House being informed in any way of what is going on. I may add that the First Minister went on to say that further such changes would be proposed in future, and again no reference has been made by the Home Secretary in the House or elsewhere to the proposals. I seek your guidance.

Mr. Speaker: I thank the hon. Gentleman for giving me notice of his point of order. It is not a matter for the Chair, but Home Office Ministers are present, and I am sure that the point of order will have been heard and note taken.

Mr. Tam Dalyell (Linlithgow) (Lab): Further to that point of order, Mr. Speaker. As chairman of the court of the university of Edinburgh, may I say that this is a very serious matter? With respect, it is not a matter for just one Department, but one that raises deep constitutional issues that must be hammered out in some forum, and not by just a single Minister.

Mr. Speaker: As I said to the hon. Member for Beaconsfield (Mr. Grieve), this is not a matter for the Chair. The comments of the hon. Member for Linlithgow (Mr. Dalyell) will have been heard.

Asylum and Immigration (Treatment of Claimants, Etc.) Bill (Programme) (No. 2)

3.33 pm

The Minister for Citizenship and Immigration (Beverley Hughes): I beg to move,

That—

(1) Paragraphs 4 and 5 of the Programme Order of 17th December 2003 shall be omitted;

(2) proceedings on consideration and Third Reading shall be taken at today's sitting in the order shown in the following table, and shall (so far as not previously concluded) be brought to a conclusion at the time specified in the second column.

TABLE

Proceedings	*Time for conclusion of proceedings*
Amendments relating to Clauses 1 and 2, Clause 6, Clause 15, Clauses 3 to 5.	1 hour 15 minutes after commencement of proceedings on consideration.
Amendments relating to Clauses 7 to 10.	2 hours 30 minutes after commencement of proceedings on consideration.
Amendments relating to Clause 11, Schedules 1 and 2, Clauses 12 and 13, Schedule 3, Clause 14, Clauses 16 to 29, Schedule 4, new Clauses, new Schedules, remaining proceedings on consideration.	9 p.m.
Third Reading	10 p.m.

I understand that discussions have taken place between the parties concerned and that there is broad agreement with the programme motion. We are all anxious to start the debate on these important matters.

Question put and agreed to.

Orders of the Day

Asylum and Immigration (Treatment of Claimants, Etc.) Bill

[Relevant Document: Second Report from the Constitutional Affairs Committee, Session 2003–04, HC 211-I, on Asylum and Immigration Appeals.]

As amended in the Standing Committee, considered.

Clause 2

ENTERING UNITED KINGDOM WITHOUT PASSPORT

3.34 pm

The Minister for Citizenship and Immigration (Beverley Hughes): I beg to move amendment No. 48, in page 2, line 4, leave out from 'if' to 'he' in line 5 and insert

'at a leave or asylum interview'.

Mr. Speaker: With this it will be convenient to discuss the following amendments:

No. 3, in page 2, line 5 leave out 'in the United Kingdom' and insert

'at a United Kingdom port or airport'.

No. 1, in page 2, line 5, leave out from 'him' to end of line 7 and insert 'a document which'.

Government amendment No. 49.

No. 2, in page 2, line 11 leave out from 'him' to end of line 12 and insert 'a document which'.

Government amendments Nos. 50 and 51.

No. 99, in page 2, line 30 at end insert—

'(4A) Where a person is charged with an offence under subsections (1) and (2) above, and relies on a defence under subsections (3) and (4) above, if the person adduces evidence which is sufficient to raise an issue with respect to the matter, the court or jury shall assume that the defence is satisfied unless the prosecution proves beyond reasonable doubt that it is not.'.

Government amendments Nos. 52, 34 and 53.

No. 101, in page 3, line 11, leave out second 'and'.

No. 100, in page 3, line 14, at end insert

'and

'(c) an offence to which section 31 of the Immigration and Asylum Act 1999 (c. 33) applies.'.

Government amendments Nos. 54 and 55.

No. 102, in page 3, line 23, at end insert—

'(11) The Secretary of State shall, before commencement of this section, and thereafter from time to time as he may decide necessary, publish detailed guidance on the interpretation and implementation of section 2 of this Act.

(12) Guidance issued under subsection (11) shall not be made unless a draft has been laid before Parliament and approved by resolution of each House of Parliament.'.

Beverley Hughes: I shall speak to Government amendments Nos. 48 to 55 and 34, and I intend to resist Opposition amendments Nos. 1, 2, 3, 99, 100, 101 and 102. We are dealing with clause 2 and the offence of deliberately disposing of or destroying documents.

I want first to deal with amendment No. 3 and Government amendments Nos. 48, 49 and 50, which address the linked matters of confining the clause 2 offence to ports, finding a better description of when the offence is committed and allowing a period of three days for in-country applicants to produce their documents.

Concerns were expressed in Committee about the definition of "first interview". Another concern was that someone should not be caught by the offence if, for example, their passport was mistakenly left at home—that was part of the reason why the Opposition tabled their amendments. I have considered those concerns carefully and have sought to address them in Government amendments Nos. 48 to 55. I shall set out briefly what they do and why I tabled them. As I mentioned in our debate on clause 2 in Committee, we expect that the criminal offence will in practice be used most against people who arrive at ports without documents. In those circumstances, there will rarely be an innocent explanation for lack of documentation; for people arriving in-country, however, there may be more reasons why they no longer have appropriate documentation. As was acknowledged in Committee, cases of destruction or disposal of documents by people applying in-country—for example, at the asylum screening unit—should not be excluded from the scope of the offence.

Members who served on the Committee will recall that I used as an example an issue that we are investigating at the moment. We believe and have evidence to suggest that people already given refugee status in other European countries are using those documents to come in straightforwardly through our channels at port, and then turning up at the asylum screening unit without those documents and claiming asylum. I do not think that any hon. Member would want us to be unable to take action on such behaviour.

To retain the coverage of both in-country and port claims in the offence, while not penalising people who, for example, have left their passport at home, Government amendment No. 50 allows in-country applicants three days to return with a document, should they not have it with them when making their application. While we expect people to realise that they need to bring their immigration documents, we accept both that that is not always the case and that people who were aware of the need for such documentation will sometimes forget it all the same. We do not want to penalise people who do not seek to frustrate our immigration controls and are willing to co-operate with the authorities. However, if the offence is to act as a deterrent, it must bite on both in-country and port cases. I hope that Government amendment No. 50 will reassure Members that concerns expressed in Committee have been dealt with.

There was also concern that someone could, under clause 2, avoid the offence if they had a passport when they were interviewed, but subsequently disposed of it. For port cases, there was concern that if someone was, for example, asked for a passport by a surveillance officer, that could be construed as a first interview. If so, someone who destroyed the passport between showing it to a surveillance officer and the immigration control interview might not be caught by the offence. For in-country cases, a person might be able to avoid the offence by claiming to have been interviewed at port. That could be relied on mainly, although not necessarily exclusively, by people granted leave on entry.

To address that problem, the term "first interview" has been replaced by

"at a leave or asylum interview",

which is to be defined by subsection (10) to cover any interview in which a person seeks leave to enter or remain and, so far as they are not already covered, claims that removal would breach our obligations under the refugee convention or the European convention on human rights. That ensures that someone cannot avoid committing the offence by saying they have been interviewed previously and were in possession of a passport at that time.

Government amendment No. 34 and amendments Nos. 100 and 101 relate to article 31 of the refugee convention. In Committee, I said that the reasonable excuse contained in clause 2 provided for the protection offered under article 31, but I understood that that was an important issue, so I undertook to consider the way in which the defence, as set out in clause 2, would operate to ensure that it did not have the unintended effect of penalising any refugee who was protected by article 31.

In particular, we have looked at subsection (5)(b), which rules out as a reasonable excuse three situations in which a person has deliberately destroyed or disposed of documents. We have concluded that the first two situations require no amendment, as there can never be a justifiable reason for a person to dispose of a passport to delay the handling of their claim or to enhance its chances of success. The third situation is where a person disposes of a passport at the behest of an agent or facilitator. In the great majority of cases, disposing of a passport for that reason is unacceptable, and it is important that clause 2 sends out the clear message that that is so.

Mr. Henry Bellingham (North-West Norfolk) (Con): Is the Minister aware that there was a large influx of Chinese immigrants into my constituency during the summer? Many were illegal, and many of their passports and other documents had been destroyed by the people traffickers—the triads and snakehead gangs—who had imported them into this country at great expense to them and their families. What is her view on that?

Beverley Hughes: The offence contained in the clause is designed to address precisely that kind of behaviour, so that we can send out the message that, if people destroy their documents, even at the behest of a facilitator or an agent, they will be liable to prosecution, except in the very special circumstance that I shall outline. Although some members of the Committee expressed concern that that would penalise the person who entered the country illegally, not the facilitator, we can already take strong measures against facilitators.

If we are to change people's behaviour, we need parallel measures that we can use to try to ensure that people do not destroy their documents. As hon. Members will know, as well leaving us unable to identify people at the point at which they make their claim, the destruction of documents causes great difficulty in returning people to their own country if their claims fail. Without documentation is it very difficult to satisfy other countries that such people are indeed their own nationals, and one can understand why. We would feel the same if we were asked to take people back. We would want evidence, which is very difficult to supply without documentation.

Mr. Hilton Dawson (Lancaster and Wyre) (Lab): I recognise the progress that has been made, but children who come to this country may have destroyed their documents at the behest of people who may well have exerted all sorts of force and influence on them. Can my right hon. Friend assure me that the best interests of those children are being recognised in the amendments and Bill that she is proposing?

Beverley Hughes: I assure my hon. Friend that the authorities—the immigration service, the police and the Crown Prosecution Service—will take such issues into account in operating the offence. I do not want to exclude children specifically from the Bill because that would provide a perverse incentive for people to declare themselves to be under 18. I can assure him—we had this discussion in Committee—that the guidance published for the authorities will make particular reference to that point.

In the great majority of cases, as I have said, disposing of a passport, even at the behest of an agent or facilitator is unacceptable, but I accept that there may be rare cases in which refugees are so vulnerable, possibly traumatised and dependent on the facilitator for ensuring safe flight from persecution in their country that it would be unreasonable to expect them to ignore the facilitator's instructions. In those rare cases, refugees could argue that they had good cause for no longer having their passport, thus meriting the protection of article 31 of the convention.

Government amendment No. 34 will modify subsection (5)(b)(iii), so that disposal on the advice or instruction of a facilitator is unacceptable,

"unless in the circumstances of the case it is unreasonable to expect non-compliance with the instructions or advice."

We have introduced the amendment primarily with refugees in mind, but Members will notice that we have not limited it to such persons. We have done so to ensure that we cater for the rare situation in which particularly vulnerable people can satisfy us that, despite their not being refugees, they still could not be expected to ignore instructions from their agent. I expect that exception to be relevant in only a very limited number of cases, but it is nevertheless important to have that safeguard in order to ensure that we comply with our obligations under the refugee convention and to cater for other exceptional cases.

3.45 pm

Clause 2, as amended, has two safeguards that ensure that the offence is not inconsistent with a proper interpretation of the protection afforded to certain refugees under article 31. The first is the "reasonable excuse" defence, which would cover situations in which persons had no document when they began their journey. Secondly, subsection (5)(b)(iii), as amended, makes allowances for those rare situations in which a person's actions in deliberately destroying the document might be considered a reasonable cause for the purposes of article 31. I therefore believe that the amendment tabled to provide for article 31 is not necessary. In some

[Beverley Hughes]

respects, it does not go as far as my amendment, because, in rare situations, the latter can cover the actions of non-refugees who are nevertheless particularly vulnerable. I hope that that reassures Members of our commitment to the 1951 convention, and addresses the concerns raised in Committee.

I shall comment briefly on the Opposition amendments. Amendment No. 99 is a probing amendment dealing with the burden that clause 2 places on an individual to prove that, on the balance of probabilities, he or she had a reasonable excuse for destroying the document. We have placed the burden on the defendant because where someone has a reasonable excuse for not having a document on arrival, the details of that story will usually be solely within the knowledge of that individual. In Committee, I gave the example of the person who had been smuggled on to a plane by a corrupt official and who had never had a document. It is clear that only that person would know the details of how and when that happened, so it is not unreasonable to ask the defendant to prove, on the balance of probability, that it did occur. I therefore believe it justifiable to require the defendant to prove that, and I am pleased to note that the Joint Committee on Human Rights also takes that view.

The Opposition have tabled amendments Nos. 1 and 2 to allow those who can produce another document that establishes their identity to avoid the offence in question. As I said several times in Committee, if a person satisfies us that he or she has never had a passport, or has a reasonable excuse for not having one now in spite of having had one before, clause 2 will not catch him or her, and nor is it designed to do so. However, where a person has disposed of or destroyed a passport and can provide no reasonable excuse for doing so, I do not consider it right that he should be exempt from the offence simply because he then produces some other document—almost by definition, a lesser document—that, he says, shows who he is. That immediately gives rise to the questions of why the person disposed of the passport in the first place and why he has chosen to produce some other apparent evidence of identity. We need to be serious in sending out the message that destroying documents is not acceptable.

Of course, if persons are making a genuine effort to identify themselves through the production of alternative identification, that might make us more inclined to accept any reasons given for their not having a passport, but as I have said, a person who has a reasonable excuse for not having a passport will not be prosecuted, whether or not he or she has other documents that might prove who they are.

If the amendments were accepted, people could try to advance a defence by producing any sort of document that they claim establishes their identity, nationality or citizenship. Given that such documents could come from any part of the world and from many different types of organisation, deciding whether they are genuine and whether they establish identity satisfactorily would be extremely difficult and resource-intensive for United Kingdom authorities. Considerable operational difficulties attach to identifying whether alternative documents are genuine or forged. In any event, Members will appreciate that a document such as a driving licence or student identity card would not be sufficient to travel on. The fact that a person has arrived in the UK suggests that they must have had a travel document in order to board, say, a plane in the first place. Furthermore, and returning to my earlier point about removals, I must say that driving licences and student identity cards do not allow us to return individuals; they are not sufficient for that purpose. That means that those who are trying to thwart return home by destroying documents would be able to do so safe in the knowledge that they could avoid the offence by producing some other, lesser document.

Amendment No. 102 would create a statutory requirement for written guidance for the operation of the offence. As I said in Committee, we will produce such guidance—I intend to do so before the Bill is enacted—but I do not see a case for placing it on a statutory basis. I hope that my commitment is sufficient and that hon. Members will agree not to press the amendment.

Mr. Humfrey Malins (Woking) (Con): I should tell the Minister straight away that Conservative Members welcome some of the Government amendments that have been tabled since our very constructive debates in Committee. We take the view that those who deliberately destroy their documents, thereby intentionally frustrating the system, should be punished. There can be no doubt that the House should send that message to people who arrive here on an aeroplane or a boat having boarded it with valid documentation but who, at some time during the journey or after landing, and before being interviewed by an immigration officer, destroy their documents. We are absolutely at one with the Government on that point.

The Minister said that we are dealing with offences of deliberately destroying documents. However, clause 2 does not say that; it is not headed, "Entering the United Kingdom having destroyed a document". It says:

"A person commits an offence if when . . . interviewed . . . he does not have with him an immigration document"—

namely, a passport. Will the Minister tell me whether it is possible to draft the clause better to make it clear whom we are trying to prosecute?

As was said in Committee, millions of children are born in this world every year who never have any form of passport; likewise, tens of thousands of people who travel to this country to claim asylum have never had a passport. No doubt, there are also tens of thousands whose documents are destroyed, one way or another, en route. In many ways, I understand the concerns of bodies such as the Law Society, that argue that these measures may penalise genuine refugees and expose them to the risk of prosecution. Many of the strongest applications for asylum come from individuals who have been forced to enter this country with no documents or invalid documents. The mischief that we are trying to address is that of the person who, when attending before a Home Office official or an immigration officer, cannot satisfactorily prove their identity. The problem arises when it is impossible for officials to tell where people come from and they will not provide that information.

I therefore tabled amendment No. 1 as a probing amendment, which we shall not press to a vote. It would replace the requirement for a passport with one for a

document which would satisfactorily establish identity. If the mischief that the Minister is trying to tackle is the person who tears up a document, surely she should understand that applicants for asylum, who may never have had a passport but who can say to the immigration officer that they have a record of military service or proof of identity such as some sort of card, should not be guilty of an offence.

The clause has been improved since our proceedings in Committee. I broadly welcome Government amendments Nos. 48, 50 and 34 because they tackle some of the issues that we raised there. I hope that the Minister can confirm some of the comments that she made then. She said:

"Our intention is to be able as a result of this clause to prosecute people who deliberately destroy or dispose of their documents between embarkation and claiming asylum in this country. It is absolutely not our intention to try to prosecute people where we believe that they never had documents in the first place or that they have not destroyed documents, whether false or not."—[*Official Report, Standing Committee B*, 8 January 2004; c. 22.]

If she is willing to repeat the undertaking that her intention is to prosecute only those who destroy documents, Conservative Members will be happier. The clause does not state that at all. It plainly provides that an offence is committed if the person

"does not have with him an immigration document".

Mr. Edward Garnier (Harborough) (Con): My hon. Friend has lighted on an important point. Although the Minister made the comments that he quoted, the immigration officer at the port of entry will not have Committee *Hansard* in front of him, and I doubt whether it will be drawn to his attention. It is therefore important that the Minister should either include a provision in statute or undertake to provide specific guidelines to the immigration service so that the point that my hon. Friend makes so cogently is at the forefront of the mind of the officer who has to deal with each asylum applicant.

Mr. Malins: I am grateful to my hon. and learned Friend who contributed so well to our Committee proceedings. Of course, he is right. No immigration officer who conducts an interview will have *Hansard* in front of him or her. The immigration officer is faced simply with the proposition that the offence is committed if the person does not have the document. Throughout our Committee proceedings, we asked the Minister to come back with a better-drafted provision. The measure is sloppy because although it provides for an offence, stating that one is committed in specific circumstances, we have to rely on the Government to say that, despite the legislation, they will not prosecute in a specific case. The Minister owes us further explanation.

In Committee, I pointed out there are some 50 million unregistered births every year. That is approximately 30 per cent. of all births. The proposition that refugees, of all people, should be able to present passports is unreal. The Minister has failed to deal with that or to table a suitably drafted amendment.

I was pleased to receive a letter from the Minister in February that stated:

"Where we accept that a person began their journey with no such document we would regard that as a reasonable excuse for not having one on arrival."

It is all very well for the Minister to say that she would regard that as a reasonable excuse, but would the courts? The Bill is vague about that and does not satisfactorily establish sufficient protections for those who have simply never had a document. I have yet to hear from the Minister any argument against my proposition that the applicant could and should be able to identify himself or herself through another form of documentation.

4 pm

I do not think that the Minister answered the following question in Committee, but she should be able to tell us how many people she anticipates being prosecuted each year for the offence. In a year in which more than 100,000 applications were made for asylum, it is known to the authorities, I think, that a huge percentage of those people had no documents whatever. Under the Bill, therefore, a huge percentage would find themselves having committed an offence, leaving the immigration officer in question with virtually no alternative but to ensure the arrest of those people and ensure that they were charged. It is a big problem.

On the other hand, the problem of those who tear up their documents is smaller and more easily controlled. It arises principally at airports and at ports to which people travel on boats, having provided passports in the first place. Amendment No. 1 would therefore insert the requirement for a document rather than a passport, on the basis that the mischief that the whole House is trying to address is those who destroy their documents rather than those who have never had any.

I repeat the point made by my hon. and learned Friend the Member for Harborough (Mr. Garnier) that it is a poor thing that the immigration officer on the case must address his or her mind to *Hansard* reports to find out that the Minister has no intention of prosecuting anyone, except those who destroy their documents. That is the spirit in which I tabled the amendment. As I said, the Minister has gone some way to meeting concerns expressed in Committee on the defences and the times to produce documents—three days—and that represents some progress. It is possible, however, that she can make yet more progress and make the clause clearer and easier to enforce.

Roger Casale (Wimbledon) (Lab): I am grateful for the opportunity to make a short contribution. Like many Members, I have received powerful representations in my constituency in relation to the Bill, not least from the Religious Society of Friends led by Kurt Strauss and from Alison Williams and the Merton and Wandsworth law centre, with which I do a great deal of work to help many refugees in my constituency. They understand the need to send a strong message to people who wilfully and unnecessarily destroy their documents. It is crucial, however, that we strike the right balance in terms of protecting people's rights, particularly under the conventions—the Minister has referred to article 31 in that connection. I am pleased that she has listened to those representations, and on that basis I feel more able to support these amendments and to give support to the broad spirit of the Bill.

When the Minister responds, will she confirm that when special circumstances arise under the amendment that she is putting forward, each case will be looked at

[Roger Casale]

on its merits? Of course, one would not expect the circumstances in which somebody does not have valid documents to be a valid defence—that would be the exception rather than the rule. Given the exceptional circumstances of many refugees and asylum seekers, however, there may be many cases. I hope that the Minister does not have a particular target in mind, such as 2, 3 or 5 per cent., but that she will look at each case on its merits to see whether such a defence will be possible under the new amendment. It is crucial that we have those safeguards that she is now putting in place to protect those rights, while at the same time having a robust and proper system that deters people from wilfully destroying their documents. Part of the operation of those rights, however, must be that each case is viewed on its merits, and I should be grateful if the Minister would reinforce that point and confirm that that is exactly what she will do.

Mr. David Heath (Somerton and Frome) (LD): I am grateful to the Minister for listening so carefully to what was said in Committee. Before I say more about that, however, let me list our main problems with this part of the Bill.

To avoid misunderstanding, I reiterate that we fully acknowledge the need to deal with the specific problem of those who wilfully destroy their passports and other travel documents to cause difficulties in the asylum and immigration system. None of us doubts the necessity for adequate statutory support allowing the immigration service to deal with those who commit that offence.

Our difficulties arise in four principal areas, some of which were mentioned by the hon. Member for Woking (Mr. Malins). First, there is the nature of the offence that the Government are putting in statute. As he pointed out, the clause relates not to an act of commission—that of destroying documents—but to an act of omission, that of simply not having the documents at the time when they are required to be produced. The Minister has gone a long way towards reassuring us about the circumstances in which the powers would be used, but as things stand the offence is effectively absolute, and prosecutions can proceed on that basis.

The second issue is the point at which the offence is committed. It seemed from the preamble that we were talking about ports of entry—seaports or airports—but the wording of the Bill made it clear that it referred to an interview at any point. In Committee, we told the Minister forcefully that we needed a much clearer definition of what constituted the interview at which the offence would be committed. I think that the Government amendments address that problem.

The third difficulty is that effectively no discretion is given to immigration officers considering whether an offence has been committed. We have had a good deal of debate about the reasonable excuses that could be adduced before a court as a defence, but the fact remains that the immigration officer is faced with a simple decision that does not allow him or her to take the individual's circumstances into account. It is a case of whether people have their documents on them or not when they are interviewed. If they do not have them, they are committing an offence; if they do, they are not. The discretion that has been suggested for immigration officers is not in the Bill as currently drafted. Again, the Minister has been helpful, but the guidance that she intends to publish will actually ask immigration officers to disregard what the Bill says and insert what the Minister wants. I would prefer legislation that stated what immigration officers were to do, and gave them the necessary discretion.

Mr. Malins: The hon. Gentleman's contributions in Committee were much appreciated. At the beginning of her speech the Minister said that we were dealing with the offence of deliberately destroying documents. Does the hon. Gentleman agree that that is not the case? Surely we are dealing with the offence of not having the documents.

Mr. Heath: The hon. Gentleman is absolutely right. That is the offence that the Bill suggests. The Minister has said that she would expect the power to be used where an officer has a reasonable suspicion that the documents have been wilfully destroyed, but that is not the same as framing the offence in those terms, which is what she has thus far failed to do.

Vera Baird (Redcar) (Lab): On that point—I understand what the hon. Gentleman is saying, but I sympathise with the Minister—would it not be extraordinarily difficult to prove beyond reasonable doubt that somewhere on the high seas or on a plane, an individual had personally destroyed their documents? If that is next to impossible, is not the better model to frame the charge of being here without documents, and leave open the prospect of a reasonable excuse, exculpating the individual from it if a satisfactory explanation can be provided? Is not that perfectly fair?

Mr. Heath: I am grateful to the hon. and learned Lady and I have some sympathy with her and the Minister's position, because I understand how difficult it is to frame the offence in the terms required to deal with the mischief. The answer to her point is that it is even more important to get the burden of proof right on the available statutory defences. That is my next point. If we can do that, I will be much more satisfied that the defendant has an appropriate defence for this apparently absolute offence and that the prosecution will then have to prove its case beyond reasonable doubt. That does not apply at present, which is my fourth and most serious criticism of clause 2. Amendment No. 99, which is in my name, is designed to deal with that problem.

As I have already said, the Government have been helpful to some extent on this particular clause. What the Minister said in Committee provided some reassurance, as did a subsequent letter, what she said today and the amendments that she has introduced. I greatly welcome the Government amendments that deal with defining the interview for the purposes of the offence being committed—a specific suggestion that I made in Committee, which the Minister has obviously considered and returned to. That is doubly helpful. It will ensure that the defendant is not caught out in unfair circumstances, and, more importantly from the Government's point of view, it will help the prosecution in taking away a defence that might otherwise be available. The present clarity—though it could be improved further—is helpful.

Will the Minister deal with a minor point about Government amendment No. 49? I see no problem with it generally, but I am interested in the words "or living", which were not part of the original wording. The amendment includes the words:

"in respect of any dependent child with whom he claims to be travelling or living".

I presume that that applies principally to the circumstances in which someone is interviewed in country—not at a point of entry to the UK. The Minister says that those circumstances will infrequently, but potentially, apply. The person is then required to have travel documents for a child with whom he or she may not have entered the UK, but who is now dependent on them. I believe that there is still a potential difficulty with that widening of the Bill's scope and I invite the Minister to reflect on it further.

I welcome Government amendment No. 50, which deals with the delayed production of documents for those in country. It is a perfectly sensible provision, which we urged on the Minister in Committee. She has also been helpful on a point that affects my amendments Nos. 100 and 101, which deal with section 31 of the Immigration and Asylum Act 1999. Confusingly, that deals with article 31 of the refugee convention. The Minister has been most helpful today and I believe that the Government amendments deal with the point that I sought to raise, so I shall not press it any further.

The Minister has also been helpful on the content of amendment No. 102, which deals with the statutory duty to provide guidance. She has put it on the record that we will have guidance, which is good news.

4.15 pm

That leaves me with one final, very important matter: the burden of proof. In her opening remarks, the Minister suggested that amendment No. 99 was a probing amendment. I have to disappoint her. It is not a probing amendment, but one that I and my right hon. and hon. Friends mean very sincerely, because the effective reduction of the burden of proof is a real problem. It is not even a move from the prosecution's having to prove beyond reasonable doubt—which would normally be the case with a criminal offence—to the use of the balance of probabilities. It reverses that, because the defence will have to prove on the balance of probabilities that the reasonable excuse that it has put forward as a defence is proper. The prosecution does not have to do a thing about that, because if that proof is not shown, there is no defence.

That is profoundly unsatisfactory as a matter of law. For the House's benefit, I draw attention to the fact that the words in amendment No. 99 are not new to statute, but are already in the Terrorism Act 2000. With this Bill, we have the extraordinary situation that the openings for the defence of someone prosecuted under the Terrorism Act are better than those of an individual who, under this legislation, happens not to have their passport with them at the time of their substantive interview at the point of charge.

Mr. Garnier: In my experience, where the burden of proof lies is not always terribly important during the run of a trial. However, what the hon. Gentleman is arguing for is not outside the ordinary. Not only under the Terrorism Act 2000, but in straightforward matters such as self-defence it is for the defendant to raise an issue and for the prosecution to knock it down. I am concerned that the Government seem to have forgotten that, and are placing an unusual burden on the defendant. I hope that the hon. Gentleman will argue his case with vigour.

Mr. Heath: The hon. and learned Gentleman's support on this issue in Committee was notable, and he clearly intends to maintain his support today. I am grateful for that. The Government are playing fast and loose with the rules of evidence and burden of proof in this instance, which is very significant. I quoted the 2000 Act simply because it contains an almost directly analogous situation in terms of a statutory defence available to the defendant that is then required to be disproved beyond reasonable doubt by the prosecution. I do not think it unreasonable to expect the prosecution to do its work, nor do I think it unreasonable to seek to uphold a legal principle about reasonable doubt requirements in such matters that has persisted in this country since, I think, the early 1930s, and on which there is clear guidance. I do not understand what special circumstances make the Government—not for the first time, because they have suggested changing the burden of proof in other fields when it is administratively convenient—feel that is appropriate to abandon an important tenet.

I think that the provision in my amendment, or something similar, will be passed in another place because there are enough people there who will feel strongly on the matter, and who have the expertise—well beyond my powers of persuasion—to ensure that a vote is passed. However, I should like to persuade this House that it has a role in defending the traditional tenets of our justice system, and that we should make a stand on such issues in this place.

Because I feel very strongly about this, Mr. Speaker, I hope that I shall be able to catch your eye later in order to press amendment No. 99 to a Division. A very important principle is at stake here, in terms of the conduct of our criminal trials, and it should not be allowed to go simply because of inadvertence on the part of the House or complacency on the part of Ministers or others who have advised them that this is an appropriate way to go.

Mr. Garnier: Looking at the clock, I see that we have until about 4.50 pm to discuss not only this group of amendments but four others, which demonstrates the absurd nature of the proceedings with which we must now contend, on an issue of such important public interest.

I want briefly to discuss clause 2 and the amendment tabled by my hon. Friend the Member for Woking (Mr. Malins). I broadly agree with the thrust of what he said, but the Government's problem is that they have allowed themselves to be confused by the magic of terms such as "passport" and "travel document". Surely clause 2 is about discovering the identity of the person presenting himself to an official at the sea port or airport, or at a later interview. There are plenty of ways of proving one's identity other than by a passport or travel document. We had a brief discussion on this in Committee, although it was necessarily truncated because of the guillotine procedure.

[Mr. Garnier]

The wider public who might come to read or perhaps listen to these proceedings might not know that the Government are wedded to the idea of people proving their identity at the point of presentation or interview by means of a passport or travel document only. As I have said, there are plenty of other ways of proving one's identity. Indeed, if we are to be strict about this, a passport is not necessarily a proof of identity. I see my right hon. Friend the Member for Wokingham (Mr. Redwood)—a fellow of All Souls—sitting two Benches below me; I do not think that I need to go into a huge and interesting philosophical discussion about the nature of identity. For practical purposes, an immigration or asylum officer will need to ask, "Who is this person presenting himself to me? Is he who he says he is?" That procedure does not necessarily have to involve a passport. I therefore ask the Government to think carefully about the need to tie themselves down to a requirement for someone to prove their identity by means of a passport or immigration document.

Let us imagine, for example, the case of an army or military group that had been the military arm of a country's Government but had ceased to have the confidence of the new Government, perhaps after a coup or some other form of change in government. The armed forces would therefore cease to be the official army and would be designated as rebels by the new Government. That might require a member of the former armed force—now a rebel—to seek asylum in another country because he had a genuine fear for his life in his home country. He might not have a passport or travel document, because he had had no need for one, having lived all his life in the country that was now in turmoil. He might, however, have his military dog-tag; he would therefore have his military number and possibly his name on the brass plate around his neck.

Under clause 2, however, that would not be a permissible means of identification. The individual who arrived on our shores or at one of our airports presenting his dog-tag would therefore have committed an offence, because he did not have a travel document. It could well be said that the Government's new amendment, providing for a reasonable excuse, will lift liability from that individual under the clause. However, let us look again at the amendment tabled by the Home Secretary and no doubt moved—implicitly, if not expressly—by the Minister, to whom I offer many congratulations on becoming a member of the Privy Council, although I gather from Labour party circles that membership of the Privy Council is a rather fluid arrangement at the moment.

The Home Secretary's amendment again refers to a travel document and to a passport as the means of proving identity. I can well understand the Government's argument; if one arrives on these shores in a tin bath, having capsized several times, one's passport and documents will have been washed away and will not be presentable immediately to immigration officers. One will have a reasonable excuse if it can be demonstrated, on the Government's argument, that that is what happened. There are plenty of examples—I have just given one—where someone's identity can be "proved", in so far as it is possible to prove identity at all, by means other than a travel document or a passport.

In the light of the shortness of time, and the fact that I have a suspicion that others will wish to speak, I will stop there. I hope that my remarks will prove attractive to the Minister, and not only for their brevity, and that she will respond positively at the end of the debate. As my hon. Friend the Member for Woking correctly stated, we are simply trying to prevent people from destroying documents—from cheating. We do not want people to cheat the immigration and asylum system.

We want to make sure that those who have a genuine claim under our laws and who come within article 51 of the UN convention can come to this country to present their claim as asylum seekers, but are not tied to identifying themselves by a particular class of document. That seems to be silly, unfair, counter-productive and probably not what the Government intend.

Annabelle Ewing (Perth) (SNP): I rise to support amendment No. 99, tabled by the hon. Member for Winchester (Mr. Oaten) and spoken to by the hon. Member for Somerton and Frome (Mr. Heath). I shall be brief as a few others wish to speak.

The amendment covers an important point of principle. As the hon. Member for Woking (Mr. Malins) said, clause 2 still does not exclude those people whom the Minister has been at pains to say are excluded—in effect or as a matter of practice—from the scope of the Bill. Her statements in Committee were welcome, as far as they went. However, I still do not see that express exclusion and, as a lawyer, I think it helpful to have legal certainty in statutes. If it is not the Government's intention to prosecute people who never had any documents, that statement should be in the Bill.

The burden of proof is raised by amendment No. 99, which I am pleased the hon. Member for Somerton and Frome will seek to press to a Division. The amendment raises a key point of constitutional principle. The Government's recent record seems to show that they are intent on denuding this country of its fundamental constitutional principles. It has always been the case that, in criminal prosecutions, the burden is placed on the Crown to prove its case beyond a reasonable doubt. Where a special defence is raised, it is up to the accused in Scotland or the defendant south of the border to make a reasonable argument, but the burden remains with the prosecuting authorities. We have been well served by that constitutional principle for centuries, certainly in Scotland.

It is astonishing that the Government plan, with a stroke of the pen, to get rid of that principle as far as asylum is concerned. That is unacceptable; if we see the erosion of that fundamental principle today on asylum, what will we see tomorrow? Where does the buck stop? Where will the line be drawn in terms of removing that fundamental principle?

4.30 pm

Beverley Hughes: I realise that I may not have time to reply to the debate so, to reflect the comments of my hon. and learned Friend the Member for Redcar (Vera Baird), will the hon. Member for Perth (Annabelle Ewing) and other Members who spoke in a similar vein explain how they think the prosecuting authorities could prove beyond reasonable doubt when, where and how

an individual disposed of or destroyed their documents, between boarding a plane in another part of the world and travelling across airspace, when that act may not have taken place within UK jurisdiction but in the plane, outside British airspace?

Annabelle Ewing: The Minister should never underestimate the ingenuity of prosecuting authorities. The scope of the clause should be wide enough to cover people who never had those documents in the first place. That is the problem, but the Minister has not addressed it.

Mr. Heath: Is not the key point that the prosecution does not have such a requirement under the wording of the offence in the Bill? Our argument is simply that the prosecution should have to prove beyond reasonable doubt that such a defence does not apply, which is completely different from proving that documents were destroyed in a particular place.

Annabelle Ewing: I thank the hon. Gentleman for that helpful intervention and for clarification of his amendment. The amendment provides specifically that the Crown has to knock back the defence of reasonable excuse submitted by the accused in Scotland, or the defendant south of the border. That is the purpose of the amendment. It is an important provision and I shall be happy to support it if a Division is called.

Vera Baird: I shall confine my remarks to amendment No. 99, with which I disagree. However, I am grateful to the hon. Member for Somerton and Frome (Mr. Heath) for his concession about the difficulty that would be faced by prosecution authorities when trying to prove by whom, how, when and where a document was destroyed. That is the degree of detail that is usually required when framing a criminal indictment and the hon. Gentleman readily conceded that it would be extremely difficult to prove it beyond reasonable doubt. That is the test, which is why the offence is framed as it is—a point that he seemed to accept.

However, on the question of the burden of proof in a reasonable excuse, are we not in exactly the same position? The only person who knows how the document came to be destroyed, or why it does not exist, is the person who does not have their document with them when they arrive. How is the prosecution to disprove it if the person says, "My passport fell overboard when I was moving from a big ship to a small boat somewhere just off the coast of Malaysia"? A person has only to say that and the amendment would then impose on the Crown the necessity to disprove beyond reasonable doubt that such an event had occurred, which would be quite impossible. As the hon. Gentleman has already conceded, that same impossibility shows the wisdom of the current framing of the offence.

All that is required is that the person with the unique knowledge of what happened must show that it is more probable than not that he is telling the truth. That seems a reasonable way to evaluate something that, in 90 per cent. of cases, only that person can possibly know about. The tribunal will say, "That's probably true", in which case the person has passed the test. That test is not mighty or difficult, but perfectly reasonable. It certainly is not, as the hon. Member for Perth (Annabelle Ewing) said, a constitutional principle that in each and every criminal case the prosecution must prove every element beyond reasonable doubt, and that the only requirement for the defendant is to raise a defence, which must always be disproved.

There are innumerable cases in licensing, for example, or involving other kinds of permit, when it is uniquely in the person's knowledge whether they have a reasonable excuse for not holding the required document. Sometimes, people just have to declare their excuse, while under other legislation they have to discharge the burden of showing that it is probably true. There is no constitutional principle here.

I point in particular to the fact that the defence of diminished responsibility for murder relies on the defendant showing on the balance of probabilities that what he says about his state of mind at the time is true. I respectfully say that no constitutional principle is being undermined, and the amendment is wholly impractical.

Mr. John Redwood (Wokingham) (Con): Listening to the debate, I have been swayed by the softer voices of my hon. Friend the Member for Woking (Mr. Malins) and my hon. and learned Friend the Member for Harborough (Mr. Garnier), urging the Government to caution in framing this offence. I am persuaded to their view because the offence attracts a sentence of up to two years' imprisonment. Someone could genuinely have had their wallet or handbag stolen on the ferry over to this country, and if their plea in mitigation was unsuccessful they could go to prison here. I wonder whether we should really be adding to the prison population for such a purpose.

It is a pity that we will not have time for a proper debate on penalties, because one would have thought that people trying to come here illegally might regard being sent back as a more serious punishment, and that might be a more sensible response in our own national interest, undesirable though two years at Her Majesty's pleasure might be for most people.

I urge the Minister to think more carefully about the framing of this offence, in light of the good and learned arguments advanced by Conservative Members and the doubts expressed from those on the Liberal Democrat Benches.

Mr. Bob Blizzard (Waveney) (Lab): The right hon. Gentleman mentioned sending people back who arrive here without the necessary documents. To where would he send them?

Mr. Redwood: To the place they had just come from, because they would be arriving at a port of entry off a flight or a ferry, and surely the authorities could work out where that flight or ferry had just come from. In most cases, the answer will be straightforward.

Mr. Blizzard: Would not the country at the other end, receiving this person with no passport or documents, just send them straight back here? This poor soul might spend the rest of his life flying back and forth on an aeroplane.

Mr. Redwood: Of course not. Very often, these people will come from a country that shares glorious

[Mr. Redwood]

membership of the European Union with us. This is precisely the kind of thing on which we should use our influence in the European Union to come to a sensible arrangement so that we do not end up playing shuttlecock with refugees or people seeking entry who do not have the right qualifications or reasons. That is surely within the diplomatic skills of some members of the Government, so that we can have common sense in this matter.

Glenda Jackson (Hampstead and Highgate) (Lab): I was unable to ask the Minister this question directly. Perhaps the right hon. Gentleman will ask her where these people will go at the end of their prison sentence.

Mr. Redwood: I am grateful to the hon. Lady, because she has reinforced my case. Presumably, the Minister wants these people to go somewhere else after the prison sentence, so the problem remains. In the end, she must answer our question about where they are to be sent, and that is more difficult six months or two years later, after a prison term, than it would be on the day, on first arrival in the country, when we would normally know where they had come from. Arrangements could surely be made at the airport to ensure that that is the case. Perhaps we should pass legislation to ensure that we can identify exactly where people have come from when they arrive here, rather than legislating to send a lot of people to prison, some of whom might be innocent, because they have genuinely mislaid their travel documents or had them stolen in transit.

Vera Baird: There are often many reasons for drafting law, and I imagine that the most powerful one in this case is to deter people from destroying their documents in the first place. Although the problem subsists beyond the prison sentence, surely that purpose at least commends itself to the right hon. Gentleman.

Mr. Redwood: I, like my hon. Friends, am worried about how wide the offence will become and whether it will be enforceable. The Minister thinks that she is making a firm proposal, but I assume that many people who are challenged will give all sorts of reasons why they do not have documents. Many may claim, as I suggested, that their handbag or wallet was snatched on their way over and that that contained the documents. Some might come up with the reason suggested by the hon. and learned Member for Redcar (Vera Baird): their documents fell overboard when they got off one ship and on to another. They might say that they left the documents lying around in the bar of the ferry and that they had disappeared when they came to pick them up again. In some cases, those people will be telling the truth and it will up to the court to listen carefully to that defence, but in other cases they will not be telling the truth. I wonder how easy it will be for the enforcement authorities to decide which people had deliberately destroyed their documents and come up with a bogus claim about what happened to them, and which had genuinely suffered a misfortune or mishap on the way over and thus did not deserve to go to prison.

I know that many hon. Members would like to hear the Minister's reply, so I shall not detain the House any longer. We want to know about the burden of proof and the width of the offence—whether it is too widely judged. I would like to know why prison is thought always to be the answer and, especially, how the Minister thinks that we will sift out those who make a reasonable defence for where their travel documents have gone from those who try to mislead the authorities—I do not think that that will be an easy task.

Mr. Garnier: I am grateful to my right hon. Friend for giving way because I know that he is keen to finish his speech. Clause 6 contains a list of things that will be used to decide a claimant's credibility. I do not know whether they will satisfy the hon. and learned Member for Redcar (Vera Baird), but clearly the Government are worried about people telling fibs to officials.

Mr. Redwood: My hon. and learned Friend is exactly right. The more provisions there are in the clause—there are quite a number—the more complex things will be for the courts and the more worries I have about how enforceable the offence will be. The Minister must tell us why prison must be the result, how enforceable the offence will be, and whether it is right to reverse the burden of proof on this occasion, because that might not work with the result that she has in mind.

Beverley Hughes: In the small amount of time that I have left, I would like to address a question that several hon. Members asked: why clause 2 is constructed as it is. I am again grateful to my hon. and learned Friend the Member for Redcar (Vera Baird) because she asked questions of hon. Members that revealed the answer to that question. Let us consider the situation that we would face if the clause created the offence of destroying or disposing of travel documents. A prosecution would have to prove beyond reasonable doubt that that had occurred. My hon. and learned Friend and I made it clear that that would require the prosecution to be able to say in court who had destroyed or disposed of the document, and when, how and where that had happened.

We are, of course, talking about a situation in which people travel from countries far across the world and thus spend a long time in a plane. They will also be airside in a British airport for some time, so they will have hundreds of opportunities to dispose of or destroy their documents during the journey. As I said, some of those opportunities will arise outside the UK, so even if it were possible to prove that people had disposed of their documents by handing them to an agent immediately after boarding a plane, that might well not be in a British court's jurisdiction. The potential for proving an offence would be negligible if the clause were constructed differently.

Similarly, under the clause as it stands, for the same reasons, it is virtually impossible for the prosecution to establish beyond reasonable doubt the fact that the defence put forward is not true. The present construction of the clause reflects the reality that we are dealing with. This is not like a police investigation within the confines of the United Kingdom, in which the authorities can adduce and search for evidence, and put it before the court to prove a case beyond reasonable doubt.

4.45 pm

We are not in that situation, and it is impossible for the prosecuting authorities to do that, so the clause is not sloppy. Neither I, nor my officials, nor parliamentary counsel are complacent because we constructed the clause in that way. We did so because that is the only feasible way of constructing an offence that will catch some people who have disposed of their documents.

The burden of proof in clause 2 means that it is for the prosecution to establish that someone has arrived without a document, and the defence of reasonable excuse is open to the applicant. On the balance of probabilities, the burden of proof is for the defendant to establish, because only the defendant knows what has happened. It is virtually impossible for the prosecution to know what has happened, or to be able to establish that with any degree of credibility.

In response to the right hon. Member for Wokingham (Mr. Redwood), I should explain that the main purpose of the provision is deterrence, and if hon. Members are serious about agreeing that we need a sanction to prevent people from disposing of or destroying their documents, and to enable us to take action when they do, they should realise that this is the only feasible way of constructing such an offence. Anything else would be impossible for the prosecuting authorities to operate.

Mr. Heath: I am grateful to the right hon. Lady—as I now know her to be, and I congratulate her on that status—for giving way to me. However, the limited range of opportunities to exercise the reasonable excuse defence means that there is a limited number of options for the prosecution to prove. Given that, as she said, only the defendant knows what has happened, it will be equally difficult for the defendant to establish to the satisfaction of the court, even on the balance of probabilities, that there is a reasonable excuse. In that case, surely it is a basic principle of British law that people are presumed to be innocent unless they are proved guilty.

Beverley Hughes: The hon. Gentleman must consider what I said about the reality of the situation here. I concede that it is possible that the reason why someone has no document when they arrive is that they have never had one—and I am happy to give the right hon. Member for Wokingham an assurance that we are not interested in prosecuting people in those circumstances. However, we had a considerable debate on that subject in Committee, and the fact is that the vast majority of people who arrive without documents have destroyed them or disposed of them. There is only a very limited range of excuses. *[Interruption.]* If people have a reasonable excuse, it is up to them to put it forward and establish it on the balance of probabilities.

Mr. Garnier: As the right hon. Lady now has only 30 seconds left in this rather important debate, will she briefly deal with the argument that I put to her about the passport as opposed to the means of identity?

Beverley Hughes: We cannot accept other documents because people cannot travel on other documents. They must a have a travel document—

Mr. Garnier: I used my Visa card.

Beverley Hughes: They must have a travel document—

It being one hour and fifteen minutes after the commencement of proceedings on the Bill, MR. DEPUTY SPEAKER *put forthwith the Question already proposed from the Chair, pursuant to Order [this day].*

Amendment agreed to.

MR. DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

Amendment proposed: No. 99, in page 2, line 30, at end insert—

'(4A) Where a person is charged with an offence under subsections (1) and (2) above, and relies on a defence under subsections (3) and (4) above, if the person adduces evidence which is sufficient to raise an issue with respect to the matter, the court or jury shall assume that the defence is satisfied unless the prosecution proves beyond reasonable doubt that it is not.'.—*[Mr. Heath.]*

Question put, That the amendment be made:—

The House divided: Ayes 56, Noes 309.

Division No. 61] **[4:49 pm**

AYES

Allan, Richard
Baker, Norman
Barrett, John
Beith, rh A. J.
Best, Harold
Bottomley, Peter *(Worthing W)*
Brake, Tom *(Carshalton)*
Breed, Colin
Burnett, John
Burstow, Paul
Cable, Dr. Vincent
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Chidgey, David
Cotter, Brian
Davey, Edward *(Kingston)*
Dawson, Hilton
Doughty, Sue
Ewing, Annabelle
Foster, Don *(Bath)*
Gidley, Sandra
Green, Matthew *(Ludlow)*
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Heath, David
Holmes, Paul
Hughes, Simon *(Southwark N)*
Jackson, Glenda *(Hampstead & Highgate)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Kirkwood, Sir Archy
Lamb, Norman
Laws, David *(Yeovil)*
Llwyd, Elfyn
Mallon, Seamus
Marshall, Jim *(Leicester S)*
Moore, Michael
Oaten, Mark *(Winchester)*
Öpik, Lembit
Price, Adam *(E Carmarthen & Dinefwr)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Salmond, Alex
Sanders, Adrian
Stunell, Andrew
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tonge, Dr. Jenny
Tyler, Paul *(N Cornwall)*
Webb, Steve *(Northavon)*
Weir, Michael
Willis, Phil
Younger-Ross, Richard

Tellers for the Ayes:
Bob Russell and
Mrs. Annette L. Brooke

NOES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive

Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burnside, David
Byers, rh Stephen
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Connarty, Michael
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Corbyn, Jeremy
Corston, Jean
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Dalyell, Tam
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Dunwoody, Mrs Gwyneth
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hanson, David
Harris, Tom *(Glasgow Cath:cart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hinchliffe, David
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kelly, Ruth *(Bolton W)*
Kemp, Fraser
Khabra, Piara S.
Kidney, David
King, Ms Oona *(Bethnal Green & Bow)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Leslie, Christopher
Liddell, rh Mrs Helen
Linton, Martin
Lucas, Ian *(Wrexham)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mandelson, rh Peter
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Palmer, Dr. Nick
Pearson, Ian
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Savidge, Malcolm
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Simon, Siôn *(B'ham Erdington)*
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Taylor, Dan *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Mr. Jim Murphy and
Paul Clark

Question accordingly negatived.

Amendments made: No. 49, in page 2, leave out from beginning of line 9 to second 'an' in line 11 and insert—

'(2) A person commits an offence if at a leave or asylum interview he does not have with him, in respect of any dependent child with whom he claims to be travelling or living,'.

No. 50, in page 2, line 14, at end insert—

'(2A) But a person does not commit an offence under subsection (1) or (2) if—

(a) the interview referred to in that subsection takes place after the person has entered the United Kingdom, and

(b) within the period of three days beginning with the date of the interview the person provides to an immigration officer or to the Secretary of State a document of the kind referred to in that subsection.'.

No. 51, in page 2, line 30, at end insert—

'( ) Where the charge for an offence under subsection (1) or (2) relates to an interview which takes place after the defendant has entered the United Kingdom—

(a) subsections (3)(c) and (4)(c) shall not apply, but

(b) it is a defence for the defendant to prove that he has a reasonable excuse for not providing a document in accordance with subsection (2A).'.

No. 52, in page 2, line 33, after first 'it', insert

'or for not providing it in accordance with subsection (2A)'.

No. 34, in page 2, line 44, at end insert

', unless in the circumstances of the case it is unreasonable to expect non-compliance with the instructions or advice.'.

No. 53, in page 2, line 46 , after 'officer', insert

'or official of the Secretary of State'.

No. 24, in page 3, line 4, leave out 'six' and insert 'twelve'.

No. 54, in page 3, line 23, at end insert—

', and

"leave or asylum interview" means an interview with an immigration officer or an official of the Secretary of State at which a person—

(a) seeks leave to enter or remain in the United Kingdom, or

(b) claims that to remove him from or require him to leave the United Kingdom would breach the United Kingdom's obligations under the Refugee Convention or would be unlawful under section 6 of the Human Rights Act 1998 (c. 42) as being incompatible with his Convention rights.'.

No. 25, in page 3, line 23, at end insert—

'( ) In so far as this section extends to England and Wales, subsection (7)(b) shall, until the commencement of section 154 of the Criminal Justice Act 2003 (c. 44) (increased limit on magistrates' power of imprisonment), have effect as if the reference to twelve months were a reference to six months.

( ) In so far as this section extends to Scotland, subsection (7)(b) shall have effect as if the reference to twelve months were a reference to six months.

( ) In so far as this section extends to Northern Ireland, subsection (7)(b) shall have effect as if the reference to twelve months were a reference to six months.'.

No. 55, in page 3, line 23, at end insert—

'( ) Section 11 of the Immigration Act 1971 (c. 77) shall have effect for the purpose of the construction of a reference in this section to entering the United Kingdom.'.—*[Beverley Hughes.]*

Clause 6

CLAIMANT'S CREDIBILITY

Amendments made: No. 58, in page 5, line 37, leave out

'of any behaviour by the claimant'

and insert

', as damaging the claimant's credibility, of any behaviour to which this section applies.

No. 59, in page 5, line 40, at end insert 'or'.

No. 60, in page 5, line 42, leave out from 'claimant,' to end of line 43.

No. 61, in page 6, leave out from beginning of line 13 to first 'to' in line 14 and insert—

'(3) This section also applies to failure by the claimant'.

No. 62, in page 6, line 15, leave out from 'country' to end of line 16.

No. 63, in page 6, leave out from beginning of line 17 to 'make' in line 18 and insert—

'(4) This section also applies to failure by the claimant to'.

No. 64, in page 6, line 19, leave out from 'decision' to 'unless' in line 20.

No. 65, in page 6, leave out from beginning of line 22 to 'make' in line 23 and insert—

'(5) This section also applies to failure by the claimant to'.

No. 66, in page 6, line 24, leave out from 'provision' to 'unless' in line 25.

No. 67, in page 6, line 26, leave out 'the person' and insert 'he'.

No. 68, in page 7, line 4, leave out 'and'.

No. 69, in page 7, line 6, at end insert—

', and

(g) a decision to take action in relation to a person in connection with extradition from the United Kingdom,'.

No. 70, in page 7, line 10, leave out 'and'.

No. 71, in page 7, line 11, at end insert—

', and

(d) a provision of the Extradition Act 1989 (c. 33) or 2003 (c. 41),'.

No. 72, in page 7, leave out line 21.

No. 73, in page 7, line 45, at end insert—

'( ) This section shall not prevent a deciding authority from determining not to believe a statement on the grounds of behaviour to which this section does not apply.'.—*[Beverley Hughes.]*

Clause 15

DEPORTATION OR REMOVAL: CO-OPERATION

Amendments made: No. 28, in page 16, line 19, leave out 'six' and insert 'twelve'.

No. 37, in page 16, line 42, leave out subsection (8) and insert—

'(8) While sections 11 and 12 of the Immigration and Asylum Act 1999 (c. 33) continue to have effect, the reference in subsection (7)(c) above to Schedule 3 to this Act shall be treated as including a reference to those sections.'.

No. 29, in page 16, line 45, at end insert—

'( ) In so far as subsection (3) extends to England and Wales, subsection (4)(b) shall, until the commencement of section 154 of the Criminal Justice Act 2003 (c. 44) (increased limit on magistrates' power of imprisonment), have effect as if the reference to twelve months were a reference to six months.

( ) In so far as subsection (3) extends to Scotland, subsection (4)(b) shall have effect as if the reference to twelve months were a reference to six months.

( ) In so far as subsection (3) extends to Northern Ireland, subsection (4)(b) shall have effect as if the reference to twelve months were a reference to six months.'.—*[Beverley Hughes.]*

Clause 4

TRAFFICKING PEOPLE FOR EXPLOITATION

Amendments made: No. 56, in page 4, line 26, leave out 'or'.

No. 57, in page 4, line 30, at end insert—

', or

(d) he is requested or induced to undertake any activity, having been chosen as the subject of the request or inducement on the grounds that—

(i) he is mentally or physically ill or disabled, he is young or he has a family relationship with a person, and

(ii) a person without the illness, disability, youth or family relationship would be likely to refuse the request or resist the inducement.'.

No. 26, in page 4, line 34, leave out 'six' and insert 'twelve'.—*[Beverley Hughes.]*

Clause 5

SECTION 4: SUPPLEMENTAL

Amendments made: No. 35, in page 5, line 22, at end insert—

'( ) At the end of paragraph 4 of Schedule 4 to the Proceeds of Crime Act 2002 (lifestyle offences: Scotland: people trafficking) add "or under section 4 of the Asylum and Immigration (Treatment of Claimants, etc.) Act 2004 (exploitation)".'.

No. 27, in page 5, line 32, at end insert—

'( ) In so far as section 4 extends to England and Wales, subsection (5)(b) shall, until the commencement of section 154 of the Criminal Justice Act 2003 (c. 44) (increased limit on magistrates' power of imprisonment), have effect as if the reference to twelve months were a reference to six months.

( ) In so far as section 4 extends to Northern Ireland, subsection (5)(b) shall have effect as if the reference to twelve months were a reference to six months.'.

No. 36, in page 5, line 32, at end insert—

'( ) In so far as section 4 extends to Scotland, subsection (5)(b) shall have effect as if the reference to twelve months were a reference to six months.'.—*[Beverley Hughes.]*

Mr. Malins: On a point of order, Mr. Deputy Speaker. I should like to seek your guidance, as throughout Committee we were completely unable to debate clause 6, which is of vital importance. You will have noticed that today the Government have tabled 16 amendments to the clause, but we still have not had a chance to debate it. Is there anything that you can do to ensure that that vital clause, which the Government are amending with 16 amendments, is debated today?

Mr. Deputy Speaker (Sir Michael Lord): I understand the point that the hon. Gentleman is seeking to make. These matters have already been decided by the House, and they are not matters on which the Chair can comment.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Further to that point of order—

Mr. Deputy Speaker: Order. With respect to the hon. Lady, we will only waste time if we deal with any further points of order, and cut into the precious time for these matters, so perhaps we can move straight on.

Clause 7

FAILED ASYLUM SEEKERS: WITHDRAWAL OF SUPPORT

Mr. Dawson: I beg to move amendment No. 23, in page 8, line 5, leave out clause 7.

Mr. Deputy Speaker: With this it will be convenient to discuss the following:

Amendment No. 17, in page 8, line 23, leave out 'has' and insert—

'and his legal representative have'.

Amendment No. 16, in page 8, line 25, leave out '14' and insert '28'.

Amendment No. 18, in page 8, line 31, after 'address', insert—

'and to his legal representative'.

Amendment No. 19, in page 8, line 34, at end insert—

'by up to 7 days'.

Government amendments Nos. 74 to 77.

Amendment No. 33, in schedule 4, page 41, line 24, second column, at beginning insert—

'Section 55.'.

New clause 1—*Repeal of section 55 of the Nationality, Immigration and Asylum Act 2002*—

'Section 55 of the Nationality, Immigration and Asylum Act 2002 (c. 41) (late claim for asylum: refusal of support) shall cease to have effect.'.

New clause 12—*Determination of claim for asylum*—

'For subsection 94(3) of the Immigration and Asylum Act 1999 substitute—

"(3) For the purposes of this Part, a claim for asylum is determined at the end of such period beginning—

(a) on the day on which the Secretary of State notifies the claimant of the associated termination of his or her support, or

(b) if the claimant has appealed against the Secretary of State's decision, and the appeal has been disposed of, on the day on which the Secretary of State notifies the appellant of the associated termination of his or her support,

as may be prescribed.".'.

Mr. Dawson: Having moved the amendment, may I add that I support new clause 1, which was tabled by my hon. Friend the Member for Walthamstow (Mr. Gerrard)?

Eight days ago I had the privilege of attending a multi-faith commemorative service in Lancaster cathedral to mark the tragic loss of 20 poor souls only four or five miles away on the sands of Morecambe bay. That dreadful incident is well known to hon. Members.

and undoubtedly the disaster had many facets. However, it is important to note that in that packed cathedral, in which the congregation was made up of people of many denominations and faiths, there was compassion for the people who lost their lives, irrespective of their asylum status or the country from which they came. It was an utterly moving occasion.

I am pleased to have had the opportunity to move amendment No. 23, and grateful for the support of Labour Back Benchers, Liberal Democrats and Scottish nationalists. However, I am dismayed that all the sound and fury from the Leader of the Opposition on this matter only a few weeks ago now apparently signifies nothing. His strong feelings have evaporated into the puny efforts of amendments Nos. 16 to 19. In less than an hour, Conservative Members will have the chance to redeem themselves.

Mr. Malins: May I make it clear to the hon. Gentleman that my right hon. and learned Friend the Leader of the Opposition rightly complained about the Downing street briefing on a policy of taking children into care? That briefing took place before the Bill was published, and he was entirely right to say that no Bill should include any such measure.

Mr. Dawson: I was under the impression that the Leader of the Opposition cared about asylum seekers, but plainly that is not the case.

Before long, Conservative Members will have a chance to redeem themselves by supporting the amendment, which would delete every word of clause 7, in a Division. If they fail to do so, their efforts to express concern about the protection of vulnerable children, which is the subject of their Opposition debate on Wednesday, will be met with ridicule. I am grateful to my right hon. Friend the Minister for Citizenship and Immigration for the meeting that she allowed me after Second Reading to discuss my concerns about clause 7. I was pleased to receive a draft outline of the five-stage process that the National Asylum Support Service would undertake before support to failed asylum-seeking families who are not co-operating with the departure process ends.

I acknowledge my right hon. Friend's conscientious work in trying to achieve a fair asylum and immigration system in this country, and I support her in that work: it is necessary to achieve that fair and open system in this country and, clearly, difficult steps have to be taken to do so. However, I absolutely and firmly believe that it is morally wrong to make families destitute—or, indeed, to threaten to make them destitute—as part of a process to encourage them to return home. I cannot believe that I am alone in that view or that the only hon. Members who support it are those who have so far signed up to amendment No. 23. I suspect that all hon. Members on both sides of the House would oppose clause 7 if they were able to answer honestly when asked away from the confines of the Chamber and the party whipping system.

Mr. Tony McWalter (Hemel Hempstead) (Lab/Co-op): Does not every law that we pass include sanctions that may well result in parents going to prison, so that, in turn, their children become looked after by local authorities and others? Is this, in fact, not exactly the same kind of measure?

Mr. Dawson: I am not aware of any measure that has reached this stage in the House that would make children in this country destitute. I cannot believe that such a measure is acceptable. Frankly, I cannot believe that it is coming from the party of which I have been a member for more than quarter of a century.

Such a measure is unnecessary and would be counter-productive. Once all advocacy has failed, there is a more effective way to work with families who have to return home. The ultimate sanction for such families is not stripping them of every possible means of livelihood, but enforced removal. The work that needs to be done for those families for whom all efforts to remain have failed includes counselling to help them to face the reality of their situation, practical support to help them to prepare for going home, good communication with non-governmental organisations, public agencies, and family or kinship networks in their home countries to ensure that they will be properly received and that there will be somewhere reasonable for them to go. That involves sensitive, careful and detailed work.

Beverley Hughes: Is my hon. Friend aware that, if a family co-operates in the way that he outlines—by keeping appointments and being prepared to meet voluntary organisations to talk about their return—they will be fully supported throughout the process? That support will not end. What would he advise us to do in those circumstances where a family resolutely will not co-operate with those requests for interviews or take part in opportunities to work with voluntary organisations? What should we do then?

Mr. Dawson: I am grateful to my right hon. Friend for that intervention, and I want to address precisely the issues that she raises. The programme that she sets out is a good one—I would want more work to be put into it and more resources devoted to it—but what she wants to do with the families she describes is fatally undermined by the principles of clause 7.

5.15 pm

This Government sometimes overlook the value and significance of social work with families, and they would achieve a great deal more if they remembered what social workers do. Social workers have an enormous role to play in taking on work relating to such families and unaccompanied children. Reunification is an important social task, and the approach that I am suggesting—by contrast with that set out in the Bill, and in clause 7 in particular—is entirely ethical. Such families would respond more readily to my approach because it would help to allay their fears, and because it would provide them with real and practical assistance.

Dr. Jenny Tonge (Richmond Park) (LD): I am very interested in, and supportive of, what the hon. Gentleman says. Does he agree that when the Government produced their Green Paper "Every Child

[Dr. Jenny Tonge]

Matters", we Members of Parliament thought that they meant every child, not every child except the children of asylum seekers and immigrants?

Mr. Dawson: The hon. Lady is clearly right, and "every child matters" is a fine and inspirational statement that we should try to apply to all children living in this country, wherever they came from and whatever their asylum status.

I am advocating a much greater emphasis on linking families in this country with resources in their own country, and the development of real, international, good-quality family social work. Unlike clause 7, my approach would not drive families underground and into the hands of criminals, traffickers and pimps. It would not encourage families to leave their children with social services because they do not have the means to look after them themselves. It would not lead to families being made destitute and homeless, and to their being criminalised and having to beg on the streets. It is true that it would not prevent forced removals, but nor would clause 7. It would not provide documents for those who cannot be removed, but nor would clause 7. However, it would not alienate the entire social work profession, the very professional standards of which should ensure that no social worker complies with clause 7. Indeed, the British Association of Social Workers has demonstrated outside Parliament today, probably for the first time in decades, against the Bill and against the fact that this proposal works entirely against the standing and principles of its profession.

The course of action that I am suggesting would be more humane and helpful than clause 7, and I believe that it would work. An international social work approach to these very difficult human issues would work far better than what is currently envisaged under clause 7. It would be principled and rooted in the UN convention on the rights of the child, and in the European convention on human rights; but it would also be firm and fair. Indeed, I think that my right hon. Friend the Minister would advocate such an approach, but it cannot work alongside clause 7. As well as being simply wrong, making people and their children destitute when they are desperate, afraid and utterly uncertain as to what the future might hold is completely counter-productive.

My right hon. Friend the Minister asks how I would deal with people who will not comply. I would not do so by making them so utterly destitute that they have to seek their resources from elsewhere—by going underground. I would do so through simple, patient face-to-face work that helps them to face the reality of the situation, and which gives them practical support and treats them with dignity and humanity. Such an approach might not work in all cases, but it is by far the best one for a civilised country to take, and I believe that it would work in the vast majority of cases.

I honestly believe that mine is the right approach. I do not expect my right hon. Friend the Minister to dump clause 7 today, although it would be marvellous if she did. I shall be voting against it, and I hope that every Member of the House will vote with their conscience and help to reject it.

Whatever the fate of this clause or this severely flawed Bill, I hope that my right hon. Friend will accept my proposal in good faith and resist the urge to tell me that although it is all very well, it will never work in practice. I hope that before the Bill goes through or plans to remove unaccompanied asylum seeking children are introduced, she will agree to work with the social work profession to develop a more ethical and effective approach and a calmer, more reasonable and more helpful way in which to assist people to find their way out of dreadful, uncertain circumstances in this country and to give them a better certainty in future when they have to go home.

Mr. Malins: I thank the hon. Member for Lancaster and Wyre (Mr. Dawson), who has a history of interest in such matters, for the way in which he introduced his amendment. However, I must bluntly say to him that his criticisms of the attitude of Conservative Members might have been better directed against Members on his own side, because the amendment reveals to the House the deep divisions within the Labour party on the question of support for failed asylum seekers. When he puts the matter to a vote, he will find that the Government whom he supports are wholly against his proposition and will do all that they can to vote it down. I therefore hope that in winding up he will reserve some of his critical remarks for his own Government, against whom he speaks with much force today.

Clause 7, which has been the subject of much discussion—not least in Committee, where it occupied us for two or three sittings—deals with the position of failed asylum seekers in terms of their support. It is well known, but let me reaffirm it, that failed asylum seekers with dependent children receive asylum support until such time as they leave the UK or fail to comply with a removal direction. As stated in the explanatory notes, the clause provides that

"if the Secretary of State certifies that, in his opinion, such a person has failed without reasonable excuse to take reasonable steps to leave the United Kingdom voluntarily or place himself in a position in which he is able to leave the United Kingdom . . . asylum support for the family will cease."

My party does not disagree with that. It is proper, and fair to our system, that when people have exhausted their rights of appeal under asylum laws, benefits should be removed from them. That brings into sharp focus the whole issue of removals policy, where for the past few years the Government have been their own worst enemy in setting themselves a series of targets that they have never been able to reach and have had to drop one by one, instead introducing amnesties for failed asylum seekers. A parliamentary question that was answered on 11 December 2001 told me that the target for removals of failed asylum seekers for the year 2003–04 was 37,000. The Government utterly failed to meet that target and it has been dropped.

The clause deals with the certification period. My probing amendments would make its operation more efficient and sensible. The period between the refusal of a last appeal and the removal direction is a kind of limbo. If the Government are to be able to certify at any stage during that period that the person concerned is not taking reasonable steps to leave the UK, they must be carefully scrutinised in that respect.

A matter was briefly raised in Committee that I want to consider again today. What will the Government do about certification when a failed asylum seeker does not

have removal directions served on him or her for some reason? For example, under the Bill, many failed asylum seekers whom the Government will not remove could be certified in relation to support. One reason for not removing them might be that the country of origin, as in the case of China, is unwilling to take back failed asylum seekers. Another reason might be practical difficulties, for example, a lack of airports in the specific part of the country from which the asylum applicant came.

Let us consider Zimbabwe, to which the Government have suspended removals for some time. Only a week ago, I asked the Government about their removal policy to Zimbabwe. They replied that

"although it would be safe for failed asylum seekers to return to Zimbabwe, our view at present is that in the wider context of the Government's position on Zimbabwe, it would be inappropriate forcibly to return them at this time."—[*Official Report*, 23 February 2004; Vol. 418, c. 264W.]

That prompts the question of what could happen to a failed asylum seeker who cannot be removed because of either the Government's direct policy of non-removal, as in the case of Zimbabwe, or the impracticality of removal.

I raised the subject in Committee when I stressed that I believed that it was important to establish some form of appeal against the certification process. I am pleased that, as a result of my arguments, those of my hon. Friends and those in other parties in Committee, at the end of the debate, the Government said that it would be appropriate to introduce a limited form of appeal against cutting off benefits, but not removal. That shows the way in which Committees can work to the benefit of all concerned.

Mr. Blizzard: From listening to the hon. Gentleman's argument so far, he appears to accept that there will inevitably be circumstances in which benefits to a failed asylum seeker have to be stopped. It is regrettable, but we will get to that stage. If that happens, what should happen to the children?

Mr. Malins: That is a difficult question. The other side of the coin is the argument that one should never reach that stage and that the host country should continue to provide financial support indefinitely to failed asylum seekers. I cannot agree with that proposition. Although I hope that I always speak moderately, there is a question of parental responsibility. I wish that there were more opportunity to challenge a bad decision, but I have no reason to believe that the Government would act other than in good faith on the matter. If they act in good faith, they will not serve the certification notice until they are satisfied that the family concerned could and should go back to where they came from. They should not serve it when there is doubt, a suspended removals policy or when it is not practicable for a person to return to the relevant country.

Hitherto, the notice has been served when removal directions have been given. That is an administrative act, effectively the last act in the chain, by which time the Government are in a position to remove. By bringing that forward and giving themselves an option to serve the notice earlier, when appeals have failed, the Government have created a period of limbo. I therefore seek from the Minister an assurance that difficult cases, which are subject to the notice prior to a removal direction, can be tackled humanely, sensibly and properly.

Mr. Blizzard: Effectively, the hon. Gentleman is therefore saying that he would not stop the benefit of a failed asylum seeker—he would only stop the benefit when the asylum seeker was ready to get on the plane back home. Is that what he is saying?

5.30 pm

Mr. Malins: The hon. Gentleman has completely misunderstood me, no doubt inadvertently. What I am saying is that there comes a time at which benefit must stop. If an asylum seeker has failed in their claim, their appeal and their final appeal, it does not seem wrong in principle to say that from that moment, the benefit should stop, rather than waiting sometimes for many months until the removal directions are given, which is much later in those proceedings—

Mr. Blizzard: What about the children?

Mr. Malins: The hon. Gentleman raises again the question of the children. I dare say that that is a question that he will raise with his Minister, as clearly, from what he has said tonight, he is bitterly at odds with his own Government—and he is not the only Labour Member at odds with the Government. I am looking forward to hearing him challenge his Minister in the strongest possible way. Let us see if he does so.

Mr. Blizzard: As the hon. Gentleman noticed in Committee, I fully support the Government's measures on this point.

Mr. Malins: In that case, the hon. Gentleman is playing devil's advocate and teasing me somewhat.

Mr. Redwood: Does my hon. Friend agree that what we really need is a Government who can persuade people to go back if their claim has failed, and that the only satisfactory outcome is either legal settlement here or early return to another safe country whence the person came or to which they choose to go. What we are looking at is a failure to achieve that. Given the underlying reality—the Government's failure to persuade people to leave—this is a clumsy instrument, to which there is an ugly side.

Mr. Malins: My right hon. Friend raises a good point. Again, he draws attention to the fact that the Government, over seven years, have not been able at any stage to put in place an effective removals policy. It is simply not good enough to answer a parliamentary question by talking in terms of targets of 33,000, 35,000 or 37,000 removals a year of failed asylum seekers, and to fail lamentably in that purpose. The hon. Member for Waveney (Mr. Blizzard), who, I am sure, will contribute to this debate, will know as well as I do that at the moment only one in four failed asylum seekers are ever removed from this country. That is not a record of which any Government can be proud.

Simon Hughes (Southwark, North and Bermondsey) (LD): How, therefore, does the hon. Gentleman answer

[Simon Hughes]

the following question, which is the same one that I put to the Government? Let us imagine that someone has made an application that has failed and that they are willing to co-operate with voluntary return, which people who come to my surgery often say that they are. Before that happens, however, there is a period in which they have no income, and they may have children to support. There must be a humane and civilised response to that predicament. At the moment, none is on offer from the Government, and I do not hear any on offer from the Conservative Front Bench.

Mr. Malins: What I say to the hon. Gentleman, whose expertise on this subject is well known and has been appreciated over many years on various Standing Committees, is that one looks to a Government to behave reasonably in each case. If someone is willing to go, is about to go and is making arrangements to go, and that is imminent, an argument exists for the Government not to serve the certification notice but to wait until they take the view that the person is refusing to go.

Mr. Dawson: Have not the Government made it plain that while families are co-operating with the removal process they will not have social security benefits removed from them? Is not the hon. Gentleman setting out a position whereby the Conservative party accepts what its leader railed against some weeks ago—one in which children will have to be received into care because of the destitution of parents?

Mr. Malins: Let me make it clear to the hon. Gentleman that when my right hon. and learned Friend the leader of my party, who, incidentally, comes from a refugee background, raised the issue of children being taken into care, he was doing so following a briefing from Government circles—we never quite discovered who was responsible for it, because it was denied, I think—that the taking of children into care would in effect be used as a mechanism to encourage people to leave the country.

We were strongly against that, and my right hon. and learned Friend was right to feel as he did. When the Bill was published the matter was not referred to, so the issue did not arise.

Mrs. Annette L. Brooke (Mid-Dorset and North Poole) (LD): Is not the threatened removal of children still being used in that way in clause 7? Does it not pose the threat of their being taken into care if there is no voluntary departure?

Mr. Malins: I have read clause 7. I know that the hon. Lady did not have the benefit of serving with us in Committee, but at no stage does clause 7 threaten the use of children as a tool.

Annabelle Ewing: Will the hon. Gentleman give way?

Mr. Malins: I am anxious to make progress because many others want to speak, but I will give way to the hon. Lady, who served on the Committee.

Annabelle Ewing: It was clear in Committee that although no provision in the Bill would directly require such action, it might well occur as a consequence of the provision. That, I think, is what we have been talking about.

Mr. Malins: The hon. Lady may be right, but if she is suggesting as a direct alternative that benefit for failed asylum seekers and their families should never cease, I cannot agree with her.

One of my amendments would change the period relating to the cessation of benefit. I think it more appropriate to allow people 28 rather than 14 days following receipt of the certificate, so that they have more time in which to organise their lives. Another, minor amendment suggests that notice should be served not just on the applicant but on the applicant's legal representative. Clause 7 allows the Secretary of State to vary the specified period. Because I do not want him to be able to vary it to the extreme detriment of a failed asylum seeker by varying it to, say, one day, I have also tabled an amendment that will allow him to vary it by up to seven days—from, that is, the 28 days that I suggested in my earlier amendment. That would provide a little more leeway.

I must tell the hon. Member for Lancaster and Wyre that my party cannot support amendment No. 23. I hear "Tut, tut" from a number of Labour Members, but they must understand that their own Government, to whom they are indebted, are violently against their proposition in any event. I hope that when they make critical remarks during the debate they will direct them at the Government, who will oppose them when the matter comes to a vote.

Mr. Neil Gerrard (Walthamstow) (Lab): I support amendment No. 23, but I want to concentrate on amendment No. 33 and new clause 1, which bear my name and those of, among others, my hon. Friends the Members for Hammersmith and Fulham (Mr. Coleman) and for Regent's Park and Kensington, North (Ms Buck).

New clause 1 would repeal section 55 of the 2002 Act. Members who were present for the debate on that Bill will recall that we had only about 15 minutes in which to discuss the introduction of that provision. It appears we shall have rather less time on this occasion to debate a section that has left thousands destitute, on the streets with no support. When it came into effect, we were given numerous assurances. We were told that it was intended to deal with people who had entered the country, worked illegally and eventually claimed asylum, or people whose entry visas had expired and who had then claimed asylum—in other words, people who had been in the country for substantial periods. We were told that a reasonable amount of time would have to elapse before someone was refused support on the basis that a claim had been made late.

We have seen what has actually happened. People have been refused support, in some cases after being in the country only a matter of hours. There have certainly been many cases of people being refused support when they have been in the country for just a few days. People have had to sleep rough on the streets or survive on the generosity of others in refugee communities who do not themselves have many resources to offer.

Ms Karen Buck (Regent's Park and Kensington, North) (Lab): Is my hon. Friend aware of the Refugee

Council survey of people left destitute under section 55? It found that 61 per cent. of such people were sleeping rough; 70 per cent. did not have regular food; and more than half had suffered serious health consequences as a result of being destitute.

Mr. Gerrard: Yes, I have seen that survey, and one carried out by the Greater London authority. A similar picture has emerged from every survey that has been conducted.

The other problem is the clogging up of the courts. We were told that, in October last year, about 60 challenges a week were going to the administrative courts, and the judges started to complain bitterly that it was clogging up the system and preventing other business from being dealt with.

I am astonished by the latest development. In the past few days, the Home Office has sent a letter in which it says that unaccompanied asylum seeking children, who might have lived here for some time, will be the subject of section 55 interviews on their 18th birthday—their 18th birthday present might be to lose all benefits and support. The child might even have been in care, so we need to reflect on our duties to children when they leave care. That letter was sent, despite the Home Affairs Committee report that was issued a week or so ago, which criticised what was happening, highlighted serious concerns and urged the Government to review the operation of section 55.

Mr. Dawson: I am grateful to my hon. Friend for bringing that appalling matter to the House's attention. Any reasonable person reflecting on the issue will view it as an attempt wholly to undermine the Hillingdon judgment, which stated that young asylum seekers who had received benefits under section 17 of the Children Act 1989 would, on attaining adulthood, be eligible for support under the Children (Leaving Care) Act 2000.

Mr. Gerrard: There are some interesting connections with that judgment. The measures in the letter will apply to children leaving care whose asylum claims have not been decided, rather than those who have been in care and have been given permission to stay.

Finally—I shall be brief because I know other hon. Members want to speak—we should think again about the reasons that people make late asylum claims. I can think of a whole string of reasons. People might have been trafficked or brought in by agents and told to behave in a certain way. Some people might have suffered trauma and understandably do not feel confident about making a claim the moment they step inside the country.

From debates in Committee we know that the Government take the view that people who make late claims make weak claims. The Minister for Citizenship and Immigration expressed her view of section 55 by saying:

"We wanted to bring about a change of behaviour on the reasonable assumption that somebody fleeing persecution, or in fear of his life, would want to claim asylum in the safe country in which he had arrived as soon as possible."—[*Official Report, Standing Committee B*, 27 January 2004; c. 430.]

Again, the implication is that someone who claims in country is making a weak claim. We have had this debate during every asylum Bill since 1996, and the Home Office's own statistics show that the rate of recognition of asylum claims made within the country for year after year is hardly different from—and in some years exceeds—the rate of recognition for people who apply at port.

What is fundamentally wrong with section 55 is that, like some earlier measures such as vouchers, it penalises the genuine claimant. It was supposed to deter the abusive claimant, but in effect it penalises the genuine claimant. That is why section 55 is so absolutely immoral.

I hope that it might be possible at an appropriate point during this evening's proceedings for a separate Division to be called on new clause 1 or amendment No. 33, which I hope will have the House's support.

5.45 pm

Mrs. Brooke: I associate myself and my hon. Friends with the remarks of the hon. Member for Walthamstow (Mr. Gerrard). We support new clause 1, and we feel that it is a great pity that it has been included in this group, which rather inhibits full discussion on it. We are particularly concerned about the 18-year-olds whom the hon. Gentleman rather emotionally described. Those possible 18th birthday presents are alarming.

We have already heard about some of the consequences of taking away benefits, or of not giving them in the first place, and we should bear in mind the lessons that we have learned from section 55 of the Nationality, Immigration and Asylum Act 2002 when considering the proposals in clause 7. The clause is about voluntary departure, and I was very impressed with the carrot approach of the hon. Member for Lancaster and Wyre (Mr. Dawson), who suggested that we do everything we can to persuade people that that is the best course for them. I am aware that there was much discussion in Committee on that, and that the Minister outlined a number of steps to be taken. Surely, however, there can never be enough steps where children are concerned. That is why I rise to speak today.

Clause 7 uses the threat of making families destitute as an enforcement measure. However we look at that, it is a stick—a very crude one—and I greatly fear the unintended consequences of using it. The first will be that the fear of families about how they will survive, and whether they will be separated, will drive them underground. Surely, the health and welfare of all children in this country should be absolutely paramount. This measure seems to deviate from all the principles that most of us are here to defend.

A second unintended consequence might be that some families will feel that they are doing the best thing by leaving their children here. One can easily see that that might happen. We hear about desperation in other countries, and parents who let their children come over with friends and relatives. That desperation exists. We cannot therefore say that the Bill will not have the consequence that children will end up in care: they will end up in care.

That brings me to the iniquitous position that social workers will be in. As I understand it, when a family is destitute, the Children Act 1989 and the professional ethics of those working with the family require social workers to look first to relieve destitution, but clause 7 proposes the opposite. What should social workers do in

[Mrs. Brooke]

those circumstances? The framework in clause 7 undermines the professional judgment and skills of social workers, and I can envisage them being put in impossible positions, perhaps being asked to remove children from their parents to increase the pressure on parents to leave the country.

The United Kingdom stopped removing children from their families on the ground of poverty a long time ago. Where, then, are we going with clause 7? I appreciate that Conservative amendments attempt to improve it, but I sincerely believe that the only action to take tonight is to vote for the deletion of the clause. We should remember that we have a proud tradition of caring, including caring for children.

Beverley Hughes: I want to deal first with amendment No. 23, which seeks, as the hon. Member for Mid-Dorset and North Poole (Mrs. Brooke) has just said, to delete clause 7. That would mean that we would be unable to withdraw support from families, no matter how much resistance they had shown or how much time and opportunity they had been given to leave the country once their claim had failed. We would therefore be in a very difficult position, both in terms of trying to achieve our policy objective and of explaining to our constituents how we could require people who were not legally in the country to leave but, if they refused to do so, we would have to continue to pay them to stay here indefinitely.

I do not pretend that this is not a difficult issue. I find it very difficult, but, equally, I am absolutely convinced that we would not have a credible policy if we required people to leave when they should, but carried on paying them and providing them with accommodation at the taxpayer's expense when they refused to do so.

Several hon. Members *rose—*

Beverley Hughes: I shall give way in a moment.

Briefly, that is the dilemma that we face, and we cannot avoid it simply by saying that we will carry on paying people regardless of their entitlement to be in the country.

Mr. Dawson: Is it not the case that, in this country, we want families to do all sorts of things, and that we achieve that by persuasion and by offering them support? We do not introduce the sanction of removing their benefits. Is it not a counsel of despair, when we are dealing with hard-pressed people who have often been through desperate experiences, to say that the only means of amending their behaviour is to make them destitute?

Beverley Hughes: That is not my intention. The intention of the clause is to persuade more families than at present that they should work with us to return home voluntarily. They should do so to avoid the potential trauma of an enforced return. I described in Committee how I had been out with an arrest team. The contemplation of immigration officers turning up in the middle of the night, getting children out of their beds and taking them to a centre to be put on a plane as quickly as possible is something that I would want to avoid in all circumstances, if I could.

The process that I outlined in Committee, which would preface the certification allowed in clause 7, is specifically designed to give families every opportunity to work with us voluntarily to ensure that we get as many people as possible to take a voluntary route home.

Mr. Redwood: What other options have the Government examined in order to try to have their way with returns without having to be too brutal about it?

Beverley Hughes: We have been examining these issues for some time, and have introduced a range of measures to try to increase the number of people returned. Despite the comments of the hon. Member for Woking (Mr. Malins), we have achieved considerably more success than his Government ever did, with a record number of returns in 2003. However, we are dealing here with a particular group of people, and hon. Members will remember that in October last year the Home Secretary announced an exercise in which we agreed that families who had been here with children for three years or more from 2 October or before would be given indefinite leave to remain, provided they had no criminal record and met certain basic criteria. That recognised that, for families who have been here for some time, there are real humanitarian issues involved. For example, their children will have been in school, and the families will have become embedded in the community. When we announced that exercise, however, we said at the same time that families who have come into the system more recently and who have failed their asylum claims will have to return home. We will not continue the current practice of paying people indefinitely to stay.

Annabelle Ewing *rose—*

Mr. McWalter *rose—*

Beverley Hughes: I shall just finish this point.

Alongside the introduction of the clause in Committee, I outlined a process that would ensure that families had every opportunity to work with us. That process contains some of the elements and the spirit of what my hon. Friend the Member for Lancaster and Wyre (Mr. Dawson) has proposed—although not the detail; I do not pretend that it contains the range of counselling and other services that he suggested—in the sense that families would be invited for an interview and be able to discuss the options available and the nature of the process from then on. They would then have a series of up to three further letters setting out where they would be in the process, if they failed to co-operate, before certification took place.

I am trying to stress that, if a family turn up to such an interview and co-operate with attempts to make arrangements for them to return, and if they go along and see the International Organisation for Migration or join one of the voluntary return programmes and work with the voluntary workers who are doing that work for us, they will be supported, no matter how long the process takes. If they co-operate with us to explore those

voluntary routes, and help us to re-document them and to get the wherewithal to remove them, even if we cannot enforce a removal to a particular country, we will not certify and we will not remove support.

However, if a family fail to turn up to an interview, fail to respond to the letters that we write and do not keep their appointments or speak to the IOM, there will come a point when we have to ask the legitimate question: do we go on paying someone who is behaving like that, when they should be working with us to go home? This is difficult, but there must surely come a point at which people's eligibility to be supported at public expense in the face of their refusal to co-operate must come to an end.

Annabelle Ewing: If it was deemed beyond the pale to include families in the withdrawal of support rules at the time of the passage of the Nationality, Immigration and Asylum Act 2002, surely it must remain beyond the pale to do so in March 2004.

Beverley Hughes: I have not said that it was beyond the pale in 2002; those are the hon. Lady's words. As I have said, we have been exploring—using a step by step approach—measures that we need to take across the board to ensure that people whose claims fail return home.

The process that I shall implement in relation to clause 7 is not only fair but comprehensive in trying to get families to the point at which they take the voluntary route. As I have said, if they co-operate with us, they will be supported for as long as that process takes. We shall not remove support if they are working with us.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): Will the Minister give way?

Beverley Hughes: No, I will not.

Under amendments Nos. 16 and 19, support would be withdrawn from a failed asylum-seeking family 28 days after receipt of the Secretary of State's decision to certify. That period could then be varied under regulations by up to seven days. We discussed this in Committee, and I hope that the hon. Member for Woking will accept that I made it clear then that, although the clause specifies a minimum 14-day period, the earlier stages that I have committed to before certification—which are involved in the process that I have set out—mean that there will be at least 28 days from appeal rights being exhausted to certification, and probably longer in many cases. I hope that he will therefore accept that we do not need to extend that period in the Bill.

6 pm

Under amendment No. 17, support could be withdrawn from a failed asylum-seeking family only when a copy of the Secretary of State's certificate was sent both to the person involved and their legal representative.

Amendment No. 18 would reflect that by making it clear that a person should be regarded as having received the certificate only on the second day after it is sent, if it has been sent to him and to his legal representative. In Committee, I said that I have no difficulty with that principle but that it was not necessary to put it in the Bill. We will send letters to a legal representative, where there is one. The amendment is therefore unnecessary.

The Government amendments provide for an appeal by a failed asylum seeker to the asylum support adjudicator where the Secretary of State has certified that the family has failed, without reasonable excuse, to take reasonable steps to leave the UK voluntarily. I reiterate that the purpose of clause 7 is to encourage families to leave voluntarily, and I shall set out what the adjudicator might look at in such an appeal. We must remember that the appeal will not prevent removal. It is an appeal against certification, not a reopening of the asylum claim.

In reaching a decision to certify, the Secretary of State will have concluded that the family, without reasonable excuse, had failed to take reasonable steps to leave the UK or to place themselves in a position where they could do so. The adjudicator would look at any arguments put forward by the family as to why they had not done so and whether the Secretary of State was right to conclude that the necessary steps had not been taken. That will provide further confidence in the overall process that we envisage for clause 7 and further reassurance that if support is withdrawn—I expect that to occur in a minority of cases, if any—the decision is the correct one.

The hon. Member for Woking asked about a situation in which we could not enforce removal but a voluntary return was possible. I partly answered him by saying that, even in those circumstances, provided a family were co-operating with us to seek a voluntary route, support would continue and that we would deal with those difficult circumstances case by case.

We do not want families to be separated. We do not want people to be destitute. We want a managed system whereby people leave voluntarily after a fair hearing of their case and where people are clear that they cannot, and should not be able to, expect the state to support them indefinitely, regardless of the merits of their case.

On new clause 1 and amendment No. 33—

Mr. Iain Coleman (Hammersmith and Fulham) (Lab): Will my right hon. Friend give way?

Beverley Hughes: No, I will not. I thought that my hon. Friend the Member for Walthamstow (Mr. Gerrard), who tabled the new clause and the amendment, was trying to intervene. I would have given way to him, but I must respond to the debate if my hon. Friend the Member for Hammersmith and Fulham (Mr. Coleman) will forgive me.

Section 55 was designed to tackle a situation in which a significant number of people who had been in the country for some time were claiming asylum in order to get support. I agree with my hon. Friend the Member for Walthamstow that there were initial problems in the operation of section 55, but we have made changes where these were required and sensible. I hope that he recognises that the new approach whereby people who apply within three days are granted support has made a difference.

[Beverley Hughes]

In recent weeks, about 50 per cent. of applicants have been given support under section 55 and there has been a considerable improvement in the number of reconsiderations; these are completed in 24 hours in 87 per cent. of cases.

It being two and a half hours after the commencement of proceedings on consideration of the Bill, MR. DEPUTY SPEAKER *proceeded to put forthwith the Question already proposed from the Chair, pursuant to Order [this day].*

The House proceeded to a Division.

Mr. Deputy Speaker (Sir Alan Haselhurst): I ask the Serjeant at Arms to investigate the delay in the Lobby.

The House having divided: Ayes 82, Noes 444.

Division No. 62] **[6:04 pm**

AYES

Abbott, Ms Diane
Allan, Richard
Austin, John
Barnes, Harry
Barrett, John
Beith, rh A. J.
Bennett, Andrew
Brake, Tom *(Carshalton)*
Breed, Colin
Brooke, Mrs Annette L.
Burnett, John
Burstow, Paul
Cable, Dr. Vincent
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Caton, Martin
Chidgey, David
Cohen, Harry
Coleman, Iain
Cook, Frank *(Stockton N)*
Corbyn, Jeremy
Cotter, Brian
Davey, Edward *(Kingston)*
Dawson, Hilton
Doughty, Sue
Drew, David *(Stroud)*
Dunwoody, Mrs Gwyneth
Ellman, Mrs Louise
Etherington, Bill
Ewing, Annabelle
Fisher, Mark
Foster, Don *(Bath)*
George, Andrew *(St. Ives)*
Gidley, Sandra
Green, Matthew *(Ludlow)*
Harvey, Nick
Heath, David
Holmes, Paul
Hopkins, Kelvin
Hughes, Simon *(Southwark N)*
Jackson, Glenda *(Hampstead & Highgate)*
Jones, Lynne *(Selly Oak)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Kirkwood, Sir Archy
Lamb, Norman
Laws, David *(Yeovil)*
Llwyd, Elfyn
McDonnell, John
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Moore, Michael
Oaten, Mark *(Winchester)*
Öpik, Lembit
Price, Adam *(E Carmarthen & Dinefwr)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Sedgemore, Brian
Shepherd, Richard
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Stunell, Andrew
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tonge, Dr. Jenny
Tyler, Paul *(N Cornwall)*
Vis, Dr. Rudi
Walter, Robert
Wareing, Robert N.
Webb, Steve *(Northavon)*
Weir, Michael
Williams, Roger *(Brecon)*
Willis, Phil
Wishart, Pete
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Neil Gerrard and
Ms Karen Buck

NOES

Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Peter *(E Surrey)*
Alexander, Douglas
Allen, Graham
Amess, David
Ancram, rh Michael
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Arbuthnot, rh James
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Atkinson, Peter *(Hexham)*
Bacon, Richard
Bailey, Adrian
Baird, Vera
Baldry, Tony
Banks, Tony
Barker, Gregory
Baron, John *(Billericay)*
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Bellingham, Henry
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blair, rh Tony
Blears, Ms Hazel
Blizzard, Bob
Blunkett, rh David
Blunt, Crispin
Boateng, rh Paul
Borrow, David
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brady, Graham
Brennan, Kevin
Brown, rh Gordon *(Dunfermline E)*
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Browning, Mrs Angela
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Burns, Simon
Burnside, David
Burt, Alistair
Butterfill, Sir John
Byers, rh Stephen
Caborn, rh Richard
Cairns, David
Cameron, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Cash, William
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chapman, Sir Sydney *(Chipping Barnet)*
Chaytor, David
Chope, Christopher
Clappison, James
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Kenneth *(Rushcliffe)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clelland, David
Clifton-Brown, Geoffrey
Coaker, Vernon
Coffey, Ms Ann
Collins, Tim
Colman, Tony
Conway, Derek
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Cormack, Sir Patrick
Corston, Jean
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Davis, rh David *(Haltemprice & Howden)*
Dean, Mrs Janet
Dhanda, Parmjit
Djanogly, Jonathan
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Doran, Frank
Dowd, Jim *(Lewisham W)*
Duncan, Alan *(Rutland)*
Duncan Smith, rh Iain
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ennis, Jeff *(Barnsley E)*
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Field, Mark *(Cities of London & Westminster)*
Fitzpatrick, Jim
Flight, Howard
Flint, Caroline
Flook, Adrian
Flynn, Paul *(Newport W)*
Forth, rh Eric
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Francois, Mark
Gale, Roger *(N Thanet)*
Gapes, Mike *(Ilford S)*
Gardiner, Barry
Garnier, Edward
George, rh Bruce *(Walsall S)*
Gibb, Nick *(Bognor Regis)*
Gibson, Dr. Ian
Gillan, Mrs Cheryl
Gilroy, Linda

Godsiff, Roger
Goggins, Paul
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Gummer, rh John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hammond, Philip
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Healey, John
Heathcoat-Amory, rh David
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hendry, Charles
Hepburn, Stephen
Heppell, John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hinchliffe, David
Hoban, Mark *(Fareham)*
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, George *(Knowsley N & Sefton E)*
Howarth, Gerald *(Aldershot)*
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hunter, Andrew
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jack, rh Michael
Jackson, Helen *(Hillsborough)*
Jackson, Robert *(Wantage)*
Jamieson, David
Jenkin, Bernard
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Boris *(Henley)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kelly, Ruth *(Bolton W)*
Kemp, Fraser
Key, Robert *(Salisbury)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lait, Mrs Jacqui
Lammy, David
Lansley, Andrew
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Leigh, Edward
Leslie, Christopher
Lewis, Dr. Julian *(New Forest E)*
Liddell, rh Mrs Helen
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Linton, Martin
Loughton, Tim
Love, Andrew
Lucas, Ian *(Wrexham)*
Luff, Peter *(M-Worcs)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
MacDougall, John
McGuire, Mrs Anne
McIntosh, Miss Anne
McIsaac, Shona
Mackay, rh Andrew
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Malins, Humfrey
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Maples, John
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Mawhinney, rh Sir Brian
May, Mrs Theresa
Meale, Alan *(Mansfield)*
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Morley, Elliot
Morris, rh Estelle
Moss, Malcolm
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murrison, Dr. Andrew
Naysmith, Dr. Doug
Norman, Archie
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Brien, Stephen *(Eddisbury)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, George *(Tatton)*
Osborne, Sandra *(Ayr)*
Ottaway, Richard
Page, Richard
Paice, James
Palmer, Dr. Nick
Paterson, Owen
Pearson, Ian
Picking, Anne
Pickles, Eric
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Portillo, rh Michael
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prisk, Mark *(Hertford)*
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Randall, John
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Redwood, rh John
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, John *(Glasgow Anniesland)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Geoffrey *(Coventry NW)*
Rooney, Terry
Rosindell, Andrew
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Ruffley, David
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Savidge, Malcolm
Sayeed, Jonathan
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Simmonds, Mark
Simon, Siôn *(B'ham Erdington)*
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Soames, Nicholas
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Squire, Rachel
Stanley, rh Sir John
Starkey, Dr. Phyllis
Steen, Anthony
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Streeter, Gary
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tami, Mark *(Alyn)*
Tapsell, Sir Peter
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Andrew *(Isle of Wight)*
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Tyrie, Andrew
Viggers, Peter
Walley, Ms Joan
Ward, Claire
Waterson, Nigel
Watkinson, Angela
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Whittingdale, John
Wicks, Malcolm
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Betty *(Conwy)*
Wills, Michael
Wilshire, David
Winnick, David
Winterton, Sir Nicholas *(Macclesfield)*
Winterton, Ms Rosie *(Doncaster C)*

Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Noes:
Gillian Merron and Margaret Moran

Question accordingly negatived.

MR. DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

Amendments made: No. 74, in page 8, line 40, after 'of', insert 'a provision of'.

No. 75, in page 8, line 41, after '2002', insert 'other than paragraph 7A'.

No. 76, in page 8, line 42, after 'Schedule', insert 'other than paragraph 7A'.

No. 77, in page 8, line 43, at end insert—

'( ) On an appeal under section 103 of the Immigration and Asylum Act 1999 (c. 33) against a decision made by virtue of paragraph 7A of Schedule 3 to the Nationality, Immigration and Asylum Act 2002 (c. 41) the adjudicator may, in particular—

(a) annul a certificate of the Secretary of State issued for the purposes of that paragraph;

(b) require the Secretary of State to reconsider the matters certified.'.—*[Mr. Heppell.]*

Clause 11

UNIFICATION OF APPEAL SYSTEM

Mr. Mark Oaten (Winchester) (LD): I beg to move amendment No. 30, in page 11, line 6, leave out Clause 11.

Mr. Deputy Speaker: With this it will be convenient to discuss the following:

Amendment No. 93, in page 11, line 25, at end insert—

'(5A) A party to the Tribunal's decision may apply within 7 days to the High Court or, in Scotland, to the Court of Session for review of the Tribunal's decision on the ground that the Tribunal made an error of law.

(5B) Where an application is made under this subsection—

(a) it shall be determined by a single judge by reference only to written submissions, unless the court on receiving such submissions is of the opinion that there are exceptional reasons for an oral hearing;

(b) the judge may affirm or reverse the Tribunal's decision, or remit for rehearing to the Tribunal;

(c) if, in any application to the High Court, the judge thinks that the application had no merit he shall issue a certificate under this paragraph.

(5C) Where the High Court or in Scotland the Court of Session affirms or reverses a review under this section a party to the review may bring an appeal as a point of law within 7 days—

(a) where the original decision was that of a judge of the Court of Session in Scotland to the Inner House of that Court; or

(b) in any other case, to the Court of Appeal.

(5D) An appeal under subsection (5C) may be brought only with the permission of—

(a) the court that made it, or

(b) the court referred to in subsection (5C)(a) or (b) if the High Court or Court of Session in Scotland refuses permission.

(5E) An application made under subsection (5D)(b) must be made within 7 days of the refusal of permission to appeal by the High Court or Court of Appeal.'

Amendment No. 92, in page 11, line 26, leave out subsection (6).

Amendment No. 31, in page 12, line 10, leave out subsection (7).

Amendment No. 32, in page 12, line 11, leave out from beginning to end of line 17 on page 13.

Amendment No. 94, in page 12, line 11, leave out 'Tribunal's' and insert 'statutory'.

Amendment No. 95, in page 12, line 12, leave out '(whether statutory or inherent)'.

Amendment No. 96, in page 12, line 13, at end insert

'additional to the statutory jurisdiction exercised by the court'.

Government amendments Nos. 78 to 80.

Amendment No. 97, in page 12, line 35, at end insert

'provided that the immigration decision makes it clear at the time that deportation is capable of being a consequence of the decision'.

Government amendment No. 81.

Amendment No. 98, in page 26, line 19 [Schedule 1], at end insert—

'(e) is a lay member'.

Amendment No. 22, in page 33, line 28 [Schedule 2], leave out 'supervising' and insert 'organising training for'.

New clause 8—*Initial decisions*—

'(1) Initial decisions by the Secretary of State on asylum applications shall be made and notified to the applicant within six weeks of the application being made.

(2) Notice of appeal from the decision of the Secretary of State to the Asylum and Immigration Tribunal ("the Tribunal")—

(a) must be made in writing;

(b) must be lodged with the Tribunal within 14 days of the decision appealed against, and

(c) must list all the grounds on which the appeal is made.

(3) Within 14 days of receipt of the notice of appeal the Tribunal shall hold a direction hearing at which all parties to the appeal shall be present.'.

Mr. Oaten: It is important to remove clause 11, because in it the Government propose to take away the ability to refer a tribunal's decision to a higher court. We argued about the principle for a long time in Committee. Whatever people's views may be on the Government's intentions about streamlining the tribunal system—there may be some merit in considering how the different elements could be brought together—there is widespread concern about removing the right of appeal to a higher court. We also have concerns about the proposal to give unprecedented powers to the president of the tribunal.

We will strongly defend the principle of having a tolerant society in relation to asylum and immigration, but the Bill goes even beyond that, attacking some important principles for justice as a whole. It upsets the constitutional checks and balances that we have had in this country for many years. By removing the right to go to a higher court, we could create numerous miscarriages of justice.

There is a miscomprehension about why the Government are seeking to do this. There is an assumption that any individual who wants to take a case to a higher court must be trying to abuse the system. There is very little acknowledgement from the Government that there may be genuine cases and genuine reasons why individuals would want and need to have their cases taken further. It is not all about allowing abuse or delaying tactics.

Since the Bill left Committee, we have had the report from the Constitutional Affairs Committee, which contains some powerful arguments for retaining the ability to refer to a higher court. The most compelling was in the conclusions, where it says:

"An ouster clause as extensive as the one suggested in the Bill is without precedent. As a matter of constitutional principle some form of higher judicial insight of lower Tribunals and executive decisions should be retained. This is particularly true when life and liberty may be at stake."

That is an extremely powerful quotation from a respected Committee, not only tackling the principle but pointing out that the Government are choosing to break it on such a critical issue as an individual's ability to stay here and not be returned to a life-threatening situation.

Ms Abbott: Could not the clause provide a precedent for exempting all sorts of Executive and administrative tribunals from understanding, applying or being governed by the law?

Mr. Oaten: The hon. Lady is absolutely right: this could be the thin end of the wedge. There are a couple of circumstances in which we do not have the ability to refer to a higher court, but those are very limited and are concerned with security and terrorism. This would be the first incidence of such arrangements applying outside such circumstances, and it would be a serious erosion of the principle. I hope that the House, when it divides later, will stake out its principles on the issue.

Peter Bottomley (Worthing, West) (Con): Is the hon. Gentleman aware of any respected lawyer or lawyers' group supporting the Government's position on this ouster clause?

Mr. Oaten: They have certainly not been in contact with me, but it will be interesting to hear from the Constitutional Affairs Minister whether he has been able to find someone to defend the Government's position. Very few organisations, within Parliament or without, are in support. I have already quoted the Constitutional Affairs Committee, and we have similar evidence from other cross-party groups that have come together to condemn the proposal.

If the principle were not enough—and I argue that it should be—there are more practical reasons why we need to retain the current system. The Minister will be aware that we had endless debates in Committee, with pie charts and graphs, about the number of mistakes currently being made. There is no point in rehearsing those again, because we come from a different perspective, but it is my judgment that there are still a considerable number of mistakes, and a considerable number of cases being overturned in the higher court. While that continues, there is a practical as well as a principled argument for maintaining a form of appeal to a higher court.

Until the Government can demonstrate that they have such a secure system that no cases are overturned at a later stage, it will be a very grave move to remove the ability to have that further appeal. For cases involving certain countries, the number that are overturned is considerably higher than the norm: 35 per cent. of cases involving Somalia or Zimbabwe are changed or reviewed at a later stage. If the Government are to remove such judicial review, they will need to demonstrate that they have introduced a better system whereby such mistakes are not made. I am not convinced by what we have seen of their proposals that they have achieved that, but even if I were to be convinced, surely the logic would be to let the changes bed down and review them in a couple of years' time before removing the ultimate ability to challenge decisions in a higher court.

Mr. Patrick Hall (Bedford) (Lab): Even if the quality of the first decisions became perfect—such a system does not exist—one would still require the ability to review those decisions, because human beings make mistakes. We will always have a need to do that.

Mr. Oaten: I agree. In a sense, the hon. Gentleman makes a stronger argument that I do. Having established the principle, I was trying to move on to a practical argument on the numbers game, but frankly, in dealing with issues of principle and justice we should not get into the numbers game, because even one or two cases of injustice would be unacceptable.

I want to draw the Minister's attention to what Mr. Justice Collins said in the recent case of R (Konan).

The judgment was made on 21 January, and it is worth noting what Mr. Justice Collins—a judge at the front line who made a judgment on the very issues in question—said in that case:

"It is a cautionary tale since it shows that decisions of the defendant's officials and the appellate authorities can be wrong and that there is a need for a judicial assessment ... If the possibility of judicial review had not existed the claimants would wrongly have been returned to the Ivory Coast."

That practical example took place three or four weeks ago. The judge's ability to decide to refer the case to a higher court resulted in people not being sent back to a country where they would not have been safe, and many such practical examples exist.

6.30 pm

I offer a third argument to the Under-Secretary for why we need to keep the existing process in place. If the principle underlining the current arrangements and the practical day-to-day cases are not sufficient reasons for having judicial review, surely another compelling argument in its favour is that it has been proven to be a useful tool for testing law and making it better. I should have thought that, occasionally, the Government would welcome that opportunity because some asylum and immigration issues, and some interpretations of the international conventions, are complex. The conventions have been described as "living instruments"—they are constantly tested and amended. It is a long-established principle that everyone in the system should be able to refer such convention changes to a higher court for clarification and guidance. For the

[Mr. Oaten]

sake of the clarity of such conventions, there is a compelling argument for retaining the ability to refer to a higher court.

Mr. Robert Marshall-Andrews (Medway) (Lab): Before the hon. Gentleman leaves the numbers game, is it not the case that in 2002, the divisional court threw back 260 cases as having been wrongly decided under the high test that had to be applied? If the Bill had been enacted at that time, all those people would have gone back to possible persecution, or even death.

Mr. Oaten: The hon. and learned Gentleman uses those numbers to make a powerful argument, but even if only one rather than 200 people were affected, the principle of referral would be worth defending not only for the individuals concerned, but because it could be a useful tool to allow the Government and agencies to test and develop new law.

The Government have suggested merging the various stages of the system into a tribunal. I shall especially focus on the power of the president because those of us who believe in the ability to test such matters would want an individual who could help us to access advice from a higher court. However, the Government's proposals restrict the power of the president, or rather give him so much power that he does not have to be bound by any higher court to which he may or may not choose to refer cases. At the moment, the Bill gives the president incredible power to decide whether to refer a case up. The fact that he or she will not be bound by a court's decision is unacceptable.

In Committee, the Under-Secretary said that he thought that it would be very unlikely that the president would seek advice yet ignore it. As a general principle of good practice, I would prefer a measure to provide for that to be in the Bill, rather than relying on an intervention in Committee. Surely we should make good law in this country under that principle. However, an additional problem is that there might well be cases in which the president would be reluctant to refer a case to a higher court. One can imagine that league tables might be produced, so the president could think that referring cases on would be seen as a criticism of tribunal staff. The measure represents an unsatisfactory means of providing the ability to refer cases to a higher court for rulings. Paragraph 54 of the report published a couple of days ago by the Constitutional Affairs Committee says:

> "We see no reason why the President of the Asylum and Immigration Tribunal should have the sole right to decide whether an appeal lies to a higher court or why the Court of Appeal should not be trusted with the discretion to take over particular cases if it saw fit."

The Committee expressed concerns about the way in which the president will operate, so if the Under-Secretary were to look again at the powers of the president, it might go some way toward reassuring Liberal Democrats.

Finally, I should like to refer to the way in which tribunals will operate and their ability to review their work, irrespective of the president. The internal review systems suggested by the Government seem to be weak. In the majority of cases, it will only be possible to accept written evidence for the purposes of review, and oral hearings may be held only in exceptional cases. If the Government wish to go down such a route, they could reassure us by strengthening a tribunal's ability to review a case. Clear arguments proving why an oral hearing may be necessary in some circumstances should be set out in the Bill. The Government again seem to want to restrain the ability to test and review decisions.

Surely the way forward would be to introduce a system that does not require a lengthy process and does not, in the first place, lead to the current number of wrong decisions. Liberal Democrats support the Government's intention of speeding up the system, but we disagree with the route that they are taking. We want better quality decisions to be taken in the first place, which requires better information on each relevant country, improved decisions and better training of individuals. The Government should consider putting in place a package of measures to try to speed up the system and produce better decisions before introducing more draconian measures that change the judicial process.

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): In reminding my hon. Friend that all the provisions will affect not only asylum applicants, but immigration applicants, will he note that the Constitutional Affairs Committee recorded that the Government cause more delay to immigration applications than applicants?

Mr. Oaten: My right hon. Friend makes a powerful argument for examining different systems before starting to mess with the principles of evidence. Select Committees and others have plenty of evidence that could give the Government ideas about ways to speed up and improve the system. As the Select Committee on Home Affairs said:

> "The real flaws in the system appear to be at the stage of initial decision-making, not that of appeal."

It recommended that the appeals proposals should not be brought into force

> "until the statistics show a clear reduction in the number of successful appeals at the first-tier, adjudication level."

Again, that is a strong argument for putting in place other measures before making changes such as those proposed by the Government.

Of course, the Government have already put in place measures to speed up the system, because they clearly want to avoid delays in cases going to a higher court, which we support. For example, they put in place a four-week system to determine whether they could speed up the process by making such a change. That has been in operation for about a year, which is a short time, but the evidence on that new system will not be evaluated or assessed because it might not be needed if their new proposals bed down effectively.

The Government's intention of speeding up the process is worthy, and we would support a speeded up and fair process, but they seem to be prepared to break with long-standing principles that go way beyond immigration and asylum to achieve that. Will the Under-Secretary reflect that rather than trying to get a few quick headlines in the *Daily Express* and the tabloid papers, it would be better to reject the option of making the proposed changes and to put in place practical measures for the next year to find out whether they

could achieve some of the Government's aims? Surely that approach would be more mature, sensible and in proportion with what the Government regard as a problem than making such fundamental changes that could have wider implications beyond immigration and asylum.

Mr. Marshall-Andrews: I shall be brief because I appreciate that several hon. Members wish to speak. In all the dreary and depressing history of this Administration's assaults on fundamental civil liberties, this measure is the worst by a streak. It is literally incredible that we should come to the House to contemplate removing all the protection of the law from a vulnerable minority who face the possibility of persecution, torture and death.

The measure would never get through this House, let alone the other place, if it affected British people. The only reason why it is being advanced by the Government—otherwise, the Government themselves would not survive—is that it applies to foreigners.

In putting this proposal forward, not only are the Government guilty of an iniquity in the House, but they have turned their back full-square on the long theology of the Labour movement, which has always maintained that justice is not an individual right given to individual people, but a universal—that it applies to us all, and is our greatest collective asset. A diminution of others' rights is a diminution of our rights; what diminishes them diminishes me, and diminishes all of us in this place.

That is why I could never, never vote for anything that even resembled clause 11. I hope and trust that there will be many who will vote against the Bill in the Lobby. I do not suggest for a moment that we will succeed, but when we vote in that way, we will be passing a message to the House of Lords that those who vote according to their conscience in the House of Commons are universal in their determination to defeat that part of this legislation.

We all accept that this is not a numbers game, but a matter of the highest possible principle—but while we are talking numbers, I should point out that in 2002, even given the enormous difficulty of obtaining judicial review and a successful application before the divisional court, the divisional court threw back 260 cases—cases in which decisions had been made that should never have been taken by any reasonable tribunal. Under the regime that will exist if this Bill becomes law in its present form, the people behind those 260 cases, and all their families, would have been sent back to face persecution, torture or death.

That is the enormity of what we are being asked to pass. It is my abiding faith in the Houses of Parliament that leads me to believe that at the end of the day, the measure will not pass—that ultimately, it will not pass through this House, and will not pass through the House of Lords either. If we do pass it into law, it will be an object of shame both for this House and for this Government, which they will never, in history, survive.

Mr. Dominic Grieve (Beaconsfield) (Con): The hon. and learned Member for Medway (Mr. Marshall-Andrews) said that it was a principle underpinning the Labour party and the Labour movement that people in this country should not be treated differently according to whether they are citizens or not. That is a principle to which I too, as a Conservative, have no difficulty in adhering. That all in this country should be subject to the rule of law, and have the protection of the law, is a fundamental right, and fundamentally underpins the ethos and the ethics on which this country was built and developed.

In clause 11 the Government propose to do something unprecedented. Not even in the darkest days of the second world war, when aliens were being interned, and were subject to administrative procedures to bring that about, was the supervision of the higher courts removed from the process to prevent wrongs from being righted if necessary, and rights from being preserved. Yet that is what the Government propose to do.

The only justification being suggested is that the administrative procedures that the Government seek to substitute will provide adequate protection. I accept that the Government face a problem with the appeals system. It is obvious that it needs to be streamlined to make it more efficient. I also accept that the system has been abused by a minority of unscrupulous lawyers, who take the view that by spinning out the proceedings in undeserving cases they can delay the inevitable, and even that the inevitable may therefore not happen, because the Government will lose the will to implement the decision and deport the person whose asylum application has failed.

6.45 pm

However, we must not lose sight of the fact that many of the delays in the asylum system have nothing to do with the courts, but stem from the Government's administrative failure to cope with the numbers of asylum seekers. We know that 20 per cent. of decisions made by the Home Office executive officers are not made within the two-month period prescribed. Is that surprising, when we consider their lowly status, the fact that they start on a salary of £15,000 per annum, and that they are regarded as wholly qualified to do their work after 27 days? It may not be surprising, either, in those circumstances, to note that many of their decisions turn out to be wrong.

The Minister may care to comment on this, but I understand that the Home Office presenting officers attend only about 60 per cent. of adjudication hearings. Is it surprising, therefore, that the adjudicators often overturn decisions? As the hon. Member for Winchester (Mr. Oaten) rightly said, the system leading up to the tribunal stage is not only slow, but is entirely in the hands of the Government who run it. There is no point in the Government complaining about the system; it is their system.

In my view, underlying the Government's proposal are complaints about the attitudes of the judiciary. The truth is that the Government do not like the judiciary. They do not like its independence or its attitudes. When Lord Falconer was appointed Secretary of State for Constitutional Affairs, why did the Home Secretary say to him, in an aside that was perfectly visible on television, "Now at last we will get the judges we want"? That is the reality of the Home Secretary's hostility to the judiciary and to the independence of its decision making.

[Mr. Dominic Grieve]

Furthermore, there is not much point in the Government complaining about the judiciary's decisions in asylum cases, when most of those decisions have been founded on the Human Rights Act 1998, which the Government themselves chose to incorporate in our law.

In 1999, exceptional leave to remain was granted in only 2,465 cases; in 2002, there were 20,135 such cases. That was because the introduction of the Human Rights Act brought a whole new range of considerations to the way in which asylum cases had to be considered, leading to a completely different set of results. I do not imagine that the Minister wishes to criticise the judiciary for having been instrumental in helping that process along. If he does, I simply say to him that the Government should not have incorporated those rights in our law. It was his Government who chose to do that. There is no point in blaming the judges for interpreting the law, when Parliament asks them to do just that.

Mr. Garnier: The Government have at last got round the inadequacy of their own legislation by cynically placing in this Bill subsection (5) of proposed new section 108A of the Nationality, Immigration and Asylum Act 2002, which disapplies the Human Rights Act from the decisions of the tribunal. Not only did they cynically introduce the Act to British law so that they could say, "We're bringing rights home," but when judges apply the legislation that they so joyously put on our statute book, they disapply it, for the very reasons that my hon. Friend has mentioned.

Mr. Grieve: I entirely agree with my hon. and learned Friend—yet I understand that the Home Secretary has certified that he believes the Bill to be compatible with the Human Rights Act. The Government's approach is a complete mystery. Indeed, I have to say—and my hon. and learned Friend may well agree with me—that the provision will drive a cart and horses through the Government's attempts to make this ouster clause work. One of the things that I intended to say to the Minister was that I do not think that the ouster clause as drafted stands a hope in heaven of surviving judicial scrutiny. It will probably lead to a major confrontation between the judiciary and the Executive.

It will not lead to the streamlined procedure that the Government want.

I said that the Government do not want the judges to rule, yet the proposal is entirely a product of their Marxist past—*[Interruption.]* Yes, it is. The more I watch this Government and see that, having abandoned any hint of Marxism in economics, they long for centralised bureaucratic solutions to the problems that confront the country, the more convinced I become that they wake up in the middle of the night believing that those bureaucratic solutions can change the world for the better. I, however, do not believe that.

I have some suggestions that will allow the Government to solve their problem. We have tabled a series of amendments—amendments Nos. 93, 92, 94, 96, 22, and new clause 8. If they were accepted, they would provide a framework by which it would be possible for the Government to achieve their aim of streamlining the legislation while keeping it compatible with the Human Rights Act and, indeed, making it work properly.

Amendment No. 93 respects the idea that the tribunal and the adjudicator should be collapsed into one, to speed up the process. If that is what the Government want to do, so be it. Much will depend on the quality of the tribunal, to which I shall return in a moment. In addition, we would remove what is frankly the completely ludicrous notion that the tribunal can review its own decisions. It is sometimes possible to go back to a judge under the slip rule to ask him to review his judgment or order, but it is extraordinary that the Government consider it acceptable that the mechanism of appeal with which they are going to justify the Bill as Human Rights Act-compatible is to ask a tribunal that has just made a wrong decision to review it. That is nonsense. As soon as the Minister and the Government understand that, we can start to put the legislation into a sensible shape.

We propose establishing a statutory appeal procedure to a High Court judge. It would be streamlined, with seven days to appeal, which would be possible without causing injustice. The appeal would usually be dealt with on paper, but with the possibility of the judge calling the case in for oral hearing if necessary. The judge would either affirm or alter the decision, or remit it back to the tribunal if further hearings of fact were required. That sensible approach respects the fact that the higher judiciary should have an input into the process. It would also ensure that the appeal is not conducted by the same people who heard the original case.

Mr. Richard Bacon (South Norfolk) (Con): As my hon. Friend has not departed too far from the subject to human rights compatibility, will he invite the Minister to confirm whether the Government still assert that the Bill is human rights-compatible? The old version of the Bill clearly sets out on page 1 the certificate to which he referred. It says that Mr. Secretary Blunkett has asserted that the provisions

"are compatible with the Convention rights",

but there is no such reference in the clean version of the Bill, at least not on the front page.

Mr. Grieve: My hon. Friend makes a good point. If the Bill as printed, after its passage through Committee, is no longer Human Rights Act-compatible, the Minister should have told us that from the outset. I take it that in the absence of that statement, he still considers it compatible. My hon. Friend is right, however, that it no longer features in the Bill. I suppose, therefore, that the Government are proposing legislation that is not so compatible with the Human Rights Act. I will give way to the Minister if he wishes to say whether it is a printer's error or the Government's new view of the Bill.

Mr. Malins: Which is it?

Mr. Grieve: The Minister does not want to intervene, so we are left with our quiet speculation.

Mr. John Gummer (Suffolk, Coastal) (Con): As the Minister is not prepared to respond, does my hon. Friend agree that if the Human Rights Act is important in a case, it is precisely a case in which a country deals with foreigners, because that is when many countries

have double standards? It happens to be true in Britain that we have not had double standards. The Bill is the first time we have had those double standards, which came into being the very moment the Government ditched their Human Rights Act, which brought the convention on human rights into our law.

Mr. Grieve: My right hon. Friend is right. It is also right that we should call a spade a spade and consider people's views with care. Many people—perfectly reasonable people—would often apply different criteria to foreigners and nationals. It is precisely for that reason that the protection of the law is so important. It is because emotions often drive people in an opposite direction that a system of law is constructed to ensure that mischief does not result from it. That is what is so unpleasant about what the Government want to do. The hon. Member for Hackney, North and Stoke Newington (Ms Abbott) was right: if the Government can do that for this measure, what next? The comment on the second world war—

"First they came for the Jews"

and then for another group, and another—is correct. Those who are most unpopular in society need the greatest protection. I always thought that that underlay the Human Rights Act, however unpopular and uncomfortable some of the decisions might occasionally be. Perhaps the Minister will intervene if he disagrees, but in the meantime I give way to my hon. Friend the Member for Worthing, West (Peter Bottomley).

Peter Bottomley: I am grateful to my hon. Friend and my hon. and learned Friend the Member for Harborough (Mr. Garnier) for their contributions, because subsection (5) of proposed new section 108A relates to anything that a tribunal may have done in which there is a

"lack of jurisdiction . . . irregularity . . . error of law . . . breach of natural justice, or . . . any other matter".

If this is the first time the Government are suspending the Human Rights Act, and if it is a convention of the House that the declaration of compatibility with that Act is not left in the Bill on Report, can we have a new convention that puts it back in any case in which the Government propose to lift the protection of the Human Rights Act, which we are told matters so much?

Mr. Grieve: My hon. Friend makes a good point. Again, I wait to hear how the Minister intends to deal with that.

David Winnick (Walsall, North) (Lab): Will the hon. Gentleman give way?

Mr. Grieve: If I could make some progress—other hon. Members wish to participate.

On the other provisions in amendment No. 93, once the review has taken place in front of the single judge, there should be a mechanism to appeal on a point of law to the Court of Appeal. We have again tried to streamline that by introducing the period of seven days. The appeal has to be done with the leave of a single judge or the leave of the Court of Appeal. From there, it can go to the House of Lords in the ordinary way if there is a point of law of general public importance. How would that procedure hold things up?

I suspect that the mechanism of going to the single judge will be just as quick as asking the tribunal to review its own decision, by the time it has been weighed down with dozens of such applications. We know that the Court of Appeal heard only five asylum cases in the year from 1 October 2002 to 30 September 2003, and only four asylum cases were heard by the House of Lords. Admittedly, there were many more in the previous year, but that reflected the fact that the adjudicators and the tribunal were getting their decisions consistently wrong. I need the Minister to justify his proposal if he is to persuade me that allowing an appeal to the Court of Appeal and the House of Lords would put a spanner in the works, especially as we propose a streamlined procedure to facilitate the process.

On the Human Rights Act exclusions and the question of removal, I shall return to a point that I made earlier, which bears repeating: if the Government persist with clause 11, the judiciary will undoubtedly find every conceivable device to get round its provisions. Having examined it, I can think of a number of ways in which that might be done.

7 pm

The Minister may care to reflect on the point that if the procedures are irregular and flawed, it might be argued that there are no procedures. If there are no procedures, an application for habeas corpus will be entertained by the courts when somebody is about to be taken away in a van and put on a plane, and the mud will be all over the Government's face. The Government are being unreasonable and should accept our offer of a helping hand rather than persisting with a ludicrous policy.

Amendment No. 22 deals with schedule 2, which is very worrying and is linked to clause 11. Schedule 2 provides for the supervision of judges by other members of the judiciary. I am not sure whether I understand what that means, but I have always understood that every judge is independent once they have been appointed. A judge may, of course, consult colleagues or discuss matters with them over dinner, but his decisions are ultimately independent.

Explaining that point in Committee, the Minister said:

"We propose that senior members of the judiciary will be responsible for supporting a group of approximately 10 immigration judges. The senior judiciary will play a role in communicating information and case law and will be available if the immigration judge wishes to discuss any issue. They will play a role in ensuring that the judges receive appropriate training and mentoring, should they need it. That is consistent with judicial independence and is essential to allow asylum and immigration tribunals to function effectively."—[*Official Report, Standing Committee B*, 20 January 2004; c. 317.]

New Labour justice involves a judiciary that is no longer independent and that is so orchestrated from the president downwards that it achieves the ends that the Government want. The Minister should be ashamed of introducing such a proposal.

It would be sensible to accept amendment No. 22, which would resolve the problem by changing the wording and removing the mischief. I do not mind if judges want to consult each other, but I object to the setting up of a parallel legal system based on new

[Mr. Grieve]

principles designed to achieve an administrative end. Before 1997, people said that the Prime Minister thought that Britain was too feudal and that he wanted to make it Napoleonic, but we are getting Napoleonic with knobs on—an administrative system that is alien to this country, which does not refer to our historic freedoms and which completely undermines judicial independence.

Finally, I commend new clause 8 to the House; the Government should adopt it if they want to speed up the system. If the Government succeed in mastering the asylum system—there are some signs that they have made recent improvements—new clause 8 sets out a timetable for the Secretary of State. It states:

"Initial decisions . . . shall be made and notified to the applicant within six weeks of the application being made. Notice of appeal . . . must be lodged with the Tribunal within 14 days of the decision appealed against . . . Within 14 days of receipt of the notice of appeal the Tribunal shall hold a direction hearing".

Those are simple ways further to streamline the process.

Justice delayed is justice denied—the saying is old and, perhaps, trite, but it is true. If the Minister wants the official Opposition's help in speeding up justice, we will do what we can to help him and to cure abuses. If, however, the Government seek to undermine the principle of an independent judiciary, which is what clause 11 does, he should not be surprised when we resist him.

Tony Wright (Cannock Chase) (Lab): I shall be brief and have one point only to make. I have supported almost everything that the Government have tried to do to sort out the asylum system—it needed sorting out, and they have rightly set about the task with some vigour. I am also happy to join in the occasional jibe against lawyers—the jibes are good fun and always contain a grain of substance. However, there comes a point at which all of us who are not lawyers but who care about how the system works must ask ourselves whether we are being asked to go a step too far.

I have examined what the Constitutional Affairs Committee told the House and what the Joint Committee on Human Rights told both Houses—their use of language is not restrained; it could hardly be more vigorous—in drawing our attention to the importance of the Government's proposal. We have always adopted the principle that higher courts review the actions of tribunals in this country. That keeps the tribunal system on course and enables us to run it, because we know that it can be disciplined by the purview of a higher court, which is a constituent of what we have become used to describing as "the rule of law".

When the Government ask us to dispense with the rule of law by collapsing the appellate system into a single appeal body and by removing the appeal system from the purview of the higher courts, we are entitled to ask, "Why are you doing that?" As it happens, I am not one of those who simply say, "If it can be shown to be a constitutional precedent, I shall be against it." I favour breaking with all kinds of constitutional precedents on all kinds of fronts—I can give the Government a little list, if they would like one. However, I am not prepared to sign up to the removal of an appeal layer unless overwhelming justification can be given.

Authoritative Committees of this House have explored the question whether the Government have an overwhelming case, and they have found that the Government do not have one. That places an onus on all Members of Parliament who broadly support the direction in which the Government want to travel to say, "Hang on a minute. Be sure that you are not asking the House to do something disproportionate. Be sure that the measure does not help to undermine the rule of law on this front, and potentially on a wider front too, just for Executive convenience." It is not always easy to tease out whether points of principle underpin the matters that we discuss because we have a habit of trying to make everything into a fundamental point of principle in order to sustain our case, but there are moments when such principles are clearly at stake, and clause 11 raises one such principle.

We know that the measure will never be accepted by the other place, and the Government have presumably factored that into their thinking. As I see it, there is no way that legislation this fundamental will be accepted by the other place, so the Bill will presumably return to this House in a form that the Government think that they can get through, which will involve its amendment. The appeal system that we end up with will presumably be more streamlined than the current system, but it will be something other than the Government's current proposal.

That may seem to many people to be a perfectly satisfactory outcome—indeed, that is how we do things.

From the point of view of the House, however, that is not an acceptable way to proceed. The Government should not ask the House to agree something that raises fundamental points of constitutional importance, on the assumption that what will eventually be agreed will be something other than the original proposal. That is profoundly damaging for the House and for the reputation of our system. If for no other reason, I ask the Government to think again about the clause.

Mr. Garnier: At the outset of their respective speeches, my hon. Friend the Member for Beaconsfield (Mr. Grieve) and the hon. and learned Member for Medway (Mr. Marshall-Andrews) both claimed political ownership of a fondness for the rule of law and respect for our system of justice, and they were right to do so. Both our parties have a long and proud tradition of respecting the rule of law. I paraphrase what they said, because I am trying to be as quick as I can. Respect for the rule of law is not a matter that belongs to either party. I hope we share it, irrespective of our party political allegiances, and I am reasonably sure that the hon. and learned Member for Medway would hold those views regardless of whether he happened to be a Labour Member of Parliament. I know for a fact that my hon. Friend does as well.

What the hon. Member for Cannock Chase (Tony Wright) said at the beginning of his remarks also struck me as true and right, when he referred to the report of the Constitutional Affairs Committee led by the right hon. Member for Berwick-upon-Tweed (Mr. Beith). It is, in some senses, remarkable that we have to remark on what that report says. It points out things that to me and, I hope, to most civilised Members of the House, are unarguable and which ought to be wholly unremarkable and uncontroversial. Why do they need restating?

Because we are dealing with a very strange Government indeed, who seem to have forgotten everything and learned nothing.

I shall do the Minister a favour by not referring to anything he said in Committee. The Government have crafted clause 11, which flies in the face of the accepted standards that the hon. and learned Member for Medway, my hon. Friend the Member for Beaconsfield, the right hon. Member for Berwick-upon-Tweed and the hon. Member for Cannock Chase take for granted. They are seeking to do what, for example, Lord Scarman in the case of the Crown *v.* Home Secretary ex parte Khawaja—a 1984 case in the House of Lords—remarked upon. He said:

"Every person within the jurisdiction enjoys the equal protection of our laws. There is no distinction between British nationals and others. He who is subject to English law is entitled to its protection."

He was not saying anything that was new. The great Lord Mansfield, in setting free the black slaves in the 18th century, recognised exactly the same. Judges in the 18th century, the late 20th century or today do not recognise the colour, creed, nationality or origins of the applicant for asylum before them—or, at least, they should not.

The Government cynically introduced into our domestic law the Human Rights Act 1998, which brings the European convention on human rights into our law, and now they are prepared to strip it out completely. I shall analyse clause 11 briefly, as it demonstrates the eminent good sense of amendment No. 93 and new clause 8 which were moved by my hon. Friend the Member for Beaconsfield. I do not need to repeat what he said. I ask the House to consider amendment No. 93 and new clause 8, whereby controls can be placed upon bad appeals, worthless appeals and time-wasting appeals by means of a requirement for permission and for speed, while none the less maintaining an attachment to justice and the rule of law.

7.15 pm

We should bear in mind the content of clause 11. First, there is a requirement that the tribunal

"shall review its decision on an appeal if requested to do so by a party to the appeal."

That is presented as though it were a tremendous bonus to the people of this country that if the court is requested to review its own decision on an appeal, it will consider whether to do so. If that is a bonus, the benefits are soon removed when one turns to the following page, page 12, which states:

"On a review by the Tribunal of its decision on an appeal the Tribunal"—

reviewing itself, of course—

"may act under subsection (6)(b) only if satisfied that the decision would have been different but for a clear error of law by the Tribunal."

So if the tribunal is not persuaded that it has made a mistake, it will not enter into any sort of review.

Matters get worse. The Bill states:

"No court shall have any supervisory or other jurisdiction (whether statutory or inherent) in relation to the Tribunal"

and

"No court may entertain proceedings for questioning"

a host of things that higher courts exist to question and to impeach if necessary. A court is specifically prevented by the Bill

"from entertaining proceedings to determine whether a purported determination, decision or action of the Tribunal was a nullity by reason of—

(i) lack of jurisdiction,

(ii) irregularity,

(iii) error of law,

(iv) breach of natural justice, or

(v) any other matter".

This is a Bill that was drafted by the close advisers of some African despot, not by a British Government interested in the rule of law. It is an absurd, disproportionate and wrong piece of legislation, yet we have to debate these clauses because the Government think it right and proper to do such things. The Government are like a group of small boys ripping up a beautiful butterfly—our constitution—pulling off its wings to see how long it takes before the beast is dead. As a Member of Parliament, I am appalled to find that I must even consider legislation containing clause 11.

David Winnick: There is merit in what the hon. and learned Gentleman says and I do not disagree with many of his arguments, but as a Conservative Member, does he not accept responsibility for the fact that asylum seekers have been demonised, not least by his party at constituency level and sometimes in the House of Commons? If the Government are acting in a way about which I have many reservations—I shall have to decide how to vote, or whether to vote at all, on this group of amendments—it is because they are responding to the manner in which asylum seekers are demonised by the media and the Conservative party, and to the constant pressure on them as a result.

Mr. Garnier: I am not sure that the hon. Gentleman's point was helpful to him or his Government, but others will be able to consider it as and when they wish to.

I shall explain briefly why I think that clause 11 is so strange and so absurd. Having learned that no court may look at matters that affect jurisdiction, or at matters that were decided irregularly, or were in breach of the law, or in breach of natural justice or any other matter—whatever that may be—we are told that the court may consider

"whether a member of the Tribunal has acted in bad faith,"

in reliance on an earlier subsection, but

"only if satisfied that significant evidence has been adduced of

(a) dishonesty,

(b) corruption, or

(c) bias."

It is all right if the tribunal was slightly dishonest or slightly corrupt or slightly biased, or perhaps not at all dishonest but completely corrupt, and just a teensy-weensy bit biased.

If that is the position, the tribunal can, if it thinks fit, look at itself again. I wonder whether the Government will find a judge who will think it proper to allow himself to be appointed president of the tribunal.

We have seen the remarks of Messrs. Justices Collins and Ouseley, the two most recent presidents of the Immigration Appeal Tribunal. In their judicial

[Mr. Garnier]

pronouncements, they have underscored the value of the appellate system that they have headed up. They are not making political points, but simply giving judgment on cases that have come before them from the lower tiers. Such people will not be available to sit on the tribunal, because most judges, I suspect, will find it a thoroughly objectionable and unprincipled tribunal to be in charge of.

The Government have told us that they have to abolish the office of Lord Chancellor because it is offensive to the doctrine of the separation of powers. We are also told in the Bill that abolishes that office that the way in which judges will be appointed in future will underscore the separation of the Executive and the judiciary, whom it will free from the influence of political appointment. Nobody, of course, has ever suggested that our judges are appointed on anything other than merit, but none the less the Government think that that is appropriate. However, under this Bill, we will have a system under which the appointment of judges and members of the tribunal is subject to the influence of the Secretary of State for Constitutional Affairs, and citizens of our country can deal with asylum seekers in such a way that their human rights are expressly denied.

I shall conclude with an illustrative example, as I appreciate that many other hon. Members wish to speak. The Government want to do away with the appeal process in the immigration and asylum system on the ground that it is offensive to the Treasury and some sub-editors and editors of some of our national newspapers. They also want to attract votes away from the British National party. However, not once but twice and now a third time they have required an asylum-seeking constituent of mine, Captain Rogelio Viteri, the former Ecuadorian naval attaché who, along with his wife, has been threatened with death, to attend a hearing. Both of them have been subjected to terrible personal anguish, both in this country and in Quito, where he was imprisoned without trial or access to due process. He was eventually told that he could stay in his home country and die or go away and live. I am happy to say that he chose to live in this country, and to apply for asylum here. He was granted it at the first tier. The Home Office, not content with that decision, appealed. At the appeal hearing, the Home Office did not submit evidence nor did it cross-examine my constituent's witnesses. It sat on its hands and lost the appeal, only to appeal that result. The next hearing is on 18 March. The Government are cynically removing the appeal rights of asylums seekers in the Bill, but they are prepared to exploit the appeals system at vast public expense and without any idea of what justice is or means, let alone what the cost is to the Exchequer.

Annabelle Ewing: I seem to recall that the hon. and learned Gentleman alluded to his constituents' sorry tale in Committee. Is it not the case that Ecuador is whitelisted?

Mr. Garnier: Ecuador is an interesting place, but I shall not go into the evidence that was adduced in the two previous hearings and will no doubt be adduced again.

In short, the Government have double standards. They claim to be the patron of human rights, yet are prepared to abuse future asylum seekers' human rights under clause 11. They have demonstrated their lack of good faith, I submit, in their handling of the Viteri asylum application. I have said enough to make the points that I wish to make, and have burdened the House with my remarks for too long. I trust that hon. Members who have listened to others apart from me realise that the Government have some good intentions, but in relation to clause 11 they have completely and utterly lost all connection with humanity and justice.

Ms Abbott: I am glad to be able to speak in support of proper appeal rights for asylum seekers and of the amendment to delete clause 11.

Two important parliamentary Committees examined the proposals on the appeal system and reached conclusions that are not favourable to the Government. Opposition to clause 11 rests on issues of principle and of practice. In the first instance, there is a clear objection in principle to any tribunal exercising a supervisory jurisdiction over itself, yet that is the set-up for which the Government are asking us to vote tonight. As colleagues have said, the Government can get away with that only because asylum seekers are involved. If clause 11 is passed unchallenged tonight, we will set a precedent that, for administrative convenience, could be applied to various Executive and administrative tribunals seeking to do away with a proper system of appeal.

Underlying clause 11 is the Government's concern about delay in dealing with asylum seekers and a range of immigration cases. I have great sympathy with their impatience. I have been a Member of Parliament for 17 years in a corner of north-east London that is home to asylum seekers and economic migrants from all parts of the globe and have dealt with thousands of cases. Some things change—every time there is a war or disturbance in a far corner of the globe there is a change in the pattern of asylum seekers and economic migrants who present themselves in Hackney. Ten years ago, we saw people displaced from the former Yugoslavia, but since then we have seen Kurds and people from the horn of Africa.

Demographic trends change, but other things remain the same. During my time as a Member of Parliament the administration system has been consistently poor, and delays have continued. The Government are right to focus on delay, but they are wrong to identify appeal rights as the most important cause of delay. If the Government introduced a programme of legal and administrative change to deal with delay at all levels, I would be the first to support them. Week after week in my advice sessions, I try to advise and help people who have waited years for a response from the Home Office. People who have had hearings in their favour are still waiting months to get the paperwork that will allow them to work and get on with their lives. Nobody feels more strongly about delays in dealing with asylum and immigration cases than the MPs who have to deal with those cases day in, day out.

If the Government are concerned about delay, before they tamper with appeal rights they should look at the causes of delay, the solution to which rests in their own hands.

7.30 pm

I commend to the Government a recent report by Amnesty International on decision making in asylum cases that asked why some of the initial decisions were so poor. Amnesty considered 170 cases and came up with three main reasons, the first of which is the lack of accurate information on the human rights situations in some countries. I have often seen Foreign Office human rights assessments that bear no relation to what I or anyone who knows the country concerned knows about what is going on there—or perhaps the Government hear only what they want to hear. Secondly, there is a lack of objective consideration of the credibility of applicants. Finally, there is not enough proper consideration of torture and medical evidence.

Before the Government tamper with appeal rights, why will they not look at the quality of the initial decision making, because that in itself would speed up the system? It is no good saying that there are bound to be a few mistakes. We are not talking about a few mistakes. Any of my colleagues who deal with immigration and asylum day in, day out will say that the proportion of poor initial decisions is far too high.

Keith Vaz (Leicester, East) (Lab): My hon. Friend has sat through many debates on immigration Bills with me over the past 17 years, but does she not find it astonishing that the Government have proposed no package of measures to improve the operation of the Home Office? I am not saying that the proposals to remove the second tier of appeal would be acceptable if such measures had been introduced, but the Government have not even thought of a way of improving that first process before removing the right of appeal.

Ms Abbott: Of course my hon. Friend is right. If the Government had proposed a package of measures—legal measures or merely changes in process—to improve the initial decisions, the House would look more favourably upon their suggestions on the appeals process.

The Constitutional Affairs Committee, of which my hon. Friend is a member, said:

"The new proposals do too little to address the failings at the initial decision-making level and the low level Home Office representation at initial appeals."

Apparently, there is no Home Office attendance at up to 40 per cent. of cases. How can Ministers ask the House to set what might be a very damaging precedent in doing away with tribunal appeal rights, when they are not prepared to take the administrative steps to ensure that the Home Office is represented at all initial appeals?

The Home Affairs Committee said:

"The real flaw in the system appears to be at the stage of initial decision making, not that of appeal."

Of course layers of appeal are needed because of the poor overall standard of decision making at the very first tier, which is the only check and quality control. Worse, where people know that the quality of initial decision making is so poor, it is an incentive, but not the only one, for asylum seekers to play for time. We could with more confidence defend a speeded-up system if we had more confidence in the initial decisions that it takes.

The Constitutional Affairs Committee, which is not packed with dangerous radicals or even extremist Tories, said:

"We recommend that the removal of a formal tier of appeal should not be undertaken until it can be shown that there has been a significant improvement in initial decision making and the rise in the number of successful first tier appeals has been substantially reversed."

In other words, get the system right first. The Government should get the system working efficiently and fairly before tampering with fundamental rights of appeal.

I note with some sadness that no Labour Member has so far spoken to support clause 11. I do not believe that a single Labour Member will rise to support clause 11, and I hope that those in the other place will read the report of the debate in *Hansard* and realise that the proposal to do away with a tier of appeal rights has no support among Government Members. I hope that that will strengthen the Lords in doing what it has to do in relation to clause 11.

There is no doubt that the Government have made much important headway in trying to reorganise, streamline and make our asylum system more efficient. No one who has dealt with the system could fail to appreciate that the Government had a Herculean task; but, as has been said earlier this evening, in doing away with a whole tier of appeal rights, the Government are going a step too far. They need to knock out clause 11, and return to the House with a package of proposals to improve the appeals process altogether. It is with some regret that other hon. Members and I tell the Government that we cannot support clause 11. We will support the amendment to remove it, and we look to others in another House to reinforce our view.

Mr. Bacon: It is a pleasure to follow the hon. Member for Hackney, North and Stoke Newington (Ms Abbott) in the debate. She referred to the fact that not a single Labour Member of Parliament had spoken in support of clause 11. I think that I am right in saying that not a single Member of Parliament has spoken in support of the clause. The Minister may find himself in the curious position of being the only Member of Parliament to speak in favour of clause 11 on Report, which speaks eloquently of its worth.

The reason hon. Members do not support clause 11 is very simple: it is a bedrock of our system that we do not have unreviewable, uncheckable powers. The hon. and learned Member for Medway (Mr. Marshall-Andrews) put that exceptionally succinctly and clearly in his speech. The lack of such power is the basis on which the Anglo-Saxon legal and political tradition is built, and the Government need to understand that.

I should like to raise a couple of issues with the Minister, the first of which relates to the Human Rights Act 1998, which has been alluded to. I should like him to make it very clear in replying to the debate whether the Government assert that the Bill is now compatible with that Act. My original copy of the Bill clearly stated that the Home Secretary

"has made the following statement under section 19(1)(a) of the Human Rights Act 1998:

In my view the provisions of the Asylum and Immigration (Treatment of Claimants, etc.) Bill are compatible with the Convention rights."

[Mr. Bacon]

If we pick a clean copy of the Bill off the Table now, it says no such thing; mysteriously, that certificate is no longer there. The Minister could do the House a service if he clarified that point. Following the Bill's consideration in Committee, do the Government say that the Human Rights Act no longer applies? If they think that it applies, why is it not stated on the face of the Bill? If they think that it does not apply, will they please say so and attempt to justify that?

The second point that I want to make relates to the interesting, not to say amazing, letter that we received from the Minister for Citizenship and Immigration. In relation to clause 11, it says that section 108A is intended

"to prevent a person using judicial review to re-open an appeal by challenging removal or deportation following an unsuccessful appeal. However—

unfortunately—

as drafted paragraph . . . could be interpreted as affecting an individual's right to challenge the lawfulness of their detention and the right to compensation following their unlawful detention as a result of action by IND or the Tribunal. This would place the UK in breach of . . . article 5 of the European Convention of Human Rights . . . The Government's position has always been that the measures being introduced by section 108A will not exclude judicial review".

Hence the new Government amendment. It continues by saying that the amendments

"will ensure that the restriction on access to the higher courts cannot be interpreted as extending to challenges to actions of IND, or actions of the Tribunal in breach of article 5"—

which will therefore—

"place beyond doubt that the provisions contained in section 108A do not prevent a person from challenging an executive decision in the higher courts."

If all that is clear, one wonders what all the fuss was about. But unfortunately, when one reads the Bill and examines the powers of the president, all remains unclear. Subsection (4) of proposed new section 108B states:

"The President may refer a point of law only if the proceedings in the course of which the point arises . . . have not been determined by the Tribunal".

Of course, it is entirely possible for someone who is affected by a decision to say during a tribunal hearing that the case before the tribunal was affected by a lack of jurisdiction or an irregularity, or by an error of law or a breach of natural justice. According to clause 11 as drafted, however, if the president of the tribunal says, "Well, actually, the case is not affected by lack of jurisdiction, irregularity, error of law or a breach of natural justice", he is then barred from referring the case to a higher court, unless—apropos the provision referred to by my hon. and learned Friend the Member for Harborough (Mr. Garnier)—the tribunal decides that it will review the decision on appeal, which it can do if it is satisfied that the decision would have been different but for a clear error of law. The president could be confronted with the possibility that there was a clear error of law and say, "No, there wasn't". But the Bill states elsewhere that he is barred from making a referral, so the two different parts of the Bill are contradictory.

The third issue that I want to raise has already been referred to, so I shall not dwell on it. Fundamentally, the problem is not a legal one but an administrative one, which is why I support amendment No. 93 and new clause 8, the purposes of which are to speed up administration of the appeals system. The answer to the problem is not to drive a coach and horses through the whole legal apparatus, or to undermine the bedrock on which our liberties have stood—which is that we do not have unreviewable or uncheckable power—but to speed up the administrative processes.

As the hon. Member for Cannock Chase (Tony Wright) said—he is no longer in his place—the House of Lords will not look kindly on the Bill; and, as the hon. Member for Hackney, North and Stoke Newington (Ms Abbott) said, the fact that not a single Member has so far spoken in favour of clause 11 will give the Lords courage in resisting it and seeking to amend it. Although the hon. Member for Cannock Chase was right to say that the other place will not look kindly on clause 11 and probably seek heavily to review it, the judges themselves will not look kindly on it either. The history of the Executive's attempts to impose ouster clauses in this way suggests that if the judges see that an injustice will be done in a particular case unless they intervene, they will find a way to do so.

Ultimately, the Government will succeed simply in undermining the rationality and logic of the rule of law, because they will force the judiciary to become ever more creative and imaginative in finding a way round it. That cannot be in anybody's interests. In fact, the Law Commission has an obligation to simplify and clarify the law, which is what we should all seek to do, so that everyone can understand it. The solution to this problem is an administrative one. The Government should not seek to solve it by declaring war on the judiciary.

David Winnick: I am very unhappy with the Government's proposals. If we were in opposition I can imagine what we would be saying, and it is quite likely that those Conservative Members who now oppose the proposals would be arguing in favour of them. However, that is the nature of politics.

Mr. Grieve: I do not think that we would, because the proposals are so fundamentally objectionable in terms of the idea of the state in which I want to live. However tempted one might be by the Government's proposals—I can understand that some people might be tempted by them—I could not go along with them under any circumstances.

7.45 pm

David Winnick: I accept what the hon. Gentleman says, but whether a Conservative Government would take that line is a completely different matter.

As I said in an intervention, this debate is being held against the background of the demonisation of a group of people—asylum seekers—over the past few years, and the Conservative party must accept some responsibility for that. I have seen leaflets distributed in constituencies that caused me to wonder whether the British National party produced them, and some of my hon. Friends can doubtless say the same. *[Interruption.]* The shadow Home Secretary shakes his head, but that is the unfortunate fact. Of course, the media have also

played a part in demonising asylum seekers at every opportunity. Although I am unhappy with the Government's proposals and I do not intend to vote for them tonight, I can understand why they are responding—wrongly, in my view—to that situation, and to a climate of opinion that demonises the people to whom I have referred.

I am perhaps the only person in the Chamber who was here in the late 1960s, when another group of people were being demonised who were not in the United Kingdom: east African Asians. Because of the clamour—involving Enoch Powell and the rest of it—it was decided that they should not be allowed to come to the United Kingdom, despite the promises that were made. I was one of the 50-odd Members of Parliament—mainly Labour MPs, but not exclusively so—who voted against that proposal.

Of course, there is no automatic right in terms of moving from the adjudicator to the tribunal—or at least, that was the case when I was involved in the appeals system. One had to rely on points of law, and when a client had lost a case and wanted to go to the tribunal, one would often have to explain the facts of life to them. Unless such points of law existed, the case could not be made for reviewing, and possibly reversing, the adjudicator's decision. But what worries me—

Jeremy Corbyn (Islington, North) (Lab): In the light of my hon. Friend's experience of the appeals system, is he not concerned that the quality of representation of many applicants for asylum is very poor? They often lose their case at the first hurdle because of poor quality or non-existent representation, and at a later stage it is almost impossible to retrieve the situation. Taking away any kind of appeal actually makes matters worse.

David Winnick: My experience dates back over many years—I have represented my current constituency for 25 years—and I can only hope that that was not the situation when I was involved in the appeals system. I hope that representation is good, and I am sure that solicitors and the Immigration Advisory Service, which I used to be involved with, do as fine a job as possible. However, I accept entirely that, in many cases, that is not so.

I cannot disagree with the speech made by my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott). It is unfortunate and unacceptable that the new tribunal will be able to make decisions that cannot be reviewed. I do not necessarily go along with the argument that today it is the asylum seekers and tomorrow it will be another group of people. Nor do I agree with the view that the Government do not want judges to be independent, and that they want them to be their virtual puppets. To the extent that that view is being advanced, it is an exaggeration and a false description of the Government's position.

Having said all that, I believe that the Government have gone too far. It is clear that the proposals will be accepted, and I do not challenge for one moment the view that they will enjoy a good majority, but I do agree with my hon. Friend the Member for Cannock Chase (Tony Wright) that the likelihood of the Lords approving the proposals is very remote indeed. The Government will have to be less dogmatic, and it would be far better if they listened closely—if not to the Opposition then to their own Members.

It speaks volumes that no Labour Back Bencher has decided to come forward to defend and to justify what is being done. I therefore hope that even at this late stage, it would be possible for the Government very seriously to reflect on our concerns and reservations.

Mr. Gummer: The hon. Member for Walsall, North (David Winnick) contrasted what he thinks might happen if there were a Conservative Government with what is happening while there is a Labour Government. I think that he is wrong about that, and that no Conservative Member would have presented such a proposal to the House. Indeed, I find it a huge surprise that any Member would do so, but as it has happened we have to fight it very hard. The Minister should note the fact that no Member of any description has supported it or thinks it tolerable. The reason for that is rather serious: it is that none can believe that a Government would present such a proposal. I remember when we debated the inclusion of the European convention on human rights in British law. I was doubtful about the value of doing so, because I felt that the convention defends people against things that would not be done in Britain in any case. Now, the Government are proving that we need it.

Several aspects of the proposal are seriously and fundamentally wrong. First, it treats people who happen to be foreign differently from those who happen not to be foreign. That goes against the first principle of English law; and it goes back, as my hon. and learned Friend the Member for Harborough (Mr. Garnier) said, not to some enlightened judge of the 20th century, or even an enlightened judge of the 19th century, but to some pretty unenlightened judges of the 18th century, who made it clear that it was in the nature of British law not to treat people under its jurisdiction differently because they happened not to have been born here or not to have British citizenship. This measure represents a serious departure from what has been a very important example to other people.

Secondly, it sets up a system in which, to all intents and purposes, there is no proper appeal to a court. I accept the points that have been made about speed and support the amendments tabled by Conservative Members, but remind the Minister that there is a great deal of difference between speed and making bad law. In doing something more quickly, one must not deny people their fundamental rights.

Thirdly, it sets a bad example. The hon. Member for Walsall, North suggested that if the Conservatives were presenting this case and the Government were in opposition, they would be fighting it tooth and nail. I just wonder what we would think if one of the friendly nations across the channel introduced this change in the law. We would say, "Gosh, that just shows how good British law is: we would never do something like that." If it took place in some African state, we would say, in rather superior mode, "I wish they'd follow the British system." We would be unable to justify it happening anywhere else, yet in a few moments the Minister will get up to justify it here in Britain—the nation that has always stood for fair do's for people even when it is inconvenient.

I am worried that the Minister has, yet again, made me vote on the left on a legal matter. That embarrasses not only me, but my constituents, who cannot

[Mr. Gummer]

understand why every time there is a change to the legal system—whether it is the Criminal Justice Act 2003 or the Nationality, Immigration and Asylum Act 2002—they find their Conservative Member of Parliament having to vote on the left of the Government.

Mr. Grieve: My right hon. Friend should not be worried: he is not voting on the left. The point has been well made that many Members on both sides of the House can unite around this issue and express their anxiety. I suggest that the anxiety felt by my right hon. Friend, which he shares with me, fits fundamentally with Conservative ethics—it is a concern about the rule of law. That is a very traditional approach. He should reassure his constituents that he wants to stand up for the rule of law, as a good Conservative should.

Mr. Gummer: I am perfectly prepared to say that—indeed, I have been doing so—but it does not get around my problem. The only people who would stand up in this House to support the Minister are those on the far right, none of whom should be elected to it. They are people like the man who, only a short time ago, stood as the British National party candidate in my constituency, so disgracing the electorate. I feel very strongly about this because I dislike and despise that party's policies, some of which are based on the idea that foreign people do not have the same rights as our own citizens and that a distinction should be drawn between our citizens and other people because they do not count as much. The Minister will have to do a lot of talking to prove to this House that his proposal does not mean that, although I believe that to be beyond even his style of oratory.

Fourthly, I am a believer in infallibility, but only that of the Pope: I do not believe in the infallibility of tribunals, bureaucrats or much of the asylum and immigration service. It is manifestly unacceptable to install in our law a system that depends for its acceptability on the infallibility of people who have shown themselves to be utterly fallible throughout last year, the year before and every year that I can remember.

Fifthly, there is the issue of delays, which has been discussed by several of my hon. Friends and other Members. The constituency of Suffolk, Coastal is not subject to the degree of pressure from asylum seekers that is experienced in the constituencies of many Members who have spoken. However, I have been involved in quite a few cases in my surgery, and in not a single one could I suggest that the Home Office has acted with dispatch. In all my many years as a Member of Parliament, I cannot remember the Home Office, under any Government, being described as speedy. Spot the deliberate mistake: "I am so pleased", says a constituent, "to have had a rapid answer from the Home Office." Who has ever heard anyone say that? How many Members of Parliament could say that they have never been involved in cases where the speed has been so lacking that the constituent's documents have been lost? How many could say that they have not had a case where the constituent's documents have been lost twice? I was involved in one where the documents were lost three times—no more than that, as yet, but perhaps if I stay in this House for another 20 years it will happen. The truth of the matter is that the Home Office has an appalling reputation in terms of the speed with which it deals with cases and its ability to lose the relevant documents.

I therefore agree, unusually, with a Labour Member who said that it would have been sensible for the Government to present a package of measures to show that they would tidy matters up, put their house in order and make the Home Office so fast in its dealings that it would be reasonable for it to request rapidity from others.

8 pm

My last point is perhaps the most important. People who are in a privileged position should be especially careful about those who are not. Every hon. Member is in a privileged position because we know that the law will treat us fairly. Everybody who is born British should remember that it remains a considerable privilege because we live in a nation where we do not go about in fear, and when something goes wrong, we have a right and an opportunity to rectify matters. In that, we are not in the majority in the world. People like us, with privileges, should be especially careful about taking away those of the unprivileged.

At the beginning of fair trade fortnight, many of us are concerned that rich countries take from, rather than give to, the poor. Many of us believe that huge changes should be made to the way in which the world works. We are especially worried that the poorest countries are providing capital to the rich rather than the other way around. We may take time to do something about that, but to take today the step of removing from people the few rights that they have and the small access to freedom that we give them is deeply offensive.

I hope that all hon. Members who are in this country because, in the recent past, this country welcomed them or their ancestors, will think carefully before they vote for such a fundamental change. The privileged should certainly remember their position; those whose privilege depends on some past generous decision should be even more worried about the measure.

It is unacceptable that the House of Commons should rely on the House of Lords to put right something that should never have been introduced. We are the elected House; we should stand up for the freedom of individuals. We should be ashamed that such a provision was brought before us and ensure that it is thrown out.

The Under-Secretary should ask himself how he can come to the House to defend such a measure. Why is it him? Where is the Home Secretary when we are making a fundamental change to the law as it has existed in England for hundreds of years? He leaves a poor junior Minister to defend an impossible case, which would not have been presented were not the Home Secretary the man he is. Such a provision would not have been introduced without his personal decision. Yet whom does he leave here? A Parliamentary Under-Secretary. He is not willing to come to the House to explain why 300 years of law should be overturned. It is a disgrace and I hope that the House of Commons throws out what should never have been presented to it.

Jeremy Corbyn: It is a pleasure to follow the right hon. Member for Suffolk, Coastal (Mr. Gummer)

because he is correct that we are privileged and enjoy rights, and that that does not give us the right to take them away from anybody else. If we pass clause 11, we will remove the right of appeal from some of the most vulnerable people in the world. Some of them have arrived in this country believing that they were coming to a place of safety. As my hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews) said earlier, if we remove those rights from non-British nationals because that is easy, it is not difficult to extend the principle.

Last week, we passed the anti-terrorist measure that allows the Home Secretary to detain foreign nationals indefinitely because they are foreign nationals and he believes them to have some terrorist connection. I believe that everyone, irrespective of nationality, has exactly the same right to access to justice. We should stand up for that important principle. If we vote for clause 11 tonight, we shall allow a parallel system of justice to be established and remove a right of appeal, and it will be a very bad day. I hope that the House of Lords will reverse such a decision, but it is sad that we have to rely on an unelected Chamber to overturn a decision that we should not accept.

David Winnick: My hon. Friend knows that I largely agree with him but I want to put the matter in perspective and I do not apologise for speaking about the Conservative party's position. Is it not a fact that the Conservative scheme would not allow asylum seekers into the country, but put them on an island, from where they would have no right of appeal?

Jeremy Corbyn: I support people's rights to seek asylum according to the terms of the 1951 Geneva convention. The basic right that it sets out for people to seek asylum because they are in fear of persecution for religious, social or political reasons should not be tampered with. It is important to stick exactly to that principle.

Mr. Grieve: Whatever the merits or demerits of the proposal to process asylum seekers offshore, I simply point out that, in such processing, all the protections of the law, including existing powers of appeal, would be there for those seeking asylum.

Jeremy Corbyn: If I may, I should like to revert to clause 11, which we are debating.

All those who seek asylum have a right to have their case properly considered and tackled, and a right of appeal against any decision. Those rights include that to proper representation, and that is why I intervened on my hon. Friend the Member for Walsall, North (David Winnick). As a Member of Parliament who represents an inner-urban constituency, where many people seek asylum, have sought it and will doubtless seek it in future, from all sorts of tyrannical regimes all around the world, I find it desperately sad that they are so badly advised and represented at the beginning of the process that the case is almost lost before it has begun. It is the Home Office's responsibility to ensure the availability of adequate legal advice and good quality representation. However, legal aid companies that have done good work on representation are closing by the day; good quality lawyers are giving up on asylum work because they can no longer afford to do it, and some of the most desperate and vulnerable people are left unrepresented.

Ms Abbott: My hon. Friend referred to our unfortunate reliance on the House of Lords to throw out the clause. Is not one of the most unfortunate aspects that, if the House of Lords were reformed so that it was wholly appointed, it would be even less likely that the second Chamber would make good such provisions?

Jeremy Corbyn: As a democrat, I favour neither a hereditary nor an appointed but an elected Chamber. All Chambers should be elected and thus mandated. However, unfortunately, I shall not make the final decision.

Let us revert to clause 11. In a couple of weeks, the United Nations Commission on Human Rights will start its annual session, which will run for four or five weeks, in Geneva. Doubtless, it will rightly pass many condemnatory motions about human rights abuses throughout the world. How embarrassing it would be if the commission passed a motion that condemned Britain for its failure to provide a proper appeals system for asylum seekers and for its deporting them to places of danger. We should consider that.

Many hon. Members will have received an excellent document from Amnesty International that outlines the way in which Home Office decision making fails refugees. It tackles the concept of safe countries and the strange advice on which the Home Office appears to rely when deciding what is safe and what is not.

Three weeks ago, I was invited to chair a meeting in the House of Commons of the Congolese community in this country to discuss the situation facing their country, their safety and their concerns. Some 3 million people have died in the current war in that country—a death rate of first world war standards recorded in the 21st century. Fundamentally, it is a war about resources, with lots and lots of complications around it. I asked those at that meeting, which was sober and well informed—some of the people who attended had lived in this country for a long time and had sought asylum 20 or 30 years ago, and some were more recent arrivals—what message they would like me to convey to the Government. Their message was that they wanted peace in their country, and a Government in their country who were representative, accountable and democratic, but above all, they did not want any of their compatriots who had sought asylum in this country to be deported back to the Congo, to a place of a danger.

The Home Office decides the suitability or otherwise of various countries to receive failed asylum applicants on the basis of a sort of tick box process, saying, "Does it have an independent Government? Does it have an independent judiciary?" In many cases, the answer is yes, yes, yes, so it is safe to deport people. Every Member of the House who has dealt with deported asylum seekers who have been returned to various countries in west Africa and other places will know perfectly well that they are not safe when they return—that they can be pursued, arrested, tortured and beaten, and they can disappear. We have deported asylum seekers to those places of danger, and I have had a considerable number of such cases.

[Jeremy Corbyn]

As for some of the letters sent out by the Home Office, or the statements made to appeal committees against an asylum refusal in this country, I will quote one that was reported in the Amnesty International document concerning Colombia. It states:

"The Secretary of State considers that the authorities of Colombia are capable of offering you effective protection. With regard to the offences committed against you, and the failure of the police to capture the perpetrators, the Secretary of State does not consider that the inability of the police to identify and apprehend such people can be construed as complicity in, or support for, such behaviour."

I was in Colombia two weeks ago, and I met trade unionists who had seen fellow trade unionists murdered—the largest number in any country in the world in the past year—lawlessness and the ineffectiveness of the civil authorities when dealing with those cases. We have to be serious about this matter. In denying people the right to appeal, we are ipso facto sending those people back to grave danger and in some cases possible death.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Is my hon. Friend concerned that the issue that we are now debating is fuelled by a hardening of public attitudes towards people whom they see as strangers? Is he concerned that in pursuing that course the interests of justice might well be lost?

Jeremy Corbyn: My hon. Friend makes a fair point. It seems to me that much of the policy surrounding asylum seekers is fuelled by the headlines in the *Daily Mail* and the *Daily Express*, and the comments of some Members of the House at various times. It is the duty of Members of Parliament to stand up for rights, justice and vulnerable minorities. If we must pay a political price for it, so be it, but we must stand up to maintain those principles and that strength.

In conclusion, the appeals system, far from being abused, is difficult to activate at present. One must get leave to appeal. According to the Home Office figures for last year, 4 per cent. of such appeals were successful. If this measure is passed, those appeals would be denied, which means that 2,900 people would be deported from this country who might have won an appeal. In the previous year, a much larger number won those appeals. It is up to the Government to explain exactly what they mean by this measure.

We passed the Human Rights Act 1998. We have signed up to all the UN conventions, and we signed up to the 1951 convention. We pride ourselves on being a place of safety and liberty, and yet we deny it to people. Daily, I meet asylum seekers living on nothing, scrounging to try to survive in our society, wanting to work, wanting to contribute, but who are in danger of being deported back to the horror from which they thought that they had escaped by coming to this country as a place of safety. They are an easy target for the racists, the British National party and the tabloid press. We should be able to do and say something better in the House to protect that right of appeal and that fundamental right of asylum. Surely, as elected representatives, we should carry out that duty tonight.

8.15 pm

Mr. Beith: The amendments under discussion bear on issues that were raised by the Constitutional Affairs Committee in our report published last week. We began studying the immigration and asylum appeals process last year—proposals that had not yet come into effect from the Nationality, Immigration and Asylum Act 2002. We rushed to produce further reports on the Government's restrictions on legal aid in asylum and immigration matters, and we rushed the report out to make sure that the House had the opportunity of seeing our recommendations on this Bill, to which a number of hon. Members have referred. That Act, which was the Government's declared means of speeding up the process of appeals, has had no time to be assessed. If a process is introduced with that as the avowed purpose, at least we should allow more than a few months to establish whether it achieves that purpose. It is impossible to assess within a few months whether it has done so. The Government have simply not taken the opportunity to evaluate their chosen method of speeding up the process.

In the course of that, we discovered that the initial decision-making process is so often faulty that to remove part of the appeals process, and certainly to remove the jurisdiction of higher courts, will be doubly dangerous, because there are obviously so many failings in the initial decision-making process. We went to India and Istanbul to look at the problems confronted there, we looked at many aspects in this country, and we received a wide range of evidence from both sides of the table—from Government, applicants and those who represent them, and from the judiciary, which was a source of real concern. One of the points that the Committee would want me to emphasise is that the measures under discussion tonight are not just about asylum but about immigration applicants of all kinds, including people seeking family reunions and people seeking family visits for weddings and funerals. Members will know of the extent to which they have had to become involved in trying to get people's cases dealt with in time for them to attend a funeral or wedding.

Mr. Bacon: The right hon. Gentleman said that it was not just about asylum but about visits and so on. Does he agree that it is not just about asylum, immigration or visits, but to quote the Matrix chambers brief, about whether there should be

"a precedent for exempting the executive and administrative tribunals from seeking to understand, apply or be governed by the law"?

That could apply to any tribunal.

Mr. Beith: That is true, and it is a point that has been well made in all parts of the House. I must emphasise, however, the range of categories of people who are outside this country but who are subject to the same process because they are seeking admission to this country to visit members of their family, or to join members of their family, in a process of inward immigration, which must be regulated but in which they are entitled to a fair hearing and a proper appeal system.

Then we encountered the wide range of Home Office delays in processing appeals. It struck us that it should not be the Home Office that processes the appeal. It should not be the Home Office that receives the appeal and effectively decides when the tribunal can deal with it

by sitting on those papers for quite some time. In any other judicial process, it is surely not one of the parties to the argument that effectively makes the decision about when the tribunal can begin to consider the hearing of the matter. Appeals should go to the immigration appeal authority in the first instance and not to the Home Office.

Then we were concerned about the non-appearance of presenting officers. It seemed to us extraordinary that in so many cases—30 or 40 per cent.—the Home Office should not be there to present the reasons why it objects to the appeal being granted. That places an unreasonable burden on the adjudicating body and underlines again the need to be able to refer the matter to a higher level, if that has happened. Indeed, it led us to ask the Government to consider whether the judicial person in that situation should do something that was not normal in English law—to adopt a more inquisitorial approach simply to ensure that all the facts are brought out, which cannot be the case when the adversarial system is not operating because one side is not present.

Then we had doubts and anxieties about the fairness of out-of-country appeals—non-suspensive appeals—and about the disparity between the success rate in paper appeals and in appeals taken orally, in which either the applicant or the family of the applicant were represented.

There is a clear disparity. It suggests that if people do not know that it is possible to undertake an oral appeal, or if there is no one who can attend an appeal on their behalf, they will benefit from a less good decision. That is another reason to allow the matter to go further.

When we asked the Minister in the Constitutional Affairs Committee about the ousting of the jurisdiction of the House of Lords, even in cases in which the tribunal president might want the Lords to consider a wider legal matter, he said that the Government were minded to allow the Lords at least a limited ability to define matters of law in an area in which their role had been so important in the past. So far, however, no amendment has been tabled to allow that.

Let me select the two general conclusions made in the Committee which I consider most relevant to our discussion. In paragraph 70, we say:

"An ouster clause as extensive as the one suggested in the Bill is without precedent. As a matter of constitutional principle some form of higher judicial oversight of lower Tribunals and executive decisions should be retained. This is particularly true when life and liberty may be at stake."

In paragraph 71, we say that the system of statutory review established by the 2002 Act, which was invented to shorten the previous system of review, had not had long enough in which to operate, and that no change should be made

"until there has been more experience of its impact."

Yet here we are, in the closing stages of consideration of the Bill, seeing the jurisdiction of the superior court ousted without any of the points I have mentioned being satisfactorily addressed. That certainly convinces me that I should vote for amendments that either remove clause 11 or substantially alter its impact.

Vera Baird: The House is full of grandiloquence tonight, but I have only five minutes; and although the issues are large, it seems to be that the changes required are relatively small. What is required is an independent appeals system. That would restore the constitutional propriety; it would restore the rule of law; it would give coherence to the proposal, and make it compatible with the convention. At present there is no independent appeals process, and that is the trouble.

There is nothing magical about judicial review. My hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews) spoke of 260 decisions that had been judicially reviewed as if they had been successful appeals. What happens is that a decision is examined, and found to have been made in a reasonable or unlawful way. The case is then sent back to the adjudicator, who may make the same decision or may make a different one; but he will have to do it correctly the second time. I make no comment on how many of the 260 were true appeals and how many were not, and I entirely agree that one person wrongly sent back to torture because of the lack of a proper appeal is too many; but I think that that makes the clear point that judicial review is not necessarily the appeal process of choice for decisions that need to be not only right and accurate, but speedy.

Judicial review is not such a marvel. It was ousted by an Act of Parliament very recently, and replaced by a statutory review, or independent appeals system—perfectly unexceptionably, it seems. Moreover, although many speakers have decried the ousting of judicial review in criminal cases, there has been no entitlement to it—except in relation to very peripheral matters—since the century before last. It is not a key part of our constitution.

It is imperative, however, that the clause refer to an independent appellate process. I said the same on Second Reading, and my right hon. Friend the Minister for Citizenship and Immigration said that the Government felt that the clause did refer to such a process. That is a review, on paper, by a colleague of the adjudicator, of the same seniority, who has been to the same classes and read the same books, and been taught by the same lecturers. The appeal principle is that there should be a proper review by a senior judge, better qualified and more experienced, who can truly review.

As the clause stands, we are talking about passing the appeal to the chap on the next desk—a member of the same team. That is a curious notion of independence. What is required is the input of some senior judges. My suggestion is a small one: scrap peer review as a means of appeal, and bring into the single-tier new court a separate level of appellate judges, not at adjudicator level—which is district judge level, and quite low—but at the very least from the circuit bench, and probably from the High Court. They will be separately appointed, and they will not overlap. That is completely consistent with the usual manner of appeal in most courts in the land. In the unified criminal court that has just come into play, appeal is made from the magistrates court to the Crown court. They are quite separate, and the second is more senior than the first. From the county courts appeal is made to the Court of Appeal, and the second is senior to and independent of the first.

I thought that I heard the Minister talking on the radio this morning about the possibility of some such change. It is imperative, and it will be hugely difficult for me to support the clause if it is not made. The

[Vera Baird]

Government are not just ousting judicial review; they are ousting all appeals and all application of the rule of law. I also think that that appeal level should be able to deal with oral hearings if it wishes. That too would be only a minor change, but it would mean no more delay in any applications; it would involve no more people—just different people. Indeed, it would involve no difficulty at all, yet it would rectify all that is currently wrong.

I echo what was said by my hon. Friend the Member for Cannock Chase (Tony Wright). If these changes, or something like them, are to be introduced elsewhere, please let us not be driven through the Whips system to erode constitutional principles that we all hold dear when the Government intend to reverse them later.

I want to add a footnote, but an important one. I feel that in the interests of consistency and the continuing development of this branch of the law, what is currently a right for the tribunal president to refer a case to the Court of Appeal ought to become a right of appeal as well. In Committee, the Minister said that the president would almost certainly regard himself as bound by what the Court of Appeal came back to say. There is nothing now to stop the parties from writing to him and asking him to refer it to the Court of Appeal. We are only a small step away from allowing the parties to make a application for leave to appeal, with the president as the filter. After that, preferably, there should be a back-up procedure, with the Court of Appeal being allowed to second-guess him on a reviewed application.

As I said, there has been much grandiloquence. It suggests that the distance between clause 11 and the sound constitutional principles of which we are all fond is desert-wide and chasm-deep. In fact, only a short step is needed to upgrade the review judges to a better calibre, and to firm up into a proper structure the current ghost of an appeal to the Court of Appeal.

Annabelle Ewing: I shall speak briefly, as I know that the hon. Member for Walthamstow (Mr. Gerrard) is anxious to speak, and he was an active member of the Standing Committee.

I add my voice to the condemnation of clause 11 that we have heard from every speaker. I shall not go through all my reasons, but the key reason is of course the fact that the clause will oust the jurisdiction of the courts. It is not acceptable to remove a whole swathe of administrative decisions from legal scrutiny. That would confer virtual legal immunity on those charged with the operation of our asylum and immigration system.

The proposal is therefore unconstitutional, sets a dangerous precedent and, as hon. Members have pointed out tonight, effectively creates a second-class citizen in the UK. That is wholly unacceptable and is not the tradition of legal principles in my country of Scotland. It was patently clear in Committee that the Government are adopting such a draconian position simply for administrative convenience. However, administrative convenience cannot cure the fundamental defects of the Government's approach.

8.30 pm

The Under-Secretary has heard every speech tonight, and every speech has been critical. I hope that he has been listening; he has said nothing yet. I look forward to hearing what he has to say, but he must accept that when every hon. Member makes such negative comments in a debate about his clause, surely the Government must think again.

Mr. Gerrard: I shall be brief, as we need to give the Under-Secretary time to reply. It has been mentioned several times already that no one has spoken in support of clause 11, so let me reassure the Under-Secretary from the outset that that is not going to change. I am sure that he would not have expected me to say anything different.

This is the most serious issue in the Bill by far because this part of the Bill will have the greatest impact on the greatest number of people. It is unprecedented for judicial oversight to be removed completely from any tribunal. No other tribunal in the whole of our legal system is not subject to judicial oversight.

My hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews) mentioned earlier in a brief and powerful speech that we could expect this to happen only to people who were not British. In fact, it will happen to relatives of people who are British. As hon. Members have pointed out, the provisions will apply not just to asylum claims, but to immigration cases. Our constituents will tell us about their relatives, who will be affected by the clause.

The Government's arguments have been twofold: delays and numbers. I have yet to hear on Second Reading, in Committee or now on Report any argument of principle from the Government. The delay argument does not stand up, as has been pointed out many times in this evening's debate; nor do the numbers. The Government have not really played a numbers game—my hon. and learned Friend the Member for Medway was not quite right on that—as much as a percentage game. They have said that only 3, 4 or 5 per cent. of appeals end up being won at the end of the process. However, if that small percentage is turned into real numbers, it is clear that we are dealing with 2,000 to 2,500 people every year, and the decisions taken could well affect their very existence. I do not believe that we should be taking any chances whatever in respect of getting it right on that sort of issue. A clear issue of principle is at stake here—ensuring that justice is done and taking cognisance of the consequences of a wrong decision.

Finally, I shall say a few words about Government amendments Nos. 79 and 80. In some cases, a right of appeal to a tribunal would not exist in any case, but the amendments will take away judicial oversight from people who might be removed from the country and unable to challenge the decision. There could be grounds for a challenge—that the wrong person is being removed, for example, or that someone is being removed to the wrong place. We all know of examples where that has happened.

It is a thoroughly bad clause. I would have liked to press my amendment No. 32, but in the absence of that, I shall certainly vote in favour of amendment No. 30.

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. David Lammy): What the Government propose has to be fair, principled and effective. Those have to be the watchwords of the Government's reforms, and clause 11 is central to our objective of delivering a streamlined appeals system. Appellants can be sure of independent and high-quality decision making and the system will deliver justice—but also finality.

We have heard the concerns of hon. Members on both sides of the House, which have been expressed on Second Reading, in Committee, in the Constitutional Affairs Committee and again on Report tonight. We have listened to them, and the Government amendments, to which I shall return in due course, are directly intended to deal with them.

In responding to amendments Nos. 30 to 32, it is also appropriate to cover amendments Nos. 92 to 96. Those amendments would effectively prevent the introduction of the single appeal tier, so I am afraid that I cannot accept them. They would allow the continuation of a multiple-tier appeals system and would retain existing routes to the higher courts or would introduce variations of the new review and appeal arrangements. In a sense, that is exactly what we are trying to avoid. It is vital to have early finality.

Ms Abbott: My hon. Friend said that he had listened to the objections to clause 11. In that case, he will know that one principled objection is to the removal of a whole tier of appeal rights. Apart from administrative convenience, does he have any other reason for removing that whole tier?

Mr. Lammy: May I tell my hon. Friend—she is my hon. Friend—that I am coming to that? It is not about taking away an additional tier, because we want to be satisfied that there is quality in the single tier. In fact, we meet and go beyond our human rights obligations under article 13.

As I was saying, it is vital to have early finality, which will benefit—this is an important point—the genuine applicant, who will receive a prompt decision on the application and will be able to start life in the UK. At the same time, it will also deter those applicants who hope to play the system to their advantage to frustrate removal. There must be a fair balance, and it is right to secure that for members of the public.

Mr. Grieve: Does not the Minister agree that the tight wording of amendment No. 93 would, in fact, provide a streamlined system while still preserving independent judicial supervision of it? If the Minister goes down the road that he proposes, far from delivering finality, there will be endless arguments in the courts—the Minister's drafting will not be able to prevent it—in which one challenge after another will be mounted to the entire legislation. How will that help good government?

Mr. Lammy: I have to tell the hon. Gentleman that he is wrong about that amendment. It would mean having multiple layers of appeal and remittals back down to the single tier. That would bring about a long and protracted process, which is exactly what we are trying to reform.

Mr. Malins: If the Minister is against having a long protracted process, will he accept our new clause 8, which introduces an element of speed into the process, particularly in the early stages? If he will not, why not?

Mr. Lammy: I shall come on to new clause 8, which is designed to specify a period of six weeks directly in the Bill. That would be unhelpful.

Let us examine what a person challenging an immigration decision can reasonably expect in this country. A person clearly has a right to expect an appeal to be heard fairly in a court, where the facts of the case can be put forward. If the case has merit, and the people do not have sufficient funds to meet the cost themselves, they can expect to be legally represented. Under our system, they will be able to do so.

They can expect the decision to be taken by a member of the judiciary who is completely independent of the original decision maker, and who is an expert in immigration law.

That is what appellants will be able to do under our system. Our measures fully deliver all that a person challenging an immigration decision could reasonably expect. We have designed a new system to ensure that there is improved quality, end to end, which builds on existing best practice and expertise in the current system.

Mr. Grieve: Will the Minister at least acknowledge that the system that he is putting in place is entirely different from that which a person would reasonably expect if they were going through a court procedure? If a market trader is denied his market stall, he can go to the magistrates court. If he does not like the decision of the magistrates court, he can go to the Crown court, and then have his case judicially reviewed. However, the Minister is proposing an entirely different system, which will deny all access to the higher courts. How can he say that that is compatible with our legal system?

Mr. Lammy: The hon. Gentleman has referred to principles, so let us return to fundamental principles, and look at the European convention on human rights. I have that document here. Article 13 of the ECHR says that the applicant should be able, in seeking an effective remedy, to have independent scrutiny of the original decision. What in the system that we propose will not give the applicant independent scrutiny? In fact, our system contains not only the single tier of appeal but the review tier, so we meet and go beyond our obligations, and the applicant will have the fair hearing that the hon. Gentleman wants him to have.

Mr. Grieve: I have always understood that the Human Rights Act 1998 lays down certain minimum standards. There are countries within the scope of adherence to the ECHR about whose human rights record there are grave doubts. Why should we in this country abandon a superior system and reduce ourselves to the level of the lowest common denominator? Is not that one of the mischiefs that the 1998 Act has brought in, because the Government use it frequently and consistently to diminish rights?

Mr. Lammy: We are not only meeting the obligations of the ECHR but going beyond them. The hon.

[Mr. Lammy]

Gentleman asks why we are introducing this system, and I shall tell him. This is what I tell my constituents and what I believe all hon. Members should be saying to theirs. It is because between October 2002 and September 2003, the adjudicator appeal stage received 70,198 appeals, of which just under 59,000 were dismissed. It is because the Immigration Appeal Tribunal received just over 33,000 appeals, of which just under 2,000 were allowed. It is because of that—because people are playing the system—that the Government must act to deal with what is in effect an abuse of process in a system that does not give people finality. We must have finality, which will benefit the genuine asylum seeker. It will also benefit social cohesion up and down the country and meet our obligation to ensure that we have a fair system for asylum seekers and for taxpayers.

However, an appellant cannot and should not expect there to be an appeal process with multiple stages, through which they can avoid removal. Those who have no legitimate right to remain in the country simply cannot go on responding to every negative decision by mounting a further challenge. We cannot have an endless process of challenge after challenge.

Mr. Gummer: Can the Minister explain to me why a market trader who happens to be British can make a proper appeal, whereas someone who is fighting for his life and who happens to be foreign is going to have less chance of a proper appeal? Is that not to have two categories of law? Why is the Minister daring to introduce that into this country?

8.45 pm

Mr. Lammy: I am doing that because—I shall put it very simply to the right hon. Gentleman—the market trader has no incentive to delay the system. In every other field of law, the applicant or claimant wants speed. He wants the judgment quickly. In this field there are in practice—I have given the statistics—far too many applicants, sometimes, as my hon. Friend the Member for Islington, North (Jeremy Corbyn) suggested, aided by unscrupulous solicitors who seek to exploit the system. We have to deal with that. In a sense, it is not justice. It is certainly not justice for the British taxpayer who has to foot the Bill.

Jeremy Corbyn: The Minister may have misunderstood my point. My concern is the very poor quality of representation that many applicants have because of the inefficiencies of the legal aid system. They thus lose their right to the limited justice that they get under the present system, never mind under a future one.

Mr. Lammy: I totally agree with my hon. Friend. That is why we have introduced the Office of the Immigration Services Commissioner, and taken all the action that we have on accreditation, to ensure that not only solicitors, but advisers, are up to speed and doing their best by those who would claim asylum.

Vera Baird: Can the Minister tell me of any other area of our justice system in which a person is allowed only one judicial hearing, and no appeal? If he is going to permit, in excess of what is required of him, a review of that single decision, why not make that an independent one, and satisfy everyone?

Mr. Lammy: My hon. and learned Friend will know that judges in our system are not just independent of the Executive; they are independent of themselves, that is, they are independent of each other. Under this provision, the applicant, legally aided, who challenges the decision of the state and the IND—the immigration and nationality directorate—has an appeal to the new asylum and immigration tribunal. Then, if a clear error of law means that the decision would be substantially altered, he has a review mechanism. All the judges in the AIT are independent of each other. That is fundamental to our decision, and it is that rule that allowed the House of Lords to review its own decision in the Pinochet case. In a sense, that is what I seek to rely on in this matter. I have no doubt that the majority of the public agree with the balanced approach that we are taking.

It might be helpful if I explain a little more about how the system will work. As in the current system, a person with a statutory right to appeal against an immigration decision will be able to exercise that right of appeal to an independent judicial body. When lodging the appeal, the appellant will be expected to bring forward all the grounds of that appeal and any statement of additional grounds.

Mr. Garnier: The Minister has mentioned speed and efficiency on a number of occasions. Why, when he brandishes the European convention on human rights in his right hand, does he disapply it with his left hand through the Bill? Will he explain his horror of the Human Rights Act 1998—which his Government introduced—in so far as it reflects on this Bill?

Mr. Lammy: This has already been explained to the hon. and learned Gentleman, who has much legal experience. I would have hoped that he would understand it. We have obligations under article 13, and we are meeting them with independent scrutiny. Should an applicant choose to raise human rights points, he will be able to do so on appeal and through the review mechanism.

Ms Abbott: My hon. Friend said earlier that asylum seekers—and economic migrants generally, I suppose—had a vested interest in delay. On the contrary: to my mind, one of the worst aspects of being an asylum seeker or any type of economic migrant is the administrative limbo in which they can spend years and years. Why will my hon. Friend not listen to colleagues on the Constitutional Affairs Committee and do something about the quality of the decisions at the first tier, before he moves on to this drastic measure of curtailing appeal rights?

Mr. Lammy: I know that my hon. Friend cares passionately about these issues and has campaigned on them for many years, but we are doing something about the initial decisions made by the immigration and nationality directorate. We have external scrutiny of those decisions through sampling by Treasury solicitors, and we are seeking to do more with the United Nations High Commissioner for Refugees. Yes, we want to do

more in terms of those initial decisions. There are ways in which we can make them better, which is why we set up the country information panels. These are panels of experts who help our caseworkers and senior caseworkers to make their determinations. There has been improvement in the initial decisions over the last three or four years, since hon. Members began to raise these issues.

The majority of appeals will be listed for hearing before a single immigration judge. These judges, although independent and sitting alone, will have access to much better support and guidance than they do now. There will be a new collegiate structure for the judiciary in the tribunal. If a difficult point arises, the immigration judge will have the opportunity to discuss it with his or her experienced judicial colleague.

Several hon. Members *rose—*

Mr. Lammy: I would just like to make this point. It is important, and several hon. Members have raised it.

I want to assure those hon. Members who have raised this issue that there is absolutely no threat to judicial independence. We value the independence of the judiciary very highly. Adjudicators already work within judicial management structures. I want to reassure the House that I absolutely guarantee that at no time will determinations ever be altered by a more senior judge.

Keith Vaz: I do not blame the Minister personally, or his Department, for this mess. I blame the Minister for Citizenship and Immigration and her Department. If the Under-Secretary of State for Constitutional Affairs, my hon. Friend the Member for Tottenham (Mr. Lammy) had come to the Dispatch Box with a package of measures to improve the operation of the Home Office—I know that the Home Secretary also feels that the culture of the Home Office needs to be changed in relation to decision making—we could understand that. He has, however, come to the Dispatch Box after the passage of this Bill through Committee with no new measures to make such improvements. That is the real problem.

Mr. Lammy: I sit with the Minister for Citizenship and Immigration on the joint supervisory board for asylum and immigration. The Home Office and the Department for Constitutional Affairs have considered these matters across the board and we are doing a great deal to improve quality at the initial decision stage and at the first tier, to ensure that those who arrive here get a fair hearing.

I would say to my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott) that I did not say that asylum seekers sought to play the system. What I said was that we need to make the system fair for genuine asylum seekers. I believe that a speeded-up process without multiple layers will achieve that. We also need to acknowledge that we cannot sustain a system in which just over 33,000 people sought leave to appeal at the second stage, and in which only 2,000 of those appeals were allowed.

Mr. Gerrard: Is not the immigration appellate tribunal already pretty good at filtering out the cases that stand no real chance? Of the cases that are considered, a significant number succeed. The tribunal already filters out those without merit quite efficiently.

Mr. Lammy: My hon. Friend must remember that within the single tier we have the mechanism of a review, headed by a High Court judge. The average legal experience of a judge in the tribunal, prior to becoming an old-style adjudicator, is 22 and a half years. The average experience of those who have become adjudicators—we have expanded the number—is just under five years more. We are talking about people making important determinations for asylum seekers in this country who have just shy of 30 years' legal experience. This is not some second-rate, old-style system. It is an important system that will consider important matters.

Mr. Bacon: Will the Under-Secretary give way?

Mr. Lammy: I am going to make some progress. I have five minutes remaining and the hon. Member for Somerton and Frome (Mr. Heath) wants to speak as well.

From the outset, some appeals will be listed for hearing before a panel of immigration judges. These will be listed if it is thought that that the appeal may give rise to a complex or novel issue where authoritative case law is required. It may be possible that complexity will emerge during or after a hearing by a single judge; if so, the case will be re-listed to be heard by a panel. The appeal determinations made by the tribunal should be final, and the decisions fully comply with our obligations under article 13. We are not stopping there, which is why we have the review mechanism within the tribunal.

Rob Marris (Wolverhampton, South-West) (Lab): I have a lot of sympathy with what my hon. Friend is proposing, but the sticking point for me is the removal of the right to judicial review. He will know that in order to go for judicial review, the applicant needs to get leave for judicial review under RSC order 53; therefore, there is a filtering mechanism in the system already. I urge him to retain that filtering mechanism under RSC order 53 and to retain judicial review as a bulwark for the protection of the individual against the state.

Mr. Lammy: Under proposed new section 108B, where there is a clear error of law that would substantially alter the original decision, the person will be able to have that review, which will be conducted by a High Court judge. The mechanism exists within the single tier.

I should add that the new appeal structure will preserve a continuing role for the appellate courts. We propose in proposed new section 108B a new referral process to the Court of Appeal or the Court of Session. This enables the tribunal to benefit from the appellate court's expert opinion, but without reintroducing opportunities for deliberate delay.

I wish to refer to Government amendments Nos. 78 to 81 and to amendment No. 97, tabled by the right hon. Member for Haltemprice and Howden (David Davis). The Government amendments respond to concerns raised by the Joint Committee on Human Rights and

[Mr. Lammy]

other hon. Members. I am grateful to the right hon. Gentleman for amendment No. 97 and I hope that he finds that the Government amendments meet his concerns. The Government amendments clarify the scope of the ouster provision in proposed new section 108B. They make clear the Government's intention that legitimate challenges to IND decisions, particularly those decisions on arrest or detention, will not come within the scope of the ouster, which applies only to removal or deportation decisions.

Mr. Garnier: One of the many points that concern me about the Minister's remarks was his suggestion that judges should have discussions. Will those discussions be in open court? Will they be recorded, so that the applicant or the Home Office can hear the content of them? Will they be secret discussions, unavailable to public scrutiny?

Mr. Lammy: The hon. Gentleman makes his point badly.

In conclusion, our proposal is fair and just, it includes a review mechanism and it meets our obligations under European—*[Interruption.]*

Mr. Bacon: On a point of order, Mr. Deputy Speaker. It is right that the House should know whether the certificate from the Home Secretary that the original Bill is in accordance with the Human Rights Act 1998 stands, as it is not on this Bill—

Mr. Deputy Speaker (Sir Michael Lord): Order. I suspect that the hon. Gentleman's point is one for debate rather than a matter for the Chair.

Mr. Lammy: May I confirm that of course the certificate stands? We have that obligation to the House when we introduce a Bill, but not when the Bill is changed; it will be there again when we introduce—

It being Nine o'clock MR. DEPUTY SPEAKER *put forthwith the Question already proposed from the Chair, pursuant to Order [this day].*

The House divided: Ayes 97, Noes 303.

Division No. 63] **[9:00 pm**

AYES

Abbott, Ms Diane
Ailan, Richard
Austin, John
Baker, Norman
Barnes, Harry
Barrett, John
Beith, rh A. J.
Bennett, Andrew
Brake, Tom *(Carshalton)*
Breed, Colin
Buck, Ms Karen
Burden, Richard
Burnett, John
Burnside, David
Burstow, Paul
Cable, Dr. Vincent
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Caton, Martin
Chidgey, David
Cohen, Harry
Coleman, Iain
Corbyn, Jeremy
Cotter, Brian
Cryer, John *(Hornchurch)*
Davey, Edward *(Kingston)*
Dawson, Hilton
Doughty, Sue
Drew, David *(Stroud)*
Dunwoody, Mrs Gwyneth
Ellman, Mrs Louise
Etherington, Bill
Ewing, Annabelle
Fisher, Mark
Flynn, Paul *(Newport W)*
Foster, Don *(Bath)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gerrard, Neil
Gidley, Sandra
Green, Matthew *(Ludlow)*
Gummer, rh John
Hall, Patrick *(Bedford)*
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Heath, David
Hoey, Kate *(Vauxhall)*
Hogg, rh Douglas
Holmes, Paul
Hopkins, Kelvin
Hughes, Simon *(Southwark N)*
Jackson, Glenda *(Hampstead & Highgate)*
Jones, Lynne *(Selly Oak)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kirkwood, Sir Archy
Lamb, Norman
Laws, David *(Yeovil)*
Lewis, Terry *(Worsley)*
Llwyd, Elfyn
McDonnell, John
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Moore, Michael
Oaten, Mark *(Winchester)*
Öpik, Lembit
Price, Adam *(E Carmarthen & Dinefwr)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robinson, Mrs Iris *(Strangford)*
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Sedgemore, Brian
Sheerman, Barry
Shepherd, Richard
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Steinberg, Gerry
Stunell, Andrew
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tonge, Dr. Jenny
Tyler, Paul *(N Cornwall)*
Vaz, Keith *(Leicester E)*
Wareing, Robert N.
Webb, Steve *(Northavon)*
Weir, Michael
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Winnick, David
Wishart, Pete

Tellers for the Ayes:
Richard Younger-Ross and Mrs. Annette L. Brooke

NOES

Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Bailey, Adrian
Banks, Tony
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunkett, rh David
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Cabom, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet

Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hamilton, David *(Midlothian)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kelly, Ruth *(Bolton W)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Liddell, rh Mrs Helen
Linton, Martin
Love, Andrew
Lucas, Ian *(Wrexham)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Savidge, Malcolm
Shaw, Jonathan
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Walley, Ms Joan
Ward, Claire
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Wills, Michael
Winterton, Ms Rosie *(Doncaster C)*
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wyatt, Derek

Tellers for the Noes:
Mr. Fraser Kemp and Charlotte Atkins

Question accordingly negatived.

MR. DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

Clause 11

UNIFICATION OF APPEAL SYSTEM

Amendment proposed: No. 93, in page 11, line 25, at end insert—

'(5A) A party to the Tribunal's decision may apply within 7 days to the High Court or, in Scotland, to the Court of Session for review of the Tribunal's decision on the ground that the Tribunal made an error of law.

(5B) Where an application is made under this subsection—

(a) it shall be determined by a single judge by reference only to written submissions, unless the court on receiving such submissions is of the opinion that there are exceptional reasons for an oral hearing;

(b) the judge may affirm or reverse the Tribunal's decision, or remit for rehearing to the Tribunal;

(c) if, in any application to the High Court, the judge thinks that the application had no merit he shall issue a certificate under this paragraph.

(5C) Where the High Court or in Scotland the Court of Session affirms or reverses a review under this section a party to the review may bring an appeal as a point of law within 7 days—

(a) where the original decision was that of a judge of the Court of Session in Scotland to the Inner House of that Court; or

(b) in any other case, to the Court of Appeal.

(5D) An appeal under subsection (5C) may be brought only with the permission of—

(a) the court that made it, or

(b) the court referred to in subsection (5C)(a) or (b) if the High Court or Court of Session in Scotland refuses permission.

(5E) An application made under subsection (5D)(b) must be made within 7 days of the refusal of permission to appeal by the High Court or Court of Appeal.'—*[Mr. Grieve.]*

Question put, That the amendment be made:—

The House divided: Ayes 188, Noes 310.

Division No. 64] **[9:14 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Barrett, John
Beith, rh A. J.
Bellingham, Henry
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burnett, John
Burns, Simon
Burnside, David
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cotter, Brian
Davey, Edward *(Kingston)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dorrell, rh Stephen
Doughty, Sue
Duncan, Alan *(Rutland)*
Duncan, Peter *(Galloway)*
Duncan Smith, rh Iain
Evans, Nigel
Ewing, Annabelle
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Fisher, Mark
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mawhinney, rh Sir Brian
May, Mrs Theresa
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
Oaten, Mark *(Winchester)*
O'Brien, Stephen *(Eddisbury)*
Öpik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Randall, John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Mrs Iris *(Strangford)*
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Sayeed, Jonathan
Shepherd, Richard
Simmonds, Mark
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Teather, Sarah
Thurso, John
Tonge, Dr. Jenny
Tredinnick, David
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Weir, Michael
Whittingdale, John
Wiggin, Bill
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Hugh Robertson and Mr. Mark Francois

NOES

Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Austin, John
Bailey, Adrian
Banks, Tony
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunkett, rh David
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Caton, Martin

Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hamilton, David *(Midlothian)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kelly, Ruth *(Bolton W)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Liddell, rh Mrs Helen
Linton, Martin
Love, Andrew
Lucas, Ian *(Wrexham)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Savidge, Malcolm
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Walley, Ms Joan
Ward, Claire
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wyatt, Derek

Tellers for the Noes:
Mr. Fraser Kemp and Charlotte Atkins

Question accordingly negatived.

Schedule 4

REPEALS

Amendment proposed: No. 33, in page 41, line 24, second column, at beginning insert 'Section 55.'—*[Mr. Gerrard.]*

Question put, That the amendment be made:—

The House divided: Ayes 84, Noes 305.

Division No. 65] **[9:29 pm**

AYES

Allan, Richard
Austin, John
Baker, Norman
Barnes, Harry
Barrett, John
Beith, rh A. J.
Brake, Tom *(Carshalton)*
Breed, Colin
Brooke, Mrs Annette L.
Burnett, John
Burnside, David
Burstow, Paul
Cable, Dr. Vincent
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Caton, Martin
Chidgey, David
Cohen, Harry
Coleman, Iain
Cook, Frank *(Stockton N)*
Corbyn, Jeremy
Cotter, Brian
Davey, Edward *(Kingston)*
Dawson, Hilton
Doughty, Sue
Drew, David *(Stroud)*
Ellman, Mrs Louise
Etherington, Bill
Ewing, Annabelle
Fisher, Mark
Foster, Don *(Bath)*
Galloway, George
George, Andrew *(St. Ives)*
Gidley, Sandra
Green, Matthew *(Ludlow)*
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Heath, David
Hoey, Kate *(Vauxhall)*
Holmes, Paul
Hopkins, Kelvin
Hughes, Simon *(Southwark N)*
Jackson, Glenda *(Hampstead & Highgate)*
Jones, Lynne *(Selly Oak)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kirkwood, Sir Archy
Lamb, Norman
Laws, David *(Yeovil)*
Lewis, Terry *(Worsley)*
Llwyd, Elfyn
McDonnell, John
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Moore, Michael
Oaten, Mark *(Winchester)*
Öpik, Lembit
Price, Adam *(E Carmarthen & Dinefwr)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robinson, Mrs Iris *(Strangford)*
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Sedgemore, Brian
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, Llew *(Blaenau Gwent)*
Stunell, Andrew
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thurso, John
Tonge, Dr. Jenny
Tyler, Paul *(N Cornwall)*
Wareing, Robert N.
Webb, Steve *(Northavon)*
Weir, Michael
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wishart, Pete
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Neil Gerrard and Ms Karen Buck

NOES

Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Bailey, Adrian
Banks, Tony
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunkett, rh David
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kelly, Ruth *(Bolton W)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Liddell, rh Mrs Helen
Linton, Martin
Love, Andrew
Lucas, Ian *(Wrexham)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis

Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Salter, Martin
Savidge, Malcolm
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Walley, Ms Joan
Ward, Claire
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Wills, Michael
Winterton, Ms Rosie *(Doncaster C)*
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wyatt, Derek

Tellers for the Noes:
Mr. Fraser Kemp and Charlotte Atkins

Question accordingly negatived.

New Clause 8

INITIAL DECISIONS

'(1) Initial decisions by the Secretary of State on asylum applications shall be made and notified to the applicant within six weeks of the application being made.

(2) Notice of appeal from the decision of the Secretary of State to the Asylum and Immigration Tribunal ("the Tribunal")—

(a) must be made in writing;

(b) must be lodged with the Tribunal within 14 days of the decision appealed against, and

(c) must list all the grounds on which the appeal is made.

(3) Within 14 days of receipt of the notice of appeal the Tribunal shall hold a direction hearing at which all parties to the appeal shall be present.'.—*[Mr. Malins.]*

Brought up, and read the First time.

Motion made, and Question put, That the clause be read a Second time:—

The House divided: Ayes 179, Noes 317.

Division No. 66] **[9.43 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Barrett, John
Beith, rh A. J.
Bellingham, Henry
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burnett, John
Burns, Simon
Burnside, David
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cotter, Brian
Davey, Edward *(Kingston)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dorrell, rh Stephen
Doughty, Sue
Duncan, Alan *(Rutland)*
Duncan, Peter *(Galloway)*
Evans, Nigel
Ewing, Annabelle
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Grieve, Dominic
Gummer, rh John
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Hawkins, Nick
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick

Malins, Humfrey
Maples, John
Mawhinney, rh Sir Brian
May, Mrs Theresa
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
Oaten, Mark *(Winchester)*
O'Brien, Stephen *(Eddisbury)*
Öpik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Randall, John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Mrs Iris *(Strangford)*
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Sayeed, Jonathan
Shepherd, Richard
Simmonds, Mark
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Teather, Sarah
Thurso, John
Tonge, Dr. Jenny
Tredinnick, David
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Weir, Michael
Whittingdale, John
Wiggin, Bill
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Hugh Robertson and Mr. Mark Francois

NOES

Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Austin, John
Bailey, Adrian
Baird, Vera
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunkett, rh David
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Corbyn, Jeremy
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hoey, Kate *(Vauxhall)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kelly, Ruth *(Bolton W)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Liddell, rh Mrs Helen
Linton, Martin
Love, Andrew
Lucas, Ian *(Wrexham)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot

Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Savidge, Malcolm
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wyatt, Derek

Tellers for the Noes:
Mr. Fraser Kemp and Charlotte Atkins

Question accordingly negatived.

Remaining Government amendments agreed to.

New Clause 2

PROVISION OF IMMIGRATION SERVICES

'(1) For section 84(2) and (3) of the Immigration and Asylum Act 1999 (c. 33) (person qualified to provide immigration services) substitute—

"(2) A person is a qualified person if he is—

(a) a registered person,

(b) authorised by a designated professional body to practise as a member of the profession whose members the body regulates,

(c) the equivalent in an EEA State of—

(i) a registered person, or

(ii) a person within paragraph (b),

(d) a person permitted, by virtue of exemption from a prohibition, to provide in an EEA State advice or services equivalent to immigration advice or services, or

(e) acting on behalf of, and under the supervision of, a person within any of paragraphs (a) to (d) (whether or not under a contract of employment).

(3) Subsection (2)(a) and (e) are subject to any limitation on the effect of a person's registration imposed under paragraph 2(2) of Schedule 6."

(2) In section 85(1) of that Act (registration by the Commissioner) omit "and (b)".

(3) In section 89 of that Act (disciplinary charge upheld by Immigration Services Tribunal)—

(a) for subsections (2) and (3) substitute—

"(2) If the person charged is a registered person or acts on behalf of a registered person, the Tribunal may—

(a) direct the Commissioner to record the charge and the Tribunal's decision for consideration in connection with the registered person's next application for continued registration;

(b) direct the registered person to apply for continued registration as soon as is reasonably practicable.", and

(c) in subsection (8) for "employed by him or working" substitute "acting on his behalf or".

(4) In section 90(4) of that Act (orders by disciplinary bodies) for "works under the supervision of" substitute "is acting on behalf of".

(5) In Schedule 5 to that Act (Immigration Services Commissioner)—

(a) for paragraph 1(1)(b) substitute—

"(b) those acting on behalf of registered persons,",

(b) for paragraph 1(3)(b) substitute—

"(b) any person acting on behalf of that person.",

(c) for paragraph 3(3)(b) substitute—

"(b) a person who is acting on behalf of a person who is within paragraph (a);",

(d) for paragraph 4(1)(b) substitute—

"(b) persons acting on behalf of persons who are within paragraph (a).",

(e) in paragraph 5(3)(b) for "employed by, or working under the supervision of," substitute "acting on behalf of",

(f) for paragraph 5(3)(e) substitute—

"(e) an alleged breach of a rule of a relevant regulatory body,",

(g) for paragraph 6(3)(c) substitute—

"(c) in any other case, refer the matter to any relevant regulatory body.",

(h) in paragraphs 9(1)(a) and (b) for "or a person employed by, or working under the supervision of," substitute "or is acting on behalf of",

(i) for paragraph 9(1)(c) substitute—

"(c) refer the complaint and his decision on it to a relevant regulatory body;",

(j) for paragraphs 9(3)(a) and (b) substitute—

"(a) imposing restrictions on the provision of immigration advice or immigration services by the relevant person or by a person acting on his behalf or under his supervision;

(b) prohibiting the provision of immigration advice or immigration services by the relevant person or a person acting on his behalf or under his supervision.",and

(k) for paragraphs 9(4)(b) to (d) substitute—

"(b) a person acting on behalf of a registered person;".

(6) In Schedule 6 to that Act (registration)—

(a) in paragraph 1(1) omit "or (b)", and

(b) in paragraph 3(7)(a) for "section 89(3)(b)" substitute "section 89(2)(b)".'.—*[Mr. Heppell.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 3

OFFENCES: ADVICE OF DIRECTOR OF PUBLIC PROSECUTIONS

'In section 3(2) of the Prosecution of Offences Act 1985 (c. 23) (functions of Director of Public Prosecutions) after paragraph (eb) insert—

"(ec) to give, to such extent as he considers appropriate, advice to immigration officers on matters relating to criminal offences;".'.—*[Mr. Heppell.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 4

ENFORCEMENT POWERS: RETENTION OF DOCUMENTS

'Where a document comes into the possession of the Secretary of State or an immigration officer in the course of the exercise of an immigration function, the Secretary of State or an immigration officer may retain the document while he suspects that—

(a) a person to whom the document relates may be liable to removal from the United Kingdom in accordance with a provision of the Immigration Acts, and

(b) retention of the document may facilitate the removal.'.—*[Mr. Heppell.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 5

SEAMEN AND AIRCREWS: RIGHT OF APPEAL

'In section 82(2) of the Nationality, Immigration and Asylum Act 2002 (c. 41) after paragraph (i) insert—

"(ia) a decision that a person is to be removed from the United Kingdom by way of directions under paragraph 12(2) of Schedule 2 to the Immigration Act 1971 (c.77) (seamen and aircrews),".'.—*[Mr. Heppell.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 6

CONTROL OF ENTRY

'After paragraph 2A(2) of Schedule 2 to the Immigration Act 1971 (c. 77) (control of entry: persons arriving with leave to enter) insert—

"(2A) Where the person's leave to enter derives, by virtue of section 3A(3), from an entry clearance, he may also be examined by an immigration officer for the purpose of establishing whether the leave should be cancelled on the grounds that the person's purpose in arriving in the United Kingdom is different from the purpose specified in the entry clearance.".'.—*[Mr. Heppell.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 7

APPEAL FROM WITHIN UNITED KINGDOM

'For section 92(3) of the Nationality, Immigration and Asylum Act 2002 (c. 41) (appeal from within United Kingdom: person with entry clearance or work permit) substitute—

"(3) This section also applies to an appeal against refusal of leave to enter the United Kingdom if—

(a) at the time of the refusal the appellant is in the United Kingdom, and

(b) on his arrival in the United Kingdom the appellant had entry clearance.

(3A) But this section does not apply by virtue of subsection (3) if subsection (3B) or (3C) applies to the refusal of leave to enter.

(3B) This subsection applies to a refusal of leave to enter which is a deemed refusal under paragraph 2A(9) of Schedule 2 to the Immigration Act 1971 resulting from cancellation of leave to enter by an immigration officer—

(a) under paragraph 2A(8) of that Schedule, and

(b) on the grounds specified in paragraph 2A(2A) of that Schedule.

(3C) This subsection applies to a refusal of leave to enter which specifies that the grounds for refusal are that the leave is sought for a purpose other than that specified in the entry clearance.

(3D) This section also applies to an appeal against refusal of leave to enter the United Kingdom if at the time of the refusal the appellant—

(a) is in the United Kingdom,

(b) has a work permit, and

(c) is any of the following (within the meaning of the British Nationality Act 1981 (c. 61))—

(i) a British overseas territories citizen,

(ii) a British Overseas citizen,

(iii) a British National (Overseas),

(iv) a British protected person, or

(v) a British subject.".'.—*[Mr. Heppell.]*

Brought up, read the First and Second time, and added to the Bill.

Order for Third Reading read.

Peter Bottomley (Worthing, West) (Con): On a point of order, Mr. Speaker. How long do we have for Third Reading of this important and controversial Bill?

Mr. Speaker: The hon. Gentleman knows the answer to that as well as I do.

9.55 pm

The Secretary of State for the Home Department (Mr. David Blunkett): I beg to move, That the Bill be now read the Third time.

I thank my ministerial colleagues from the Home Office and the Department for Constitutional Affairs, the Whips, all members of the Standing Committee and all hon. Members who participated today. The Bill has been properly and adequately considered. Once we got over using silly words, such as "despicable", about clause 7, we had a sensible debate.

I am pleased that we have amended the Bill to include trafficking offences to deal with forced labour, and tackled important subjects such as child slavery. I thank my hon. Friend the Member for Walthamstow (Mr. Gerrard), who does not always agree with me, for his work in Committee in drawing attention to that. I am glad that we could make important changes.

Clause 11 has caused controversy and will cause it in another place. It is a classic example, which shows that had people been more modest in their operation of the law and their approach to their job, they would not have cooked the goose that laid the golden egg. I am talking about lawyers who simply abused the judicial review system by dragging out cases for months and, in some instances, years. That is what happens when those who preach liberalism lead us down the wrong path so that those who try to protect human rights and individual interests find that the system has been so abused that we have to remove the golden thread. The legal aid budget has doubled to £174 million. That is public money that has not gone towards asylum seekers or people in the community but into lawyers' pockets. That is a disgrace that is coming to an end.

9.57 pm

Mr. Malins: The Home Secretary is quick to condemn lawyers, but if he had heard today's debate he would realise that the rule of law is under attack from an illiberal Government. If any of us had been asked to accept that, one day, the Executive—the Government of this country—would be exempt from judicial oversight or scrutiny, we would have been, first, amazed, secondly, angry and thirdly, ashamed.

All the people within this country's jurisdiction should be treated equally under the law. The Government have been universally condemned by their own supporters. Speaker after speaker from the Labour Benches condemned the Government's proposals. Not one hon. Member supported the Government's approach; even the Under-Secretary of State for Constitutional Affairs, the hon. Member for Tottenham (Mr. Lammy) was lame in his support.

On Second Reading, Conservative Members said that we wanted the Bill to be improved in Committee, but it has been improved only a little. The Government have made far too few improvements. Lest it be believed that we debate matters sensibly in the House, I stress that the Government tabled 64 amendments and new clauses today. Many aspects of the Bill have simply not been debated in the House of Commons, either in Committee or the Chamber.

Appeals provisions are vital for the freedom of the individual, whether he or she is of our nationality or from abroad. All deserve equal treatment. The Bill remains seriously flawed and we cannot actively support it. We shall try to amend it as best we can in the House of Lords. We hope that the Government will have the sense to permit some form of judicial oversight of the Executive.

The Bill is not only illiberal but grossly unfair to tens of thousands of people. I hope to goodness that I speak for all Conservative Members and most of the Labour party when I say that the Bill needs to be improved in the House of Lords.

Question put, That the Bill be now read the Third time:—

The House divided: Ayes 304, Noes 65.

Division No. 67] **[10:00 pm**

AYES

Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Blunkett, rh David
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Burnside, David
Byers, rh Stephen
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Ro
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen

Heppell, John
Hermon, Lady
Hesford, Stephen
Heyes, David
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kelly, Ruth *(Bolton W)*
Kemp, Fraser
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Linton, Martin
Love, Andrew
Lucas, Ian *(Wrexham)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Martlew, Eric
Meale, Alan *(Mansfield)*
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Savidge, Malcolm
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Walley, Ms Joan
Ward, Claire
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
Gillian Merron and
Mr. Nick Ainger

NOES

Allan, Richard
Baker, Norman
Barnes, Harry
Barrett, John
Beith, rh A. J.
Bottomley, Peter *(Worthing W)*
Brake, Tom *(Carshalton)*
Breed, Colin
Burnett, John
Burstow, Paul
Cable, Dr. Vincent
Carmichael, Alistair
Chidgey, David
Corbyn, Jeremy
Cotter, Brian
Davey, Edward *(Kingston)*
Dawson, Hilton
Doughty, Sue
Drew, David *(Stroud)*
Ewing, Annabelle
Foster, Don *(Bath)*
Galloway, George
George, Andrew *(St. Ives)*
Gerrard, Neil
Green, Matthew *(Ludlow)*
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Heath, David
Holmes, Paul
Hopkins, Kelvin
Jackson, Glenda *(Hampstead & Highgate)*
Jones, Lynne *(Selly Oak)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kirkwood, Sir Archy
Lamb, Norman
Laws, David *(Yeovil)*
McDonnell, John
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Moore, Michael
Oaten, Mark *(Winchester)*
Öpik, Lembit
Price, Adam *(E Carmarthen & Dinefwr)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Sedgemore, Brian
Spink, Bob *(Castle Point)*
Stunell, Andrew
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thurso, John
Tonge, Dr. Jenny
Tyler, Paul *(N Cornwall)*
Webb, Steve *(Northavon)*
Weir, Michael
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wishart, Pete

Tellers for the Noes:
Richard Younger-Ross and
Mrs. Annette L. Brooke

Question accordingly agreed to.

Mr. Eric Forth (Bromley and Chislehurst) (Con): On a point of order, Mr. Speaker. If one of the Tellers standing before the Mace to announce the vote was not the same Teller who counted the Division, is the Division still valid? Is there any precedent for what happened, and are you prepared—if not now, after a period of reflection—to consider whether the Third Reading Division was valid, owing to the fact that the

hon. Member for Somerton and Frome (Mr. Heath) sprang forward from the Liberal Democrat Front Bench, even though he was not a Teller, and purported to announce the vote? It is a serious matter, Mr. Speaker. The House should take such matters seriously; and I believe that we could have established a very dangerous precedent. I hope that you will reflect on the issue, Mr. Speaker, before you tell the House that the Division was valid and substantive.

Mr. Andrew Stunell (Hazel Grove) (LD): Further to that point of order, Mr. Speaker. No discourtesy was intended to the House, and I hope that you will feel that what happened was, in all the circumstances, proper and in order.

Mr. Edward Leigh (Gainsborough) (Con) *rose—*

Mr. Speaker: Order. Let me respond to the points of order, after which the hon. Member for Gainsborough (Mr. Leigh) may not need to raise another one.

I felt that it was tidy to have four Tellers to report to the House. *[Interruption.]* The right hon. Member for Bromley and Chislehurst (Mr. Forth) has asked me a question, and I am in the process of explaining what is in order. I invited the hon. Member for Somerton and Frome (Mr. Heath) to fill the space. The House has to move quickly and the Speaker has to take snap decisions. My snap decision will go into "Erskine May"— *[Interruption.]* Perhaps in 100 years from now, when a Teller is missing, the House will refer to the precedent that has been established today. I assure the right hon. Gentleman that the vote that was delivered was perfectly valid, and that there is no need for a re-run.

Mr. Leigh: Further to that point of order, Mr. Speaker. Of course, I would never seek to question any of your rulings, but surely the whole point of the Teller system is to have one person who counts and another who checks that; the two then report back to the House. Of course this would not happen now, but there might have been difficulties in the past, and there might be misreporting. I should not want the age-old custom to be in any way upset.

Mr. Speaker: Order. I can assure the hon. Gentleman that the age-old custom has been protected, because it has been clearly reported to me that there were four Tellers, two counting the Aye votes and two counting the No votes. Therefore, that stage was well and truly completed; only the reporting was different. Three of the original Tellers out of four have reported. That is very tidy, and I do not know what is worrying the hon. Gentleman. If he wants a re-run, I can assure him that it certainly will not be tonight.

Mr. Forth: Further to that point of order, Mr. Speaker. Surely the whole point of our voting procedure is to have one Teller for one side of the argument and one for the other. It seems that there was a Government Teller in the Lobby, but we know not whether the other Teller verified what the Government Teller told the Clerks. The House is now in the invidious position of not being able to rely on the fact that there were two Tellers, of different points of view, reporting back to the House. That surely must—

Mr. Speaker: Order. Let me tell the right hon. Gentleman that three Tellers out of four have reported the result—

Mr. Forth: No.

Mr. Speaker: Order. Three Tellers out of four have reported the result to the House. I can assure the right hon. Gentleman that both the Government Teller and the Liberal Teller were in the appropriate Lobby, counting the votes. I can tell the right hon. Gentleman, so that he does not have a sleepless night, that if the Speaker is wrong, and there was no Teller in that Lobby, he can report to me and I shall deal with the matter. However, I can assure him that the Teller was in the Lobby.

It must be borne in mind that the Teller concerned was somewhat inexperienced.

Mr. Forth: That is worse.

Mr. Speaker: Well, that may be worse, but I have seen the right hon. Gentleman from time to time coaching and helping inexperienced Tellers, and a very nice practice it is too, to help those who are less experienced than he is.

Perhaps I can now go on to the Northern Ireland orders.

Mr. Stunell: On a point of order, Mr. Speaker. May I draw your attention to the fact that the right hon. Member for Bromley and Chislehurst (Mr. Forth), who has been raising points of order on the conduct of the vote, did not in fact pass through either Lobby, and therefore cannot offer the House any useful information?

Mr. Speaker: The hon. Gentleman must know that I have, rather rapidly, moved on to the next item of business.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

NORTHERN IRELAND

That the draft Firearms (Northern Ireland) Order 2004, which was laid before this House on 9th February, be approved.—*[Ms Bridget Prentice.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No 118(6) (Standing Committees on Delegated Legislation),

NORTHERN IRELAND

That the draft Prison (Amendment) (Northern Ireland) Order 2004, which was laid before this House on 9th February, be approved.—*[Ms Bridget Prentice.]*

[Mr. Speaker]

Question agreed to

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

NORTHERN IRELAND

That the draft Budget (Northern Ireland) Order 2004, which was laid before this House on 5th February, be approved.—*[Ms Bridget Prentice.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

POLICE

That the draft Independent Police Complaints Commission (Investigatory Powers) Order 2004, which was laid before this House on 5th February, be approved.—*[Ms Bridget Prentice.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

PREVENTION AND SUPPRESSION OF TERRORISM

That the draft Anti-terrorism, Crime and Security Act 2001 (Continuance in force of Sections 21 to 23) Order 2004, which was laid before this House on 20th January, be approved.—*[Ms Bridget Prentice.]*

Mr. Speaker: I think the Ayes have it.

Hon. Members: No.

Division deferred till Wednesday 3 March, pursuant to Orders [28 June 2001 and 6 November 2003].

EUROPEAN COMMUNITY DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (Standing Committees on Delegated Legislation),

LEVEL OF CERTAIN HEAVY METALS AND POLYCYCLIC AROMATIC HYDROCARBONS IN AMBIENT AIR.

That this House takes note of European Union Document No. 11645/03, draft Directive relating to arsenic, cadmium, mercury, nickel and polycyclic aromatic hydrocarbons in ambient air; and supports the Government objectives of ensuring appropriate levels of protection for human health and of the environment but also resisting unnecessary measures that might have a disproportionate effect on United Kingdom industry.—*[Ms Bridget Prentice.]*

Question agreed to.

VISITOR FACILITIES

Motion made,

That this House approves the First Joint Report of the Accommodation and Works Committee and the Administration Committee on Visitor Facilities: Access to Parliament (House of Commons Paper No. 324) and endorses the Committees' proposals for a new reception and security building at the north end of Cromwell Green.—*[Ms Bridget Prentice.]*

Hon. Members: Object.

SCIENCE AND TECHNOLOGY

Ordered,

That Mr Tom Harris be discharged from the Science and Technology Committee and Kate Hoey be added.—*[Mr. McWilliam, on behalf of the Committee of Selection.]*

PETITION

Tetra Masts

10.20 pm

Dr. Julian Lewis (New Forest, East) (Con): I have to inform the House that the number of signatories on this petition has not been verified by Tellers, but I am assured that there are 979 of them. My constituents, like those on the Isle of Wight and in neighbouring areas, are concerned about the way in which Tetra masts have been implanted on the landscape without planning permission, and about the implications of this.

Accordingly, the petition of Dibden residents declares:

That the erection of a Tetra telecommunications mast by Airwave MMO2 at Home Farm is perceived by the residents as posing a real threat to their health and is in breach of an enforcement order implemented by New Forest district council, who had already refused planning permission.

The petitioners therefore request that the House of Commons urge the Government to take immediate steps to halt the roll-out of the Tetra system until such time as it has been proved absolutely and beyond any doubt in the mind of the public that it is completely safe.

To lie upon the Table.

School Meals (Essex)

Motion made, and Question proposed, That this House do now adjourn.—*[Ms Bridget Prentice.]*

10.22 pm

Bob Russell (Colchester) (LD): My debate is about the despicable and callous decision made just before Christmas by Conservative councillors on Essex county council to scrap, with little more than three months' notice, the county's school meals service from 1 April. This is a deplorable act against children, many of whom are from disadvantaged families. Even "milk-snatcher" Thatcher, infamous for doing away with school milk—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. It is a courtesy that we practise in the House when referring to Members of the upper House to refer to them in the proper way, and not in a manner such as that used by the hon. Gentleman.

Bob Russell: I am grateful to you for correcting me, Mr. Deputy Speaker.

Even Baroness Thatcher, the milk-snatcher, never attacked some of the most vulnerable people in our society, depriving children as young as four or five of wholesome, nutritional hot dinners which are so important for their development and well-being.

For many children, the school dinner is their main meal of the day. For some, it is their only hot meal of the day. That is particularly important at this time of year.

I urge the Minister tonight, as I urged the Prime Minister on 28 January, to intervene to ensure that Essex county council continues to provide a proper school meals service, as it has done for decades, and ideally to return to what it was prior to the Education Act 1980, which was the first move to undermine the ideals enshrined in the Education Act 1944.

Unfortunately, the Essex Tories are hiding behind a Government 1999 education order to carry out their dastardly deed to rid themselves of the moral responsibility to maintain a countywide school meals service. Governors of 356 junior, primary and infant schools—all of them volunteers, many of them parents—now find themselves faced with the organisational duties and legal consequences that hitherto were undertaken by paid and professionally qualified full-time officials.

Mrs. Jan Blackwell, chair of the governors of North primary school in Colchester, tells me:

"Governors and Headteachers are angry at this sudden extra responsibility in an impossible time-frame. We have little knowledge of Food Hygiene Standards, Nutritional Guidelines and Health and Safety Regulations in the kitchen."

Immediate revocation of the Government's 1999 order is called for because I cannot that believe it was ever intended that it be used as it is now.

We also need an explanation from Essex county council as to why it has acted as it has. We need to do whatever is necessary to restore matters to the way they were previously, the objective being to ensure that all parents who require their children to have a hot midday meal—either paid or free, as applicable—can do so.

If Essex county council is saying that it cannot oversee the school meals service of 27,000 meals each day with its purchasing power as the second-largest local education authority in the country, how does it expect individual schools, or perhaps a few schools banding together, to achieve a better deal at very short notice? Some might, and good luck to them, but for those schools that do not have the capacity to do so, the moral responsibility ought to remain with the LEA. Perhaps Essex feels that it is not getting a fair financial deal from the Government to keep the meals service. Whatever the truth—it is academic for parents and the schools—either county hall or Whitehall must find the resources.

This is not a reckless demand for greater public spending, but rather a plea for joined-up government—at all levels—so the world's fourth-richest economy ensures that no child goes hungry or is deprived of a hot meal for what, in terms of Essex's massive budget and what the national economy generates, is petty cash in comparison.

Bob Spink (Castle Point) (Con): Does the hon. Gentleman think that full consultation prior to taking a decision constitutes joined-up government? Will he ask the Minister to get Essex county council to have such consultation, something for which I called at column 1783 in an Adjournment debate on 18 December?

Bob Russell: I thank the hon. Gentleman for that helpful intervention and I sincerely hope that that will be taken on board. Lack of consultation is one of the major issues that we need to discuss.

The alternative is the real risk of some children—not just those from backgrounds which are already disadvantaged, but more widely—having their whole development damaged, with consequences for their health sooner or later. With national health service budgets always under pressure, the cost to the public purse ultimately will be greater than if children grow up healthy with a proper diet, of which a school dinner is often the main ingredient.

Young bodies damaged by lack of proper nourishment throughout their growing years may never recover. With obesity increasing all the time, often through poor diet, doing away with the carefully structured diets that hot school meals should provide will do nothing to help the situation. Essex LEA is setting the scene where, alongside obese children, we could also witness the return of rickets in others. That is irresponsible behaviour by the county hall administration.

The Government must act. The principles of the national healthy schools standard must be upheld; ditto the children's national service framework to promote healthy diets. It is not good enough to commission such worthy reports as "Securing Good Health for the Whole Population" from Derek Wanless, published only last week, and "Every Child Matters", published last September, and then do nothing when Essex county council undermines the good intentions in those reports by scrapping the school meals service. That service is vital to so many of the county's children, particularly those from disadvantaged families or from families where parents are at work and where the school meal is an important feature of that family's lifestyle.

I draw the Minister's attention to page 156 of the Wanless report, box 7.3, which states:

[Bob Russell]

"The issues of food promotion to children and school meals illustrate the importance of the involvement and engagement of stakeholders in public health issues—as awareness, consensus for action and support for future public health measures can all be gained."

I remind the House that the Prime Minister, in answer to my question to him just over a month ago, said that

"we believe that the provision of school meals for pupils, especially from the poorest backgrounds, has a beneficial effect on their education. Unfortunately, some of our youngsters go to school without having had a proper meal. It means that they do not learn or pay attention in their lessons as well as they should, and it is for that reason that we are deeply committed to ensuring that the funding is there for local authorities to provide that service. I will look into the point that the hon. Gentleman raises."—[*Official Report*, 28 January 2004; Vol. 417, c. 307.]

Will the Minister tonight match the Prime Minister's encouraging response?

I am deeply concerned that, with the ending of hot school dinners and their replacement with packed lunches, those children who currently have free meals will be the only ones served with a packed lunch, provided by bulk delivery or whatever. These will be identical little packages, making it obvious to everybody who is in receipt of a free lunch. Currently, all children having a school dinner sit together; there is no segregation or obvious difference as to who is in receipt of a free dinner and those whose parents can afford to pay. Only people in the office know. Children whose family circumstances qualify them for a free meal—there are around 7,000 in Essex—will in future be exposed, with all the unhappiness that can so often happen as a result of such singling out.

Although, of course, I recognise that ultimately it is the responsibility of each individual to look after his or her own body, and those of their children, the Government cannot ignore situations such as that to which I have drawn to Parliament's attention. Only last week, the Consumers Association warned:

"Obesity and diet-related diseases are now seen as Britain's biggest killers."

The association's call for a nutrition council is welcome. I am sure that such a council would want school meals promoted, not scrapped. Incidentally, getting rid of school meals will not help the Government in their aim of providing better opportunities for working families. School dinners are a great help where one or both parents are working.

A roll call of schools in my constituency where the reluctant decision has been taken to provide only packed lunches from next month includes the Montgomery infant and junior, the St. Michael's primary, and the King's Ford infant and junior schools. There are others, but I deliberately highlight those five because they are the ones attended by the bulk of children aged under 11 whose parents are members of Her Majesty's armed forces based at the Colchester garrison.

About 3,000 soldiers from Colchester served in the Iraq war less than a year ago. Currently 600 other soldiers from the town are on peacekeeping duties in Iraq. That is how Conservative councillors reward our troops who put their lives on the line—they deprive their children of hot school dinners.

I shall be drawing the attention of the Secretary of State for Defence to that scandalous situation. The House needs to know that it is not good for the morale of our troops, and does nothing to help the retention of our professional soldiers, for their children to be going without a hot school dinner because of penny-pinching by those who control the public purse.

As an aside, I am told that the food allowance per meal that the Home Office makes available for each prisoner is greater than the cost of a school dinner. Is it asking too much for equivalent funding to be provided for the school meals service in Essex, so that the health of our children is given the same consideration as that of prisoners?

The scrapping of the school meals service in Essex has led to a major outcry right across the county. The only people who seem to be in favour of it are Tory county councillors. Schools are outraged at the short notice they were given—just days before Christmas—that the service would be terminated at the end of March. Heads, teachers, parents, governors have all protested, but all to no avail.

Two weeks ago, Ms Ruth Brock, chair of the Essex primary heads association, told a packed meeting at Colchester town hall:

"We did not know that we were going to be left in this situation. Most heads are feeling incredibly dumped upon because we did not know this was going to happen."

Mrs. Fran Wagstaff, secretary of the local branch of the National Union of Teachers, said:

"The NUT is concerned about the welfare of many of the pupils who rely on this one hot meal in the middle of the day. This may seem like a saving in the short term, but the long term effect of unhealthy eating will have a greater cost to the nation's health."

There has been massive media coverage of something that appears more to echo life in Charles Dickens's Victorian Britain than the supposedly more enlightened times of 21st-century Britain. The Colchester *Evening Gazette* has been running an excellent "Save Our School Dinners" campaign from which I would like to quote extracts. For example, last Wednesday, 25 February, the main headline on its front page stated: "Schools End Hot Dinners". A sub-headline added:

"Proper meals will be off the menu".

Chief reporter Laurence Cawley wrote:

"Hot meals are to be dropped from many school menus in Colchester. Schools across the county have struggled to arrange their own dinners after Essex County Council decided not to renew a central contract with meal providers.

It left schools having to try to hammer out their own deals with dinner providers within just a few weeks.

Some have managed to keep their hot dinner service, but many have not. It means hundreds of schoolchildren in and around Colchester will only be offered sandwiches for lunch."

The head teacher of King's Ford junior school, Mr. Lawrence Garside, told the *Gazette*:

"We didn't have the time to get something else sorted out. Budgets are tight and we just cannot afford to lose money on it.

We are going to have to offer packed lunches. We hope this will just be a stop-gap measure and we will be trying to offer hot dinners as soon as possible. It might be back from September but it is too early to say."

Over at Montgomery junior school, head teacher Mr. Graham Eskell said that it was likely that the school's kitchens would be decommissioned and added:

"We feel deep regret about losing a hot meals service. We have not been given enough time to sort this out."

Meanwhile, at North primary school two cooks, Mrs. Carol Tralau and Mrs. Evie Drummond, who between them have prepared dinners there for a combined total of 40 years, are to lose their jobs. They are typical of the dedicated dinner staff at many schools across Essex who are to be made redundant because of the disgraceful behaviour of the county hall Tories.

On Thursday, the *Evening Gazette* carried a full-page article with the comments of pupils at King's Ford junior school, stating that their message

"came through loud and clear: we love our dinners, please keep them on the menu".

Seven-year-old Rose Chandler feels so strongly that she has written to the leader of Essex county council, Lord Hanningfield, begging him to rethink the council's decision. She said:

"I enjoy my hot dinners especially when it is cold outside."

Ten-year-old Louis Woods said:

"I don't really like having packed lunches. I have been here four years and I've only missed having a school dinner five times. When the hot dinners go, I think it will be odd . . . And what will happen to our Christmas dinners? We all sit down and have a Christmas dinner and the teachers bring us our food. It is a special time. And all the dinner ladies here are really nice and good cooks."

It is worth quoting what the chairman of governors of King's Ford junior school says. Referring to the short time scale given to individual schools to make alternative arrangements, Richard Bourne told the *Evening Gazette*:

"It is simply impossible for schools to go through a proper process of decision-making in order to find a new provider in the time they have been given. As a consequence, some children will no longer get a hot dinner.

This is a disgrace and shames the politicians and bureaucrats at County Hall whose own lavish facilities mean they never go without."

Mr. Bourne speaks with authority and personal knowledge. He is a Labour county councillor.

Parents are deeply angered. Their views are summed up by Ms Paula Chandler, of Monkwick, who has organised a petition urging the county council to rethink its position. She said:

"When parents work shifts, they often have to make children sandwiches at night. They don't want their children having two packed lunches a day.

And then there's single parents such as myself. It is nice to know they've had a hot meal at school because we lead such busy lives and it takes the pressure off to know they have had a hot meal."

The decision to scrap the county-run school meals service was sudden. The first that schools knew was just before Christmas when Essex county council said it would no longer be awarding group contracts for dinners—the schools were handed the legal responsibility for providing a school meal, whether hot or cold.

Mrs. Blackwell, chairman of the governors of North primary school, described matters from her perspective, saying:

"The LEA decided, after 15 months of negotiation on a group contract for meals as requested by over 340 schools in the county, to abandon and devolve meals to individual schools. I am not entirely sure of the legality of this decision. It breaches the contract with the schools. Lord Hanningfield failed to comment when I asked him in a letter.

Schools effectively had three months to arrange a new contract Business plans were provided. Most schools were predicted to make a loss—minimum £2,800 for North School. This does not take into consideration the age of the kitchen; replacement, maintenance and repair at North could potentially be very costly.

Losses would have to be covered from individual school budgets, which are already very tight and predicted to remain at a standstill for the coming year in Essex. This takes money away from the teaching and learning provision of every child in that school. How can this raise standards?

There is no longer equity for children in Essex, and this decision does not sit comfortably with the Government's Every Child Matters. It also makes a mockery of the Teachers Work Load Agreement.

No consideration has been given to staff involved, namely Headteachers, Governors and the cooks. They were not included in the discussion nor decision to end the group contract. Many cooks now face redundancy after many years of service."

Those comments from Mrs. Blackwell will be echoed by chairs of other school governing bodies across Essex. She demonstrates the shabby, shoddy way in which schools in Essex have been treated by the Conservative-controlled county council. Schools are looking to Government to step in to save the school meals service in Essex. The well-being of children, their good health, and the need to ensure that no child is left hungry or under-nourished, demand that urgent action be taken to prevent the service ending at the end of this month.

It is not enough to say that the responsibility is one for the local education authority, for the LEA has passed the legal responsibility to school governing bodies, which in most instances would prefer not to have it—as a general rule, they do not have the experience or the qualifications to operate the school meals service, they do not have spare revenue funds to finance it, and they have no capital to pay for replacement kitchen equipment in due course.

Government intervention is the only solution. I urge the Minister to act without delay. Children at schools across Essex, as well as their parents and all involved with the school meals service, will appreciate it. After all, as the Chief Secretary to the Treasury said in his introduction to "Every Child Matters",

"Since 1997 we have tried to put children first. We have increased the focus on prevention through the child poverty strategy, Sure Start and our work to raise school standards. But there is still more to do."

The executive summary of "Every Child Matters" stresses the need for children to have a healthy lifestyle and to enjoy better health—and for the eradication of child poverty.

The end of the school meals service in Essex is against what the Government have been striving to achieve. To me, every child matters. I look to the Minister to demonstrate tonight by a promise of immediate action that every child in Essex matters to the Government.

10.39 pm

Mr. Alan Hurst (Braintree) (Lab): I am pleased to have the opportunity to support briefly the argument of the hon. Member for Colchester (Bob Russell). I first raised this matter at business questions some weeks ago. There is certainly great concern in my area, as well as in the urban area that he represents, and especially in small

[Mr. Alan Hurst]

village schools, which do not have the budget to deal with such extra costs. In addition, the percentage involved is much greater as an overall part of their budget than it would be for a larger school. The further difficulty that such small schools have is that the head teacher has to deal with this as well as with all the other administrative tasks that they have.

Also, larger schools may often have assistants, which smaller schools do not have.

I am disappointed that the county council on which I served for several years before coming to the House has sought to take this step. It follows fast after its decision to weaken the provision of denominational transport. One had hoped that school meals and transport would be regarded as an integral part of the education service in Essex and that they would continue as hitherto.

10.40 pm

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Stephen Twigg): I welcome the debate that has been instigated by the hon. Member for Colchester (Bob Russell). The passionate and powerful way in which he sets out his case demonstrates the real concern that exists in his constituency and throughout Essex about the decision. That is also shown by the cross-party presence in the Chamber and the points that were made by my hon. Friend the Member for Braintree (Mr. Hurst) and the hon. Member for Castle Point (Bob Spink).

First, I associate myself fully with the emphasis in the speech made by the hon. Member for Colchester on inclusion, the message of "Every Child Matters", the importance of healthy standards in our schools and the use of the school curriculum, including the meals service, as a vehicle to challenge some of the great issues of the day, including obesity. I associate myself with what he said about that and the connection that he made with the "Every Child Matters" Green Paper, forthcoming legislation on children's rights, and the publication of the Wanless report and its connection with the healthy schools standard.

It is important for the House to be clear about the issue. It is not about responsibility for the provision of meals, which has not actually changed, but rather about how schools can reasonably be expected to discharge their responsibilities to ensure that that provision exists.

Mr. Ivan Henderson (Harwich) (Lab): I recently attended a meeting with the governors and head teacher of All Saints school in my constituency. Does my hon. Friend think that the time scale that was put in place for schools to take on the enormous changes forced on them by Essex county council was reasonable to give them adequate time to prepare, especially given that they had just returned following the Christmas holidays?

Mr. Twigg: I share the concern that my hon. Friend and both Opposition Members in the Chamber have expressed. I shall come on to the timing of the announcements a little later in my speech.

It is important to make it clear that the Government are committed to the principle of devolution and delegation of resources and responsibilities to the local level, in the belief that decisions on spending are best taken at the most local level, including the level of the school. When the new arrangements described by the hon. Member for Colchester were introduced in 1999, we made it clear that funding and responsibility for the provision of school meals would be automatically delegated to secondary schools. In Essex, that took place immediately in 1999.

The situation for primary and special schools is more complex. We recognised at the time of the decision in 1999 that not all schools would want to make their own arrangements. Therefore delegation was not made compulsory—primary schools were given the option of taking it. In Essex, the decision was taken to delegate funding, and thus responsibility, to all primary schools. However, as the hon. Gentleman said, the great majority of those schools were brought back into the local education authority meals service, which was provided on behalf of the LEA by two contractors. Frankly, that mirrored the experience of most other authorities, which normally provide a meals service for schools to buy back into, although they are under no obligation to do so.

Last year, Essex re-tendered its meals service contracts because concerns were expressed about quality. The cost of the new, improved contracts was calculated at around an additional £2.2 million. In the light of that evidence, the LEA decided that it could not afford to delegate sufficient extra funding to enable schools to meet the consequent charges.

As has already been said, just before Christmas the local education authority took its decision not to enter into new contracts, and instead to end its meals service for primary schools from April this year—one month from now. The hon. Member for Colchester and other hon. Members from Essex will have received a copy of Lord Hanningfield's letter of 28 January setting out the LEA's position.

The hon. Gentleman talked about the short notice, my hon. Friend the Member for Braintree reiterated that, and the hon. Member for Castle Point spoke about a lack of consultation. We are clear that Essex is legally entitled to do what it plans to do, but we do not pretend that that is an ideal situation, particularly with regard to the timing. Schools in Essex have had very short notice of the LEA's decision, and have therefore had to devote a significant amount of time and effort to considering alternatives. Those concerns have been well expressed today.

We are particularly concerned about the position of some of the smaller schools, to which my hon. Friend the Member for Braintree referred. To be fair to Essex county council, I must point out that it has sought to put in place a fairly comprehensive package of advice and guidance for schools, including meetings and resources via the internet. However, whatever help is given, that does not detract from the fact that, from April, governing bodies will find themselves with a continued legal responsibility for providing free school meals and paid lunches when requested, while the service from which many of them were buying has disappeared at short notice.

I am pleased that the LEA is doing two concrete things to assist at least some of the schools in Essex. First, it has arranged to extend one of the two existing contracts—that with Initial Catering in south Essex—until the end of the summer term. That at least gives some of the schools more time if they need to make arrangements, and our latest information is that 46 Essex schools are taking advantage of that extension.

Secondly, the LEA has agreed to provide some additional resources, over the passporting requirements, into the schools budget—about £900,000, to be distributed to schools that are in financial difficulty as a result of the changes. Taking on board my hon. Friend's point, I hope that some of the small rural schools for which the situation will be especially challenging will be able to benefit from that additional resource. I welcome those decisions.

It may help if I share with the House some other figures supplied to us by the county council: 70 per cent. of primary schools have said what they intend to do from April. Besides the 46 that I have already mentioned, about 115 are making arrangements with a private contractor, 39 have decided to provide meals for themselves, and 53 will, as the hon. Member for Colchester said, provide a cold meal option, at least initially. Although cold meals can meet the nutritional standards that apply to school lunches, the Department for Education and Skills strongly recommends that at least some hot meal options should be available in all schools, so we share the concern that the hon. Gentleman expressed about that situation. I shall return to that subject briefly at the end of my speech.

Despite the transitional difficulties that will inevitably arise, it is important to remember that the existing service was not universally well thought of. Schools that are embarking on their own provision have an opportunity to build around their own wishes and circumstances in a way that involves the whole school, and I was struck by a notice from a former Essex head teacher posted on the LEA's guidance website pointing out the inspiring effect on his school of making its own meal arrangements. I have also seen that inspirational effect in other schools in other parts of the country, including smaller primary schools.

None the less, there is a real danger that in the summer term, children at some Essex schools may have either no meals provision or an inadequate one. Responsibility in that respect is clear: the governing body of each school has a responsibility, and that will continue to be the case. However, I accept that that alone is not sufficient.

The Department certainly has every expectation that Essex county council's procurement service will make every effort to give specific help to those schools that are still in difficulty in fulfilling the requirements that we all have of them. The Government will monitor the situation closely and seek regular progress reports from the local education authority. I would hope—indeed, I am very confident—that the hon. Member for Colchester and other hon. Members on both sides of the House who represent Essex constituencies will continue to take an active interest in the subject and bring to the attention of the Government and the House any cases in which all is not going well.

Schools have been placed in a position of managing a transition in a very short time. That falls short of the ideal in terms of consultation and school involvement. From the information that I have, most schools in Essex will be able to achieve that and some, for the reason I gave, may even benefit from it. However, it would have been better had Essex county council given schools more time to plan for alternatives. I accept that since it took the decision, the LEA has gone to considerable lengths to assist schools to make other arrangements, despite the fact that it is under no legal duty to do so, and it is giving some financial assistance, as I set out.

Overall, the verdict at this stage must be to wait and see. The DFES will monitor the situation closely, with interest and concern, because we want to ensure that every child in Essex gets access to decent school food. The governors have a responsibility to ensure that that happens, but we want to work with the LEA and, indeed, with colleagues throughout the House to ensure that that aspiration is a reality for all the children of Essex.

Question put and agreed to.

Adjourned accordingly at nine minutes to Eleven o'clock.

House of Commons

Tuesday 2 March 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

FOREIGN AND COMMONWEALTH AFFAIRS

The Secretary of State was asked—

Afghanistan

1. **Mr. Elfyn Llwyd** (Meirionnydd Nant Conwy) (PC): What the budget for reconstruction in Afghanistan is in 2003–04; and what it was in 2002–03. [157411]

The Minister for Trade and Investment (Mr. Mike O'Brien): More than $1.8 billion was provided by donors to Afghanistan for 2002–03. In March 2003, the Transitional Administration presented a budget for $2.2 billion to donors for 2003–04.

Mr. Llwyd: The Minister will appreciate that one of the biggest problems in Afghanistan is security: Some 550 people have died since August, and we have unfortunately seen some suicide bombings—a brand new development. Yesterday, the Secretary of State for International Development announced £75 million in additional money for reconstruction. I appreciate that that is important, but should not that money come from the Foreign Office budget or the war effort reconstruction budget rather than the international aid budget, which was ring-fenced for other purposes?

Mr. O'Brien: The international aid budget is for helping countries that need help—and Afghanistan surely needs help at the moment. The way in which the Department for International Development is funded takes account of the fact that it is responsible for ensuring that development money goes into Afghanistan. One of the primary aims that DFID is dealing with is trying to get the economy of Afghanistan going again, and we have had a number of recent meetings in the Foreign Office about that. None the less, security is a primary issue. When I was in Mazar-e-Sharif, a few weeks ago, I saw what tremendous work the UK provincial reconstruction team was doing, and I congratulate our forces on the work that they are performing.

Mr. Khalid Mahmood (Birmingham, Perry Barr) (Lab): Will my hon. Friend elaborate on what progress has been made in reconstructing the education system in Afghanistan?

Mr. O'Brien: There have been substantial improvements in the education system in Afghanistan: 4 million children are back at school, and 37 per cent. of them are girls, compared with only 5 per cent three years ago. There has been a tremendous expansion. I should also add—and it is a great tribute to UNICEF that all this has been done since the conflict—that 12 million immunisations against polio and 16 million against measles have been given since 2002, saving the lives of 30,000 people, many of them children.

Mr. George Osborne (Tatton) (Con): Does the Minister accept that there appears to be a tension between the desire of the international community to create a strong central government in Kabul and the desire of the American-led forces hunting al-Qaeda, who use regional warlords to help them in that important fight? How does he think we can overcome that conflict?

Mr. O'Brien: I do not accept that there is quite that difference in view between what the hon. Gentleman calls the coalition, and the Americans. President Karzai has had enormous support from the American Administration throughout, and he continues to do so. The effort is to ensure that the stability that has been created around Kabul is expanded across the country. That is why we have set up the various provincial reconstruction teams over recent months, and they have been very successful. However, particularly in the south of the country, there is clearly still an issue with terrorism: there are remnants of the Taliban, and also al-Qaeda elements, in that part of the country, and the Americans are dealing with that, with assistance from British and other forces. Increasingly, they are being assisted by Afghans from the ANA—the Afghan national army—who can help the Americans and others to deal with the terrorist threat.

Mrs. Ann Cryer (Keighley) (Lab): I recognise that security is the most important element in the reconstruction of Afghanistan, but will my hon. Friend comment on the position of women in Afghanistan, particularly those who missed out on education for many years while the Taliban were in government, or whatever we call it? What is being done to promote the education of girls and women in Afghanistan? Are mixed schools, or girls' schools, being built?

Mr. O'Brien: The situation varies across the country. In some parts of Afghanistan there is a large-scale reconstruction programme. Obviously, that is more difficult in the south than in the north or in central Afghanistan. The attitudes of the regional governments tend to vary; for example, in the eastern part of the country around Herat, Ishmail Khan tends to take a more traditional view, whereby the education of girls and boys is separated. In other parts of Afghanistan, many children attend the same schools, particularly when they are younger, although they may have separate classes. The circumstances of women are certainly improving, but from our perspective, there is still a very long way to go.

Mr. Gary Streeter (South-West Devon) (Con): I strongly support the reconstruction efforts in Afghanistan, and it is vital to see the matter through. However, out of the overall UK contribution to

reconstruction, only £25 million a year for the next three years is focused on heroin production in the country. Given that no country can have a stable economy based on drug production and given that most of the heroin ends up on the streets of Britain, would it not be more appropriate if a greater proportion of that budget were focused on dealing with that evil, damaging trade? We would then be able to make a real dent in it.

Mr. O'Brien: The hon. Gentleman is just wrong. The UK has contributed £70 million over three years, and a dedicated counter-narcotics team is in place in Kabul. Additional DFID funding is going towards providing alternative livelihoods. Part of the overall strategy for dealing with narcotics is not simply to target narcotics production and focus on the interdiction itself, but to provide alternative livelihoods for people who would otherwise be tempted to become involved in the development of narcotics. When the hon. Gentleman talks about the overall counter-narcotics budget, he must include the considerable amount going into alternative livelihoods, and, indeed, into other reconstruction projects that help provide jobs and alternative incomes for many of the people of Afghanistan. The funding is therefore more than he suggests.

Northern Uganda

2. **Ann McKechin** (Glasgow, Maryhill) (Lab): What recent discussions he has had about peace and human rights in Northern Uganda. [157412]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Chris Mullin): My right hon. Friend the Prime Minister and I discussed the situation in northern Uganda with President Museveni during his visit to London on 29 January. We urged the President to seek a peaceful solution to the conflict, but we recognise that it is extremely difficult to negotiate with a terrorist organisation that has no known political agenda.I also met Acholi civil society representatives on 2 February.

Ann McKechin: I thank my hon. Friend for his reply. I visited Kampala two weeks ago and met several Ugandan MPs who are working for peace and reconciliation. They impressed on me that the conflict is largely about children, who are abducted by the Lord's Resistance Army, brutalised and made part of the killing machine. I ask my hon. Friend to continue to press the Ugandan Government to seek political and humanitarian solutions to the conflict rather than military ones. Will he also urge them to continue the current amnesty, which is due to expire in the next couple of months?

Mr. Mullin: I am grateful for my hon. Friend's interest in this matter. The conflict in northern Uganda is probably the largest unresolved conflict in Africa at the moment. Some of the events occurring, such as the recent massacre at Lira, are unspeakable. We repeatedly impressed on the Ugandan Government our view that there is no purely military solution to the conflict. My hon. Friend is right to draw attention to the effect of the war on children, and we are keen to see the amnesty commission continue. We have provided it with material and technical assistance. About 7,200 fighters, mostly children, have been rehabilitated, and the commission has helped to resolve insurgencies in other parts of Uganda, so we are pressing for it to continue.

Mr. William Cash (Stone) (Con): As chairman of the all-party group on Uganda, and having visited Gulu in northern Uganda, I welcome the Minister's discussions with President Museveni. However, the barbaric treatment of children, with as many as 20,000 abducted and forced into fighting and killing one another, is absolutely intolerable. As the Minister says, it is one of the worst blights in Africa at the moment. Will he be good enough to attend a meeting with the high commissioner for Uganda to discuss the matter, which we could arrange somewhere in the House, because exchanges on the Floor of the House are one thing, but proper and measured discussion, which would be more constructive, quite another.

Mr. Mullin: I am grateful to the hon. Gentleman, and everything he says about the war in northern Uganda is true. I would be glad to attend what I assume would be an all-party meeting in the House of Commons. We have constant discussions with representatives of the Uganda Government at all levels from the President downwards. In the long run, the best hope of a solution is a settlement in the Sudan, next door. As the hon. Gentleman and the House will know, the core leaders of the Lord's Resistance Army are based deep inside the Sudan. In the end, that might make the greatest impact on their willingness either to negotiate or be removed from the scene.

Mr. Andy Reed (Loughborough) (Lab/Co-op): My hon. Friend will be aware that I raised this question some time ago. I should like to pay tribute to my constituents, Mr. and Mrs. Stevens, who have had an interest in this issue, and to recognise that the conflict has been going on for a long time. Once again, it is the children who suffer. Does my hon. Friend agree that, as poverty levels in the north of Uganda are far greater than elsewhere, we need to ensure that we provide humanitarian aid as well as trying to reduce conflict? It is the children and the poorest in northern Uganda who are suffering as a consequence of the conflict.

Mr. Mullin: We already make large amounts of humanitarian aid and development aid available to the Ugandan Government. What is most pressing is to find a settlement, because until there is a settlement, all the aid in the world will not help to relieve the tragic situation in Acholi land. We receive many letters from concerned British citizens on the subject, and my hon. Friend is right to draw attention to the impact on children.

Mr. Gary Streeter (South-West Devon) (Con): In recent years, Uganda has been a beacon of hope in a fairly troubled continent. As hon. Members on both sides of the House have mentioned, awful atrocities have been perpetrated by the inappropriately named Lord's Resistance Army. What help have the United Kingdom Government offered? Have we offered any British expertise to try to root out the perpetrators? Have we

offered to galvanise the Commonwealth to give practical support? That is crucial if we are to see the future of Uganda as a beacon of hope.

Mr. Mullin: We have given a lot of help. Our high commissioner in Kampala has regularly visited northern Uganda. We have helped to sponsor an independent radio station as a way of getting a message across to the people of Acholi land. We have also made it clear that we are willing to help with any negotiations, and we have helped to fund some of the Acholi civic leaders who have been attempting negotiations. I can only repeat that it is extremely difficult to negotiate with such an unspeakable terrorist organisation, which has no known political demands. In addition, we have put in a lot of humanitarian aid for the people who have suffered from the recent atrocities.

Iraq

3. **Mr. Neil Gerrard** (Walthamstow) (Lab): What communications he has received from other governments regarding surveillance of delegates to the UN Security Council during the period before military action against Iraq. [157413]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): The British embassy in Mexico received an official note from the Mexican Government on 19 December. Our ambassador in Mexico City gave our response to the Ministry of Foreign Affairs at a meeting yesterday.

Mr. Gerrard: In written answers, the Foreign Secretary told me that it is not the Government's policy, and has never been the policy of any Government, to respond to speculation about the operational activities of the intelligence services. Is not it a fact rather than speculation that a communication was received from the Government of the USA asking for assistance in surveillance of United Nations delegations? The question as to what action was taken on that memorandum will not go away.

Mr. Straw: I understand and appreciate the nature of my hon. Friend's question, but I have to say that the House as well as successive Governments have always accepted that we have to ensure that there can be no speculation or no comment either to confirm or deny reports claiming details about the nature of British intelligence activities. However, I can make it clear that the British intelligence and security services operate strictly in accordance with statutory provisions and requirements laid down by the House and the other place. Those requirements take full account of our obligations under international law.

Mr. Boris Johnson (Henley) (Con): On the subject of bugging in the United Nations, what is any judge supposed to make of any future breach of the Official Secrets Act, given that the right hon. Member for Birmingham, Ladywood (Clare Short) is patently in breach of that Act and of her Privy Council oath and that the Government are too spineless and guilt-ridden to do anything about it?

Mr. Straw: As the hon. Gentleman knows, under the Official Secrets Act, decisions to prosecute are made not by Ministers, but by the Director of Public Prosecutions with the consent of the Attorney-General.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): Has the Foreign Secretary noticed that the claims made by my right hon. Friend the Member for Birmingham, Ladywood (Clare Short) have changed from day to day? First, she said that British intelligence was bugging Kofi Annan; then she said that the transcript came from someone else; and then she said the transcript dealt with Africa, not Iraq. She has probably not breached the Official Secrets Act, but she has been very irresponsible.

Mr. Straw: My right hon. Friend's summary of some of the remarks made by my right hon. Friend the Member for Birmingham, Ladywood (Clare Short) illustrates the sense of successive Governments in not commenting either to confirm or deny allegations relating to the security and intelligence services. I have already explained why we will not comment; we would end up doing nothing else if we were to go down that path. My right hon. Friend the Prime Minister has already expressed the sentiment, which is widely shared on both sides of the House, that the claims made by my right hon. Friend the Member for Birmingham, Ladywood were utterly irresponsible.

Mr. Speaker: Order. Before we go any further, a right hon. or hon. Member should not be criticised without a substantive motion going before the House.

Sir Menzies Campbell (North-East Fife) (LD): Without my asking the Foreign Secretary to comment on an individual case, does he agree as a matter of principle that the United Kingdom, as a permanent member of the Security Council, has a special responsibility to protect the integrity and independence of the Council and to uphold the office of the Secretary-General? As a matter of principle, would electronic surveillance of other members of the Security Council, or indeed the Secretary-General himself, be a serious breach of that responsibility?

Mr. Straw: I entirely subscribe to the first statement made by the right hon. and learned Gentleman, but he will forgive me for not proceeding down the rabbit hole of his second statement. As a senior and responsible Member of the House, he knows why no Foreign Secretary of any party can ever confirm or deny reports relating to our intelligence activities.

Mr. Michael Jabez Foster (Hastings and Rye) (Lab): Does my right hon. Friend think it more or less likely that the United States and other partners will share vital intelligence with us if we cannot keep secrets?

Mr. Straw: One of the many reasons why we must make every effort to ensure that intelligence is kept

secret is to protect our relationships with our international partners, but there other, even more important, reasons as well.

Sir Peter Tapsell (Louth and Horncastle) (Con): On the run-up to the invasion of Iraq, has any British leader been so uninformed about a selected enemy since Lord Chelmsford invaded Zululand?

Mr. Straw: I am not quite as senior in the House as the hon. Gentleman, and I remember the details of Lord Chelmsford's invasion of Zululand less well than he does. We were well informed about Iraq's behaviour. I know that he took one view, but the House took another by a clear majority of more than 200 votes. We were in full possession of the facts: Iraq was and remained in material breach of its international obligations under a succession of Security Council resolutions, and it had committed further clear material breaches of resolution 1441. It was therefore appropriate that the serious consequences proposed under operational paragraph 13 should take place.

David Winnick (Walsall, North) (Lab): Is my right hon. Friend aware that far from wishing to apologise some of us are proud indeed of our vote to destroy one of the most murderous tyrannies since 1945? Some who voted for the war may now want to apologise, but I do not want to be included in that category. The Government and my right hon. Friend the Prime Minister should be proud of what was done. If military action had not been taken, Saddam would have continued to rule for years ahead.

Mr. Straw: I entirely commend my hon. Friend for his constancy. Let us remind ourselves before trying to rewrite history that the basis on which the House voluntarily made its decision this time last year in respect of military action was not intelligence but what all of us could see with our own eyes and hear with our own ears—the 12 years of defiance by Saddam Hussein of UN obligations. That defiance had got worse. He had thrown out weapons inspectors at the end of 1998. Resolution 1441 was passed, and it imposed clear obligations on Saddam, which he failed to fulfil. Resolution 1441 did not require a second resolution, and it said to Saddam that if he failed to meet his obligations, serious consequences would follow.

As for the second part of my hon. Friend's remarks, there is no doubt that had we not taken military action last March, Saddam would be continuing his oppression of the Iraqi people, including millions of Shi'ites—who now have some religious freedom, notwithstanding the appalling attack this morning—and the Kurds, and he would have been emboldened and re-empowered to increase the terror for his own people and to threaten the stability of the rest of the region.

Hugh Robertson (Faversham and Mid-Kent) (Con): Returning to the question of surveillance at the United Nations, the issue originally came into the public domain as the result of the actions of a civil servant at GCHQ, an organisation for which the Foreign Secretary is of course responsible. What steps will he take within GCHQ to prevent a repetition, before lasting damage is done both to the transatlantic intelligence relationship and the confidence and—crucially—the safety of our own intelligence services?

Mr. Straw: Without going into details, I can reassure the hon. Gentleman and the House that we are taking the necessary steps. I should say that such incidents have taken place on both sides of the Atlantic and in most western countries from time to time, but they are very rare. I have no doubts about the professionalism, commitment and, above all, loyalty of all those who work for the British intelligence and security services.

Kazakhstan

4. **Linda Gilroy** (Plymouth, Sutton) (Lab/Co-op): What discussions he has had with the Government of Kazakhstan about human rights. [157414]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Bill Rammell): My right hon. Friend the Foreign Secretary discussed human rights issues with both President Nazarbaev and Foreign Minister Tokaev when he visited Kazakhstan on 5 February. I have also raised those issues with the Kazakh ambassador in London

Linda Gilroy: I thank my hon. Friend for that reply. Does he agree that free, independent and democratic trade unions have an important part to play in bringing democracy and human rights to countries such as Kazakhstan? Is he aware of the work of the International Confederation of Free Trade Unions in Kazakhstan, and will he ensure that it gets the support that it needs to continue to play a role in enabling that country to be a force for stability in that region?

Mr. Rammell: I thank my hon. Friend for that question and for the work that she does as the vice-chair of the all-party group, which engages importantly on those issues. The Foreign and Commonwealth Office has been pleased to be able to fund a substantive project for the International Confederation of Free Trade Unions in Kazakhstan. Under the new criteria for the new global opportunities fund, Kazakhstan is not a priority country. Nevertheless, in direct response to my hon. Friend's concern—I have also discussed the issue with other colleagues—I can confirm that trade union work in Kazakhstan remains important, and I am prepared to consider creatively, within the criteria, future funding bids.

Bob Spink (Castle Point) (Con): Since gaining independence about a decade ago, Kazakhstan has made tremendous progress in many areas and is now a good place for mutual business between our two countries. However, does the Minister agree that Kazakhstan must have the confidence to develop stronger press and media freedom?

Mr. Rammell: I thank the hon. Gentleman for that question. As is often the case in such situations, the forces of progress and reaction are present at the same time. I understand his point about press freedom; the issue was raised by the Foreign Secretary during his recent visit to Kazakhstan and there have been positive

developments, but we need to continue to press the Kazakh authorities to follow through on all such issues, whether they are to do with electoral law or press freedom.

Cameroon

5. **Mr. David Chaytor** (Bury, North) (Lab): What assistance he will be providing to the international monitoring of the forthcoming presidential election in Cameroon. [157415]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Chris Mullin): The presidential election is due to take place this autumn. The Cameroonian Government have made it clear that observers will be welcome, and British officials will observe the elections across the country. We will also work with our European Union partners and the Commonwealth on practical support for the elections.

Mr. Chaytor: I thank the Minister for that reply. I especially welcome the recent legislative changes in Cameroon that led to the strengthening of the powers of the national elections observatory. However, does my hon. Friend accept that one of the key factors in enabling a free and fair presidential election is the registration of voters? Is he concerned that, particularly among the English-speaking minority in southern Cameroon, registration of voters is an issue and that there may be reluctance among some sections of the community to register? Can he tell the House what assistance the Government will give to ensure the maximum possible registration of voters for this year's presidential election?

Mr. Mullin: My hon. Friend is right: effective registration is the key to a free election. We are encouraging the Cameroonian Government to publish an electoral timetable and to take steps to implement the transparent and fair registration process that is the key to a free election. Registration has been badly flawed in the past. The problem is not just among the English-speaking minority; we think that there are marginalised groups throughout the country, and there needs to be a free election throughout the whole country. We are giving a modest amount of assistance to the national elections observatory, including, we hope, the supply of literally transparent ballot boxes to help to ensure a free election. We are also offering some advice, and the Commonwealth, through Christine Stewart, is actively engaged in encouraging the Government of Cameroon to live up to the Harare principles.

Mr. Tom Clarke (Coatbridge and Chryston) (Lab): Is my hon. Friend aware that, notwithstanding his welcome references to the EU and the Commonwealth, those of us in the Commonwealth Parliamentary Association delegation who visited Cameroon last year and those of us who met the Cameroonian delegation to Britain a few months ago are acutely aware of the French influence on the thinking of the President and in that country? Will he bear that in mind during bilateral discussions as well as within the EU?

Mr. Mullin: We certainly will. I have heard from a number of sources that the CPA visit to Cameroon was extremely successful and highlighted to the Cameroonian public the concern of the outside world about the need for free and transparent democratic processes. On my right hon. Friend's point about French influence, we are working with all our EU partners and with the Commonwealth to try to achieve a higher standard of democratic governance in the country, as there is considerable scope for improvement. We also make that clear in all our contacts with the Government of Cameroon.

Cyprus

6. **Mr. Adrian Flook** (Taunton) (Con): If he will make a statement on progress towards a settlement in Cyprus. [157416]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): Talks resumed in Nicosia on 19 February. Initial reports are encouraging. The timetable is tight, and both sides are arguing for changes to the plan on some substantive points, but we hope that the constructive spirit shown by the parties in New York will enable them to reach an agreement.

Mr. Flook: I thank the Secretary of State for his answer, but that date is only nine weeks away. What is plan B?

Mr. Straw: In a sense, there is no plan B. If no agreement can be reached, a divided Cyprus will come into the European Union. There is only a plan A. What we are saying not only to the Turkish-Cypriots and the Turkish Government but to the Greek-Cypriots and the Greek Government is that it is in the interests of no one at all for a divided Cyprus to come into the EU.

Mr. Andrew Love (Edmonton) (Lab/Co-op): May I make a plea for flexibility in the negotiations, especially in relation to the Annan plan? As my right hon. Friend has already indicated, when the solution comes forward, it will have to be subject to a referendum of both communities. We need flexibility so that the referendum will be carried on both sides.

Mr. Straw: I commend my hon. Friend's interest in this issue, and the great interest that many of his constituents take in it. A spirit of compromise from both sides is required. The negotiations are being led by Secretary-General Kofi Annan and his special representative, Mr. de Soto. We are not interfering in those negotiations, but we will give support when we can. I say again that I hope that my hon. Friend and all who represent Cypriots, whether from the Turkish or Greek side, will in turn urge on their constituents the need to put behind them past hatreds and animosities and recognise that for both sides—Greeks and Turks—the problem can be resolved. This is the best opportunity in two generations, but if the problem is not resolved by 1 May, it will not go away: it will just become more difficult.

Mr. Roger Gale (North Thanet) (Con): All people of good will on both sides of the political divide in Cyprus would like to see a settlement prior to the accession of Cyprus to the European Union. That being so—this

point has already been made—there will have to be referendums on both sides of the green line. As a guarantor power, what steps is the United Kingdom taking to ensure that there is international monitoring of the referendums to guarantee that they, in turn, are free and fair?

Mr. Straw: We have particular responsibilities as a guarantor power. Along with our European Union partners and, above all, the United Nations, we would participate in the necessary programmes to ensure that the referendums were free and fair.

Gibraltar

7. **Mr. Robert Syms** (Poole) (Con): What steps he will be taking to celebrate the 300th anniversary of British possession of Gibraltar. [157417]

The Minister for Europe (Mr. Denis MacShane): As I told the House before Christmas, I look forward to the celebrations of the arrival of English and Dutch ships in Gibraltar 300 years ago. The royal family, Ministers, hon. Members, and all friends of Gibraltar will enjoy these events, which have started this morning—even as I speak—with the service of thanksgiving that is taking place at St. Clement Danes. Units of Her Majesty's armed forces will take part in a total of more than 20 events throughout the year. I spoke this morning to the Chief Minister, Mr. Caruana, and welcomed in particular his offer to fly out 500 veterans to enjoy the hospitality of Gibraltar.

Mr. Syms: Given the Government's recent rather shabby treatment of the people of Gibraltar, the 300th anniversary of British rule is a wonderful opportunity to celebrate the relationship between Gibraltar and this country. Should we not be doing more to celebrate this wonderful occasion?

Mr. MacShane: I do not want to repeat my answer, but the celebrations will involve the royal family, Ministers, 20 different occasions in which the armed forces will participate, Members of Parliament, veterans—and myself. I can think of nothing more.

Chris Bryant (Rhondda) (Lab): May I urge the Minister, as part of the celebrations, to visit Madrid, and particularly the Gibraltar tourism office in Madrid, to try to encourage more Spaniards to visit Gibraltar? In the end, it is only when we have a proper relationship between Gibraltar and Spain, as well as Gibraltar and Britain, that we will provide a secure economic future for the people of Gibraltar.

Mr. MacShane: I convey that message to my opposite numbers in Madrid, and have done so consistently since I took responsibility for the area. We should not forget the more than 500,000 British citizens, many of whom live close to Gibraltar on the Andalusian coast, who live in perfect harmony and happiness in Spain. If we can move forward in a spirit of tolerance and harmony, and try to find agreement rather than making maximum cheap political capital out of the matter—as, I would gently say, some members of the Opposition Front Bench do—we will all move forward much more successfully.

Mr. Richard Spring (West Suffolk) (Con): I suggest to the Minister that the best way the Government could celebrate Gibraltar's 300th anniversary would be to apologise publicly for trying so energetically and unethically to dump Gibraltar. Does he not see any irony in the fact that at a time when the Home Secretary is inviting new citizens to recognise their Britishness, 30,000 British citizens have been treated entirely differently? More specifically, will the hon. Gentleman explain why this morning's church service in London to celebrate our historic relationship with Gibraltar is shamefully marked by the absence of senior Cabinet Ministers, including the Prime Minister? What a disgraceful snub.

Mr. MacShane: I regret the hon. Gentleman's tone, which is not up to his normal amiable style. Last week in the *Daily Mail*, the right hon. and learned Member for Devizes (Mr. Ancram), the shadow Foreign Secretary was reported as saying that he

"regretted he would miss the service . . . because he would have to"

be at the House. But of course now that the words "shameless opportunism" and the Conservative party have become completely intertwined, the hon. Gentleman has done another U-turn. There is good news for the people of Gibraltar, however. The Conservative party in Kensington and Chelsea has selected Sir Malcolm Rifkind as its candidate. When he returns to the House, as I expect he will after the election next year, he will sit on the Opposition Front Bench, and at long last there may be some consistency, principle and style on foreign policy questions from the Conservative party.

Andrew Mackinlay (Thurrock) (Lab): I have a better idea for celebrating the 300th anniversary of Gibraltar: the UK Government should robustly resist the temerity and audacity of Spain, which is not only trying to frustrate the construction of the franchise in Gibraltar but is seeking to deprive millions of voters in the UK of the opportunity to vote in the European elections, in Blackburn and elsewhere: it wants to prevent Commonwealth citizens voting in the European elections both in Gibraltar and in the UK.

Mr. MacShane: That move, if it comes to pass, will be stoutly resisted. Let us not forget that in the other place we witnessed the shameless opportunism of both the main Opposition parties in trying to deny the constituents of my right hon. Friend the Secretary of State and others elsewhere the right to a postal ballot. Unelected peers—hereditary peers—voted to stop the British people exercising their votes duly in the election. The real scandal is the anti-democratic behaviour of the Liberal Democrats and Conservatives.

Zimbabwe

8. **Mr. Christopher Chope** (Christchurch) (Con): How many British passport holders in Zimbabwe renewed their passports at the British High Commission in Harare in 2003. [157418]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Chris Mullin): The high commission in Harare issued 2,143 passports in 2003, approximately 90 per cent. of which were renewals.

Mr. Chope: I am grateful to the Minister for that answer. Will he salute the courage of British passport holders in Zimbabwe? Will he note that most of them think that the Government are being utterly feeble in standing up to Africa's Hitler? Will he accept that one way in which he could practically help these passport holders would be to change the consular fees order to allow passport renewal fees to be paid in sterling rather than in the local currency? As the hon. Gentleman will know, the local currency is subject to 600 per cent. inflation and can be obtained only on the black market. Many British passport holders in Zimbabwe are suffering badly economically, and to allow passport renewal fees to be paid in sterling would be one small way to alleviate the burden.

Mr. Mullin: I am sorry that the hon. Gentleman has chosen to lower the tone of what I thought was a reasonable question. I took the trouble to speak to our consul in Harare this morning. He says that he is not aware of any serious difficulty in British citizens paying for their passports under the existing arrangements. He says that there have on a couple of occasions been problems when people in this country have tried to pay for passports on behalf of relatives who live in Zimbabwe, but that it has always been possible to sort those problems out. It is not necessary for people to wheel great barrow-loads of currency into the high commission. The high commission can accept bankers' drafts, and it does. Our consul was unaware of any serious difficulty.

Kate Hoey (Vauxhall) (Lab): On the question of passports, the Minister will doubtless have seen the appalling film on "Panorama" on Sunday night about what Mugabe is doing in Zimbabwe, infiltrating and intimidating groups of young people, who will be used to ensure that there are no free elections next year. Does he share my concern that many Zimbabweans leave Zimbabwe without papers, cross the border into South Africa, then eventually find their way by some means or other to this country, perhaps using a passport that is not theirs? Will he have a quiet word with the Home Secretary to ensure that Foreign Office and Home Office policies on Zimbabwe are married together so that genuine asylum seekers from Zimbabwe are not sent back to South Africa, where they suffer abuse as a result of secret intelligence from Zimbabwe?

Mr. Mullin: I am happy to talk to my colleague in the Home Office about this issue, as I have done in the past.

Mr. Richard Spring (West Suffolk) (Con): Do the Government have special contingency plans for British passport holders in the event of escalating further violence in Zimbabwe? What frank and open discussions, if any, has he had with the South African Government about the impact on British citizens and other foreigners whose personal situation is deteriorating because of the lack of firm and resolute action against the Mugabe regime? Does he agree that the so-called quiet diplomacy sponsored by President Mbeki has now collapsed, as we repeatedly forecast, accompanied by violent attacks on opponents, including British passport holders, and on the press and judiciary on top of the economic chaos. Will the Government urgently provide time for the first time on the Floor of the House for a debate on the subject?

Mr. Speaker: Order. I must tell the Front Bench that this has become quite a habit. The original question was about passports, so hon. Members' questions must relate to that matter and not go wide of it.

Anti-Semitism

9. **Linda Perham** (Ilford, North) (Lab): What efforts are being made by his Department and other EU Governments to combat the rise in anti-Semitism. [157419]

The Minister for Europe (Mr. Denis MacShane): The rise of anti-Semitism in Europe along with other forms of intolerance, notably Islamophobia and attacks on Roma, is a frightening political phenomenon, which the Government and other EU partners are determined to combat. Ministers will attend the conference organised by the Organisation for Security and Co-operation in Europe on anti-Semitism next month in Berlin, the convening of which we have actively supported.

Linda Perham: I am pleased to hear about that conference. As my hon. Friend knows, I represent a London borough with a large Jewish community of 15,000 people. I frequently receive representations from people who have fears about the rise of anti-Semitism. What further action can the UK Government take to address my constituents' concerns and continue the fight against anti-Semitism and racism?

Mr. MacShane: This is a deeply worrying problem, not just in this country but elsewhere in Europe. People of the Jewish faith are frightened to wear kippas and are worried about attacks on their synagogues. Proper and due criticism may be made of the action of any Government—I am thinking of the Israeli Government—of which we disapprove, but sometimes that glides off into anti-Israeli and, frankly, in some sectors, anti-Semitic and anti-Jewish remarks. The European Union as a whole is much seized of this, and it was recently discussed by the Israeli President and President Chirac, who is concerned about it. I was recently in Vienna where, thanks to the initiative of my right hon. Friend the Foreign Secretary, we are bestowing an honorary knighthood on Simon Wiesenthal. I assure my hon. Friend that all members of the Government and, I believe, all hon. Members, are worried about this, and it is something that everyone in Europe should take very seriously indeed.

Alistair Burt (North-East Bedfordshire) (Con): Romano Prodi meant well when he said in February:

"Let us . . . keep things in perspective. Today's Europe is not the Europe of the 1930s and 1940s."

However, is there not a sense in which he was wrong, because anti-Semitism, just like racism, is always with us? A sophisticated diplomat in the 1920s might have

said that the Europe of that period was not the Europe of the middle ages. Is not the lesson of history that the price of protecting peoples from waves of racism and anti-Semitism is eternal vigilance, not complacency, however well meant?

Mr. MacShane: I completely and utterly agree with the hon. Gentleman, but I would add that the same analysis might be made of some of the attacks that we read about, particularly in connection with the Muslim faith—Islamophobia— and on Romas. We should not forget that after the Jews, Romas were the largest group of people put to death in the death camps. All of us, including, perhaps, some gentlemen in the Gallery, should reflect that the kind of language we have seen in recent months about European citizens who are Romas has not been worthy of British tolerance and decency.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): When my hon. Friend or his colleagues next meet the Muslim Council of Britain, will he urge it to take more seriously than it has until now the recent report from the Community Security Trust, which shows the rise in attacks on Jewish people and the link between that and events in the middle east? Will he also urge the Muslim Council of Britain to take a stand against the Islamic extremists who allow their hatred of the existence of Israel to slide into blatant anti-Semitism and foment hatred of Jews in this country?

Mr. MacShane: I have taken that stand. I have taken it, I hope, all my life. I will continue to take it, and I believe that every decent Member of the House would take exactly that position.

Dr. Jenny Tonge (Richmond Park) (LD): May I endorse much of what has been said already on this question? But does the Minister agree that criticising the Government of Ariel Sharon is not being anti-Semitic, any more than criticising George Bush is anti-American or criticising our own Prime Minister is anti-British? Does he also agree that Mr. Sharon uses accusations of anti-Semitism to silence his critics? Would not one way forward be to put pressure on Israel to change its policies towards the Palestinians by suspending the European Union-Israel trade agreement?

Mr. MacShane: The question is about anti-Semitism, and I tried to indicate earlier that I believe that whatever legitimate criticisms one might have about a Government should not slide into some of the remarks that I read in various parts of various engaged political communities which I consider to be anti-Semitic. I might say to the hon. Lady that I find that any language that validates or justifies scrambling the brains of young boys and girls to go and blow up innocent women and children in buses is also unacceptable. This is an area in which we all have to mind our tongue, especially this Minister.

Iraq

10. **Hugh Bayley** (City of York) (Lab): If he will make a statement on the prospects for holding elections in Iraq. [157421]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): May I begin my expressing, on behalf of the whole House, our shock and outrage at the latest terrorist attacks in Iraq—in Baghdad and Karbala —which led to the killing of at least 100 people and many, many more injuries. I should like to send our condolences to the relatives and friends of those involved and great sympathy to those injured. Those attacked today in Karbala and Baghdad were exercising their religious freedom—a freedom won only following the departure of Saddam Hussein. This freedom is now enshrined in the transitional administrative law, on which an historic agreement was reached just two days ago, on Sunday. The transitional administrative law is, in effect, a provisional constitution for a free Iraq. It follows the visit to Iraq of the special envoy of the Secretary-General of the United Nations, Lakhdar Brahimi. In his report, Mr. Brahimi made it clear that preparations for direct elections would take eight months after agreement on an electoral law and the establishment of an elections commission. That would point to elections sometime in the first half of next year.

Hugh Bayley: Elections could not possibly have taken place under the previous regime—that is clear. Does my right hon. Friend recognise the need to continue to involve the United Nations in the preparations for elections? Can he tell the House what our Government are doing to ensure that Iraqi women will be able to participate fully and freely in the elections when they take place?

Mr. Straw: We greatly encouraged the Secretary-General of the United Nations, Kofi Annan, to appoint a special representative to assist in the process. We were delighted when he decided to appoint one of the world's most experienced international diplomats, Lakhdar Brahimi, who had done such a good job in Afghanistan, and he will continue to get our full support.

On the issue of women in Iraq, the transitional administrative law that was agreed on Sunday sets as a target that the political institutions of Iraq should aim for 25 per cent. representation of women. I may say that that is a higher proportion than we have been able to achieve in this country or than has been achieved in almost any other European country.

Chris Grayling (Epsom and Ewell) (Con): Is the Foreign Secretary confident that none of the groups involved in the political process in the run-up to elections in Iraq has any linkages to the violence that is taking place in the country at present?

Mr. Straw: One cannot be completely confident about that. However, what has been shown in the 10½ months since the fall of Saddam is a real burgeoning desire by the overwhelming majority of Iraqis and their representatives to build a new and free Iraq. The agreement that was reached on Sunday by representatives of the Kurds, the Sunni Arabs and the Shi'ites opens with words, unanimously agreed by them all, condemning the oppression and terror that was perpetrated by Saddam—which oppression and terror would have continued had that man not been removed.

Slovak Republic

11. **Mr. Harry Barnes** (North-East Derbyshire) (Lab): When he last held discussions with representatives of the Government of the Slovak Republic about the arrangements for its entry into the European Union. [157422]

The Minister for Europe (Mr. Denis MacShane): The Secretary of State and I regularly see our Slovakian opposite numbers at European Council meetings in Brussels and during visits here in London. British embassy officials in Bratislava also have regular discussions with Slovak Government representatives on EU matters.

Mr. Barnes: The Roma people in Slovakia suffered from a long history of racial prejudice under the Nazis and under the communists, and, unfortunately, still experience that hatred today. Is it not the case that that should not continue as part of their fate within the European Union, which is expected to be socially inclusive? Will the Foreign Office work with the Slovak Government to assist and protect Roma people, most of whom are housed, especially in the light of the social problems created by recent cuts in unemployment benefit, which have hit them disproportionately?

Mr. MacShane: Yes. Jointly with the Slovak Government, we have spent a couple of hundred thousand pounds on projects on housing rights, on training for Roma para-legals, on constructing a community centre and on tackling barriers in communication between Slovak police and the Roma community. It is small, brick-by-brick stuff, but I am very proud of the commitment of our embassy staff in Bratislava to that work, which is a real British contribution to easing what was, is and will remain a difficult and sensitive problem.

Angus Robertson (Moray) (SNP): Does the Minister agree that it is entirely normal for European nations of 5 million to secure full membership of the European Union?

Mr. MacShane: Membership of the European Union stretches from Malta, with 400,000 people, to Germany, with more than 80 million people; but some nations in Europe are unbelievably lucky to belong to the United Kingdom, and thus to have a much better voice and presence in Brussels than if they had 60 or 70 embassies with the hon. Gentleman's picture up on the wall.

Ethiopia/Eritrea

12. **Mr. Laurence Robertson** (Tewkesbury) (Con): What discussions he has had with the Ethiopian and Eritrean Governments about their border dispute over Badme; and if he will make a statement. [157424]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Chris Mullin): Most recently, I raised the border dispute with Eritrean President Isaias in Asmara on 15 January and with Ethiopian Prime Minister Meles in Addis Ababa on 16 January. I reiterated to both parties that the boundary commission's decision is final and binding, and urged them to engage in a political dialogue on all the issues that separate them.

Mr. Robertson: The Under-Secretary knows that Ethiopian Members of Parliament recently visited this country. Indeed, I was fortunate enough to host a day with them in my constituency. I had the opportunity to discuss the border dispute over Badme with the Ethiopian ambassador. Although I acknowledge the sense of what the Under-Secretary says, does not he feel that the town of Badme is inhabited by Ethiopians rather than Eritreans? Will he recognise Ethiopia's determination to settle the dispute peacefully and express some concern to the boundary commission about its extraordinary decision?

Mr. Mullin: Both sides signed up to the Algiers agreement, which was to accept the outcome, however difficult, with their eyes open. We accept that it is difficult. However, the difficulties are not only one way; Eritrea also loses out in some respects. The boundary commission has made it clear that it is possible to iron out anomalies that arise from its decision, but that must be done by talks between the two sides, which are currently not speaking to each other. However, I made the point to both leaders—I believe that they were well aware of it—that the only war that matters in their country is that against poverty.

Points of Order

12.30 pm

Mr. Tam Dalyell (Linlithgow) (Lab): On a point of order, Mr. Speaker. Statements in the House before the facts of a situation are fully known are deeply unsatisfactory. However, in the circumstances of what has happened in Karbala—an iman showed me around there in 1994, and I appreciate that the situation is complicated—could a statement be made tomorrow? The coalition is deeply affected by the tragic events. I do not blame the Foreign Office for not saying more today, but surely tomorrow the position merits serious consideration.

Mr. Speaker: That is for the appropriate Minister to determine. No doubt the Father of the House's remarks have been heard and noted.

Mr. Oliver Heald (North-East Hertfordshire) (Con): On a point of order, Mr. Speaker. You will know that last Thursday I asked the Leader of the House for an urgent debate on Zimbabwe in the light of the deteriorating situation there and the Government's new emphasis on Africa, and in that context you will have heard the question that my hon. Friend the Member for West Suffolk (Mr. Spring) asked a moment ago. Given the urgency of the position, the importance of the subject and the new focus on Africa about which the Government have spoken, has the Leader of the House suggested to you that he wants to make a short statement to say that a debate will take place on Zimbabwe?

Mr. Speaker: I imagine that the shadow Leader of the House sees more of the Leader of the House than I do.

Fisheries Jurisdiction

12.32 pm

Mr. Alex Salmond (Banff and Buchan) (SNP): I beg to move,

That leave be given to bring in a Bill to make provision for withdrawal from the Common Fisheries Policy of the European Union; to amend the Fisheries Limits Act 1976; to make provision about the exercise of functions under that Act by Scottish Ministers, the National Assembly for Wales, Northern Ireland Ministers and the Secretary of State; to provide that that Act shall have effect regardless of the provisions of the European Communities Act 1972; to define Scottish, Welsh and Northern Irish waters; and for connected purposes.

The Bill is supported by hon. Members of all eight political parties that are represented in the Chamber, which is unusual for a politically controversial measure, and, more important, by every fishing organisation in the country, both offshore and onshore.

The Bill is a plea for fair treatment from one of the great natural resource industries of our land. Whatever the measure's fate today, the demand will return to this place until it is successful.

If there were no fish in the sea, we might reluctantly have to accept that little could be done to sustain our fishing industry, although that would still be a good reason for changing the policy that had brought about the disaster, but that is not the position. Even according to the hotly disputed scientific figures from the International Council for the Exploration of the Sea, many of our stocks are in a robust condition. Haddock, prawns, mackerel—the sea is teeming with fish, but it may soon be empty of our fishermen.

Last December, despite the highest haddock stock in the North sea for more than 30 years, the common fisheries policy, in which UK Ministers acquiesced, managed to produce a position whereby our fishermen are denied the opportunity to catch and market it properly. I say that in particular to the 10 current and previous Secretaries of State for the Environment who signed an ill-judged letter to *The Sunday Times* last weekend, apparently oblivious to that reality. It is little wonder that so many of our fishermen regard the current policy as a charade and a device to rob them of their birthright.

If we look back 30 years, to the time when this country accepted the adoption of the common fisheries policy in negotiations to enter the then Common Market, with its central provision of equal access to a common resource, we find evidence to support the view that I have put forward. For example, one of my predecessors, the late Patrick Wolrige-Gordon, wrote asking for a ministerial meeting. The internal Scottish Office paper, now released under the 30-year rule, noted:

"In the wider UK context, they"—

the fishermen—are "expendable". If we look at the other documents released under the same rule, perhaps the only surprise, given the pessimism of civil servants of that time, is that so much of our industry has lasted for so long.

It is not just that the common fisheries policy does not work; it cannot work. Common ownership of a resource means no ownership of that resource. For marine resources, that leads to disaster. It means that stock management decisions are made as part of a political

bargain. European Commission civil servants attempt to micromanage individual fisheries, with disastrous results. In the short term, the countries with the biggest fisheries muscle—countries that prioritise fishing—get the best deal. In the long term, there is decline for everybody. The UK fishing industry gets the worst of both the long and short term, because fishermen are a low priority, expendable in the wider European context.

Some people say that although the common fisheries policy is a disaster, we cannot just withdraw from it. However, we say that that must be done, and that it is a question of political will. The Leader of the Opposition says that we should negotiate, but I think that we should pass this measure, or one like it, and then negotiate. The Prime Minister says that we cannot opt out of the common fisheries policy and remain in the European Union, but the same Prime Minister continues to opt out of the single currency. The single currency is central to the European ideal, whereas the common fisheries policy is an albatross round the neck of the European cause. The Chancellor of the Exchequer says that taxation must be a red-line issue in the proposed European constitution, and he would have a dicky fit if the Commission got one pound or dollar of the oil revenues. Yet under the European common fisheries policy, an entire resource industry has been given over.

Why cannot fishing be a red-line issue? Why can it not be a priority? Why can we not delete the exclusive competence over fisheries claimed in the constitution when it moves back on to the agenda later this year? This is a question of political will and political priority. It is a question of whether this Chamber thinks that the fishing industry is expendable or not.

If we were to withdraw from the common fisheries policy, we would assume the rights established for sovereign countries under the United Nations convention on the law of the sea: the 12-mile territorial limit, the 200-mile exclusive economic zone and the jurisdiction of our own vessels on the high seas beyond that. We would assume responsibility for managing our fishery, which the Bill divests to the home nations. Could the home nations manage that? If the Faroese can make a fair stab at managing a successful fishery, I suspect that the home nations probably could.

Would that fishery be perfect? Probably not, but at least we could start with a few governing principles, such as those that the United Fishing Industry Alliance laid down yesterday. First, there should be no industrial fishing. The real obscenity of the sea, to which the 10 past Secretaries of State for the Environment were oblivious, is the fishing of 600,000 tonnes of small fish and sand eels every year from the North sea under the common fisheries policy. Secondly, there should be no discarding of dead fish into the sea, which is the key immorality at the heart of the common fisheries policy. Thirdly—and crucially—there should be a management regime that puts the fishing industry and other stakeholders at the heart of policy formation, rather than locking them out behind the door of the key meetings. Those principles would be a good start for a sensible management regime.

In my Banffshire constituency, there is a small village called Whitehills. It has a beautiful harbour, but only one white fish boat left in the port. That small boat, the Budding Rose, catches fish for one dedicated processor, who is also based in the village. High-quality fish are sold straight to the market. One could search the world and find it difficult to find a more environmentally sustainable fishery than that. Yet that boat's livelihood—the last boat in that village—is now threatened by the ridiculous regulations imposed by the common fisheries policy and implemented by the Scottish fisheries department. Unless we end this madness, we shall have many more broken boats, broken businesses and broken communities.

I said at the outset that this Bill is supported by Members of Parliament of all eight political parties represented in this Chamber. Obviously, there is also opposition. That opposition is not as vocal as it used to be, but we hear it in speeches and we see it in the reality of Government policy. If that is the opinion of hon. Members, let them force this issue to a vote now. Fishing communities would like to see who is on their side in this matter. We are told by no less a body than the Prime Minister's strategy unit that fishing is small in economic terms. That reflects a vast misunderstanding of the importance of the fishing industry both in the supply industries, which depend on a viable sector, and the processing sector that markets the product. The fishing industry is not small in Scotland. It is not small around the coastline of many areas of England, Wales and Northern Ireland. Above all, the industry is not small in the hearts of the people, who want there to be a fishing industry, and who want this House to live up to its responsibilities to make sure that we continue to have one.

Question put and agreed to.

Bill ordered to be brought in by Mr. Alex Salmond, Mr. Roy Beggs, Mr. Alistair Carmichael, Mr. Nigel Dodds, Mr. Kelvin Hopkins, Mr. Elfyn Llwyd, Mr. Eddie McGrady, Mr. Austin Mitchell, Angus Robertson, Mr. Anthony Steen, Mr. Michael Weir and Ann Winterton.

FISHERIES JURISDICTION

Mr. Salmond accordingly presented a Bill to make provision for withdrawal from the Common Fisheries Policy of the European Union; to amend the Fisheries Limits Act 1976; to make provision about the exercise of functions under that Act by Scottish Ministers, the National Assembly for Wales, Northern Ireland Ministers and the Secretary of State; to provide that that Act shall have effect regardless of the provisions of the European Communities Act 1972; to define Scottish, Welsh and Northern Irish waters; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 21 May, and to be printed [Bill 64].

Orders of the Day

Pensions Bill

Order for Second Reading read.

Mr. Speaker: I should inform the House that I have selected the amendment in the name of the Leader of the Opposition.

12.42 pm

The Secretary of State for Work and Pensions (Mr. Andrew Smith): I beg to move, That the Bill be now read a Second time.

The Bill is an important step forward in security and confidence in pensions. It strengthens protection and strengthens regulation. It cuts complexity in the system, making it easier for firms to run pensions and helping to cut costs. It will increase choices for people over the timing and pace of their retirement. It reflects the extensive consultation that we have undertaken. Those are all crucial building blocks for confidence in pensions, rebuilding the pensions partnership for the 21st century. The Bill will, I hope, command widespread support in the House.

I am clear that a pensions promise made should be a pensions promise honoured. That is why, for the first time ever, we will set up the pension protection fund to protect workers whose firms go bust without enough funds to pay their pensions.

We have yet to hear whether the main opposition party supports the key measures in this Bill. The arguments in its reasoned amendment, which I will deal with later, do not stack up. I look forward to it making its position clear in today's debate. The hon. Member for Havant (Mr. Willetts), however, with his customary courtesy, raised in advance a number of points in a letter to me this weekend. The questions that he poses are reasonable ones, and I thought that it would help the House if I responded to each.

First, the hon. Gentleman wanted an assurance that we would implement the levy in a way that respected risk. I can confirm that, like all sensible insurance schemes, the PPF will have a risk-related premium. This will ensure that those who pose the greatest risk to the PPF pay the lion's share of the levy.

Mrs. Jacqui Lait (Beckenham) (Con): As the Secretary of State is beginning to talk about risk, what can he tell us about his plans for the first few years of the PPF if the claims paid out of it are greater than its income?

Mr. Smith: I shall come to the operation of the PPF. We have to ensure that its board is in a position to meet its liabilities, while ensuring that it operates within a framework of reasonable constraints, so that it does not impose an undue burden on schemes or on business. I shall have more to say later about the balance that must be struck.

The risk-related element of the levy will be substantial. Indeed, the Bill states quite clearly that this part of the levy must raise at least 50 per cent. of total revenues, and could raise significantly more. As hon. Members will be aware, this is new territory, and we need to collect the information to ensure that the system can work, so for the first year only we shall in effect treat all schemes as low risk, with a significantly reduced flat-rate fee. After that we shall work closely with businesses, allowing them to switch to the risk-related premium as best fits the normal triennial valuation cycle. But let us be clear: if they want to bring that forward, they will be able to do so. We are clear that we are adopting a risk-based approach and are clear about the principles on which it will be introduced.

Mr. Steve Webb (Northavon) (LD): In last week's debate the Minister for Pensions guaranteed that the risk-related element would indeed come in after a year. If I read the Bill correctly, it allows the Secretary of State to delay it beyond a year. Will he accept amendments in Committee to withdraw that provision, because if he is confident that that element will come in within a year, why allow himself the power to delay it further?

Mr. Smith: There will be ample opportunity in Committee to explore all these matters in greater detail, but if we are to refer closely to the Bill now we shall see that the initial period is defined as the period between when the measures take effect and the following 31 March or the following 31 March plus 12 months. Anyone looking at the timing factors can see why that is necessary. As I said in answer to the hon. Member for Beckenham (Mrs. Lait), we are bringing in a new institution, and want, as everyone does, to get the protection in place as quickly as possible, because it is needed and wanted by workers, while wishing, of course, to ensure that it operates sensibly and does not impose undue burdens on schemes. Therefore, there must be that measure of flexibility, which is provided for in the Bill.

Mr. Frank Doran (Aberdeen, Central) (Lab): In January 2002 more than 900 workers at the Richards textile factory in my constituency were told that the company pension scheme, a final salary scheme, was to be closed. All have been told subsequently that the best they can receive is between zero and a third of what they expected. I gather that about 60,000 pensioners throughout the country are in a similar situation. The scheme that my right hon. Friend is outlining is extremely welcome, but those pensioners have lost out because they took Government advice to join a pension scheme. What proposals does my right hon. Friend have for my constituents?

Mr. Smith: First, I understand and echo my hon. Friend's concern about workers affected by the dreadful impact of insolvency on their retirement prospects. As I said at length in the debate last week, and as I have set out on previous occasions, we are looking very closely at what may be done. I have to tread a very fine line here, on the one hand not closing down the possibility of some discretionary assistance and on the other not raising expectations that might subsequently not be fulfilled. I shall have more to say about this matter later.

I was responding to points raised in the letter from the hon. Member for Havant. The Bill is explicit about what we mean by risk. In setting the risk-based levy, the PPF board must take into account scheme underfunding. It will also be able to consider other specified factors such as credit rating and investment strategy.

As I have said in reply to interventions, the PPF's independent board must have operational freedom, within this framework, to use its expertise and judgment effectively to meet its obligation to keep the fund's finances on a sure footing in evolving economic conditions. The board will consult closely with business in developing the levy, and—here I pick up a point made by the hon. Member for Havant—it will publish the detail within the first year of operation.

Mrs. Lait: I am very grateful to the Secretary of State for giving way to me again, but I am afraid I remain mystified. If I have correctly interpreted the brief from the Association of Consulting Actuaries, the association believes that a number of pension funds are, shall we say, saving up claims against the fund until it is established. That indicates to me that it is highly likely—especially given a flat-rate contribution system for the first year—that the fund could go bust before it was up and running.

Mr. Smith: It sounds to me as though the hon. Lady supports the fund's establishment in principle, although she is equivocating a little. We look forward to hearing from Conservative Front Benchers whether they really support it or not.

The hon. Lady mentioned demands in the early period of the fund's existence. Then and subsequently, the fund will take over the remaining assets of any schemes that have become insolvent. It should also be borne in mind that in the early years the fund will almost certainly need to pay out less than it will in subsequent years. I approve of the balance between the timing of its liabilities, and the extent of those liabilities, and the income that it can raise. I approve of the arm's-length relationship that will operate: we are giving the board responsibility for sorting out its affairs, within the general constraints that I mentioned earlier.

The hon. Member for Havant referred to the estimate of the amount that the levy would need to raise. The estimate is based on actuarial modelling of PPF finances over the next 20 years given a range of assumptions about several factors, including pension scheme funding levels and rates of insolvency. The baseline scenario, in which a £300 million levy is required each year, involves some rather gloomy assumptions: for example, it includes the risk of several insolvencies among the largest FTSE companies over the next two decades. In the extremely unlikely event that things turned out even worse for the PPF—this too relates to the question asked by the hon. Member for Beckenham—the fund would still have the capacity to fulfil its duties, as it has the right to increase the levy above the baseline should that prove necessary. Indeed, it has the right to double it.

Let me now deal with what was said by my hon. Friend the Member for Aberdeen, Central (Mr. Doran). As I told the House in last week's debate, and have made clear on previous occasions, I am—like many other Members—acutely aware of the awful plight of workers whose companies have gone bust and left their pension schemes underfunded. That is, in fact, an important reason for the House to get on and establish the PPF. It is sometimes suggested that we should make it operate retrospectively, but I do not think that that option bears serious scrutiny. The PPF is essentially an insurance scheme, and no insurance scheme can protect against events that have already happened. None of us, taking out car insurance next week, would expect it to cover us for an accident that we had last week.

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): My right hon. Friend is aware of the plight of the HH Robertson pensioners in my constituency, which dates back to just before the 1997 general election. Will he consider carefully the issues I raised with him in a parliamentary question, the reply to which can be found in column 697W of yesterday's *Hansard*? Without proper research into the background information, it would be extremely difficult to develop a cogent system to support workers whose schemes have already gone down. Will my right hon. Friend undertake such research?

Mr. Smith: It is already being undertaken, and I shall report to the House on the outcome when I am able to do so.

I agree with my hon. Friend that the current data on insolvency wind-ups leave much to be desired. What is available is collected by the pension schemes registry, but it is lacking in three key respects. It does not record whether a scheme in wind-up has a solvent or an insolvent sponsoring company, it does not record the level of funding that a scheme has on wind-up, and it does not record the make-up of a scheme in terms of how many members are pensioners and how many are deferred. We are exploring with industry representatives the basis on which we can establish, given the available evidence, the extent of the problem, the number affected—as I have said, I think that 60,000 is a good rough estimate—and the potential scale of losses. I shall report further when I am able to do so.

Sandra Osborne (Ayr) (Lab): I am glad that the research is being done, and I am grateful to my right hon. Friend for the time he has devoted to meeting my constituents, the former UEF workers who have been so badly afflicted by this problem. What is his current response to the proposals of Dr. Ros Altmann, who, as he knows, has done a great deal of work on this and has suggested a possible solution?

Mr. Smith: I do not want to prejudge any conclusions that we might reach, but I think that there are weaknesses in Dr. Altmann's proposition. We must examine carefully, for instance, the idea that schemes could simply be allowed to run on with no requirement for annuitisation, with the Government being left to pick up some unspecified and uncosted liability somewhere along the track. I have heard Dr. Altmann and others say rather casually—perhaps that is unfair, but it is the impression I have had from some interviews—that this would cost "only" £100 million a year. That is a not inconsequential sum.

Any Government must examine liabilities very carefully, not just in relation to the specific workers whom Members think should be helped—and I understand the case they are making—but in terms of the potential read-across to others who might form a queue at the Government's door asking for similar assistance. There must be a clear set of principles informing any decision to assist some who have been

[Mr. Smith]

hard done by, and not to assist others. I should also point out, as I did in last week's debate, that legal action against the Government on this matter is outstanding.

Annabelle Ewing (Perth) (SNP): The UK Government have been in office for nearly seven years. Why are they coming so late in the day to an examination of the plight of the thousands of people who, through no fault of their own, have lost out in their pension entitlement? Surely the Bill should be used to bring that sorry saga to a close?

Mr. Smith: The hon. Lady will know that there have been a number of inquiries over the years. For example, the Goode committee evaluated the establishment of what was then called a central discontinuance fund, and recommended that such a fund would not be operable and or necessary. In more recent years, it is clear that the pressures on funds have changed, thanks to the decline in the stock market and to FRS 17. Moreover, the rather belated realisation by some actuaries that we are all living longer is also placing demands on schemes.

As I have explained to the House before, one question has struck me since I began looking at this matter, and at the dreadful plight of the workers affected—why on earth was no protection in place for pension schemes run by insolvent employers? After all, there is protection for people who book their holidays through travel agents belonging to the Association of British Travel Agents, and people quite properly expect their motor insurance to remain intact even if their insurance companies go bust.

We need to get the PPF up and running. That is why we need to get on and put the Bill into effect.

Mr. David Willetts (Havant) (Con): Will the Secretary of State give way?

Mr. Smith: I shall give way to the hon. Gentleman. I look forward to hearing from him whether the Conservative party will support the PPF.

Mr. Willetts: We support the principle of pension insurance, but we are asking about the problem of pension wind-ups. That problem led us to call last week's debate, and it has caused people to protest again today. The Secretary of State has dismissed the Ros Altmann proposal, but will he consider the proposal from the right hon. Member for Birkenhead (Mr. Field)? He suggests using the unclaimed assets of banks and insurance companies as the basis for endowing a fund to help people who have lost out because their pensions have been wound up. Would not that be an imaginative approach? It is a great pity that the Government opposed the right hon. Gentleman's private Member's Bill last year. Is there any prospect of them looking at that proposal in a fresh light?

Mr. Smith: As I told my hon. Friend the Member for Ayr (Sandra Osborne), in connection with the suggestion by Dr. Altmann—and without prejudging the Government's conclusions on this matter—we had several exchanges with my right hon. Friend the Member for Birkenhead (Mr. Field) on the matter of unclaimed assets. The House should take careful note that the fact that assets are unclaimed does not mean that they do not belong to someone, and that it is becoming easier to trace assets. Secondly, if such a fund were to be established, does not the hon. Gentleman think that there would be a long queue of other people, also with compelling cases, who would seek access to it? There may be unclaimed assets, but it is not clear that that would establish the case for hypothecating them for the purpose of a fund.

Mr. David Watts (St. Helens, North) (Lab): I welcome this Bill, which is overdue. I am pleased that it will offer a level of protection to a range of workers who do not have it at present. I have two questions: are the Government prepared to pay for those workers who need some form of compensation, and what limits will be imposed? I understand that the Government want to erect a firewall to ensure that other claims are not made for similar compensation packages, but will my right hon. Friend write to the Opposition parties to ask for clarification of their positions? It would be helpful if we could achieve consensus among the political parties as to who would be entitled to compensation.

Mr. Smith: My hon. Friend makes some good points. I do not want to go over all the matters that we explored at some length in last week's debate, but the Conservative party has been long on regrets and condemnation, and short on specific proposals. I was pleased to hear what the hon. Member for Havant had to say. He could not bring himself to say that his party supported the establishment of the PPF, but he did say that he supported the principle of insurance in this area—or words to that effect. However, I remind the hon. Gentleman that the Opposition have tabled a so-called reasoned amendment that would deny this Bill a Second Reading. There would therefore be no PPF, nor any help in the future for those workers whom he claims to want to help because of what happened in the past.

Alan Howarth (Newport, East) (Lab): My right hon. Friend will have noted that the Leader of the Opposition is seeking to reposition the Conservative party so that it appears less fanatically right wing. However, was he not as startled as I to hear the hon. Member for Havant (Mr. Willetts) tell the House with a straight face that today's Conservative party believes that it is appropriate for the state to expropriate private assets without compensation? Is not it true that only new Labour now stands between the bourgeoisie and the revolution?

Mr. Smith: My right hon. Friend makes his point with his customary wit. It could be that, in trying to reposition themselves towards the centre, the Conservatives have overshot the mark a bit.

The final question in the letter from the hon. Member for Havant had to do with the replacement of the minimum funding requirement. As hon. Members will appreciate, the MFR proved to be an inflexible approach that increased the costs for some employers while not giving members the level of protection that they expected.

In part 3 of the Bill, we are replacing the one-size-fits-all approach of the MFR with funding arrangements that will allow schemes to adopt funding strategies

suited to their particular circumstances. Under the new scheme's funding arrangements, trustees and employers will work together to agree a funding strategy to reflect scheme-specific characteristics such as the trustees' investment policy, the age profile of members, staff turnover and life expectancy. That will mean that schemes with high liabilities will face tough standards. However, it will also give some schemes opportunities to save on funding by taking a longer-term approach to investments.The Bill will do much more besides establishing the PPF. Further measures will be introduced to provide increased security and confidence in the system.

Clauses 1 to 80 provide for the establishment of a new, proactive pensions regulator. Its new powers will enable it to step in early where workers face real risks, and it will adopt a lighter-touch approach to well-run schemes that will make it easier for firms to get on and run those schemes.

Clauses 203 and 204 will extend TUPE-like protection to private sector transfers, for the first time. As the unions and other commentators have pointed out, takeovers have been used in the past as excuses to scrap pension contributions. That cannot be right. Addressing that problem is overdue, and the Bill will do so.

We will insist that, where there is a pension scheme in the original company, the new employer will have to keep the pension going or provide a worthwhile alternative. We will also table Government amendments that will provide security for a more mobile work force. We will help people to build up rights in short-stay jobs by enabling them, for the first time, to take the pension that they have built up with them to another scheme. On average, workers who take advantage of that opportunity will gain around £1,000 of extra pension rights to go towards their final pension pot. That will benefit many women workers in particular.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): My right hon. Friend said that we must ensure that employers who have established a scheme cannot simply walk away from their responsibilities and leave people without a pension when they had expected a decent one. The regulations brought in last June will certainly protect people, and my right hon. Friend has already agreed that the Government might consider further the question of workers whose pension entitlements were dissipated because their firms went into insolvency. However, will he also look at the position of workers whose pensions were diminished as a result of the actions of their employers prior to June 2003? Those workers receive substantially smaller pensions than they were expecting because their firms' pension schemes were wound up.

Mr. Smith: Within the terms on which I have already said that I am examining these matters, I shall, of course, be happy to examine those instances too. They illustrate the problem and the challenge of drawing boundaries around groups and deciding who might receive help and who might not. I repeat the warning that I emphasise on every occasion: I do not want to raise false hopes. Certain things may turn out not to be possible, and although it is right to consider such proposals carefully, we must not raise expectations only to dash them.

In a voluntary system, the protection of rights that I have been talking about must go hand in hand with measures that make it more attractive for companies to provide pensions. That is the focus of the second key area of the Bill. We welcome the commitment of many employers who remain committed to providing pensions for, and with, their employees.

The Bill will achieve a number of cost-cutting simplification measures, such as streamlining the requirements on member-nominated trustees and introducing more flexible dispute resolution procedures and less bureaucratic reporting arrangements, particularly in respect of late payments.

The Bill will also change the cap on mandatory inflationary insurance, bringing it into line with current long-term expectations. At 5 per cent., it is out of line with expectations and has grown disproportionately expensive, which raises the risk that some employers will respond by closing schemes altogether. In deciding to make that change, we took the view that most people would readily trade some measure of inflation protection for the security of knowing that they would get a meaningful pension even if their firm went bust. All the inflation protection in the world is useless if there is no pension left to protect.

Mr. Harry Barnes (North-East Derbyshire) (Lab): My right hon. Friend is going through the details of the Bill, which are all very welcome. For instance, he talked about the first 80 clauses—but only 10 of those will apply to Northern Ireland. He also mentioned clauses 203 and 204, and Northern Ireland is excluded from those, too. Why is so much of the Bill not applicable to Northern Ireland? Northern Ireland measures do not appear in the Bill—those that will affect Northern Ireland will be introduced through the Order in Council procedure. Could not the excluded measures be dealt with in the Bill itself? Then, we could discuss why particular measures are not applicable to Northern Ireland. There may be special reasons why they are not, but those should be made clear to the people of Northern Ireland.

Mr. Smith: My hon. Friend raises some important points, especially for the people of Northern Ireland, and I am sure that the answer to his questions depends on the constitutional arrangements. If it would be helpful, I will ask my hon. Friend the Minister for Pensions specifically to address the extent of coverage in Northern Ireland, and what the procedure is for establishing corresponding rights for people in Northern Ireland where those are not provided in the Bill.

Mr. Tony McWalter (Hemel Hempstead) (Lab/Co-op): Will my right hon. Friend consider freezing the current acquisition of annuities by pension funds under the Pensions Act 1995, so that when his provision for 2.5 per cent. is introduced, annuities will inevitably be cheaper, which means that the funds available for people coming up to pension age will be substantially increased? That might solve some of the problems

[Mr. Tony McWalter]

associated with people being deprived of pensions for which they have paid during the whole of their working lives.

Mr. Smith: My hon. Friend raises an interesting and constructive proposal, and I am pleased to assure him *that we will examine it further.*

Clause 212 changes inflation protection, which gives schemes and their members more flexibility to agree together on the form of pension that suits them best, and eases the funding of future liabilities. It is important to stress the fact that there will be no effect on the value of today's pensions; the change affects only future accruals. Together, those reforms will make substantial cuts in red tape and free schemes to offer and operate pensions more cost-effectively.

We are determined to put people in control of planning for their retirement, and that is the third key area of the Bill. We want to raise awareness and make sure that people clearly understand the choices that they face. The measures in part 4 will help people to plan for retirement through the online retirement planner and the planning advisory service, which will for the first time give people the opportunity to see information on all their pensions together—the state pension and the occupational elements—and to explore their options in order to get the retirement that they want.

Sir Archy Kirkwood (Roxburgh and Berwickshire) (LD): The Secretary of State must be aware that there is some concern among pension providers and employers about trying to encourage people to start saving for personal pensions, when the increase in means-testing for pension credit makes it impossible to be certain that people on low incomes and people with debts will be better off in a pension plan in the long term. The industry is worried about that. Will there be scope, either in Committee or later, to make the Bill address that problem more directly than it does now?

Mr. Smith: If I recall correctly, part 6 contains the clauses that deal with the state pension system. The hon. Gentleman and his colleagues may want to explore what they can do within the terms of those clauses.

Sir Archy Kirkwood: Is that an invitation?

Mr. Smith: No, that was not an invitation; it was helpful advice. As for the guts of the point that the hon. Gentleman raised, if we start looking several decades ahead we can make many different assumptions about the basis on which extra assistance for poorer pensioners might operate, but one thing is absolutely clear: in introducing pension credit we have offered a reward for pensions savings, whereas before there was a pound-for-pound withdrawal penalty, which we inherited from the previous Government.

Kevin Brennan (Cardiff, West) (Lab): Will my right hon. Friend give way?

Mr. Smith: I shall take my hon. Friend's intervention, but then I would like to make some progress.

Kevin Brennan: Would it not be further protection against the risk of people deciding not to take out occupational pension schemes, but to rely on pension credit instead, if the people who have lost out had been assisted? There would not then be thousands of people advising others not to take out occupational pensions because the promises made in the past were not worth the paper they were written on. In any case, should we not offset the cost of any assistance that might be offered against the amount of pension credit that the *Government will inevitably have to pay out to those* people if they are not assisted?

Mr. Smith: The logic of both those points is impeccable. Of course, what is happening to schemes now, and what has happened to schemes in the past, has a bearing on confidence in the future. That is why we are creating the pension protection fund. In exploring the cost-benefit implications of any proposals, it makes sense, as I said in response to interventions in our debate last week, to judge such matters in the round.

To support our wider aim of increasing the coverage of personalised pension information, we will take powers in the Bill to allow us to require pension schemes to issue combined pension forecasts, where experience and evidence suggest that that is a necessary and effective step.

I must tell the House that, in several areas, we shall need to table amendments. The time factors that have made that necessary stem at least in part from the late publication by the European Union of the occupational pension directive; from the need, which the House will understand, to co-ordinate some of the provisions with the tax simplification measures to be included in the Finance Bill; and from the complexity of the underlying legislation that the Bill replaces or amends.I assure the House that it remains our intention to introduce, as Government amendments, measures such as the immediate vesting for short-term workers and the ending of the requirement to offer additional voluntary contributions. Subject to ongoing work, we shall also introduce easements in section 67 of the 1995 Act to allow the rationalisation of accrued rights.

I can also tell the House today that we will table an amendment to require employers to undertake consultation when they make major changes to pension schemes. I can assure the House that it will be more than a rubber-stamping exercise—it will involve recognised trade unions or approved workplace information and consultation arrangements.

Alan Howarth: Would the Secretary of State go further than simply requiring consultation on the part of employers? Would he consider requiring them to give adequate notice before they close a defined benefit scheme and, in cases where they do close such a scheme, preventing them from using it for themselves?

Mr. Smith: Sensible and proper consultation must involve the giving of notice, so I am sure that the spirit of my right hon. Friend's suggestion will be taken into account.

Sir John Butterfill (Bournemouth, West) (Con): Did I hear the Secretary of State say that he would end the obligation for employers to provide AVCs? If so, I am very glad to hear it.

Mr. Smith: Indeed, I said that we would want to introduce amendments on that matter.

Mr. Willetts: The further amendments are obviously important, so can the Secretary of State tell the House

when he expects us to be able to see them, because we must have enough time to reflect on them before they are debated in Committee?

Mr. Smith: I would be pleased to meet the hon. Gentleman, Liberal Democrat Members and others to discuss how best to handle the matter in a timely fashion. I understand the impatience and frustration of the House when substantial as well as technical amendments—often necessary in Bills such as this—have to be considered. I want all hon. Members to have a reasonable period of notice and decent briefings in respect of the amendments so that we can debate them properly. I apologise in advance for the demands that that will make in Committee and on Report, but I believe that it is important to cover those further areas of debate. I do not think that any of our constituents would thank us, whichever part of the House we sit in, if we were to delay necessary measures or hold back the Bill.

I have read the Opposition's so-called reasoned amendment for declining to give the Bill a Second Reading, but I have to say that their arguments do not stack up. They advance four reasons for declining a Second Reading, which I shall answer in turn.

First, the Opposition say that there is no encouragement to save or for firms to keep schemes open, but what could be more important to encourage saving than the confidence that people are going to get a pension that they have saved for, with the protection against insolvency or fraud that the pension protection fund provides? Encouraging people to plan for the retirement that they want is the whole point of the improved information and advice set out in part 4, which I understood the Opposition supported.

Secondly, the Opposition talk yet again about a means-testing culture, so let us remember the big difference between the system that the Conservatives operated and what we are delivering through the pension credit. Under their system, there was pound-for-pound withdrawal of benefit for those with modest savings and occupational pensions, while the pension credit gives rewards for saving.

Thirdly, the Conservatives point to measures on simplification, but they should reflect on all the simplification measures that appear in the Bill—on nomination of trustees, on disputes, on scheme-specific funding and on proactive regulation, as well as the further simplification measures to which I have referred. Fourthly, they point to the estimated 60,000 people who have lost out through insolvency, but just as last week, they make no constructive suggestion as to what should be done. Again, we have seen stories spun in the press that they are going to support retrospection, but when it comes to making any commitment as to what they would do, none is forthcoming. Now that their shadow Chancellor has committed them to spending less than the Government, anyone who believes that workers would do better under the Tories than under Labour has forgotten their arithmetic as well as their history.

To conclude, if the Opposition decline to give the Bill a Second Reading, they are positioning themselves against extra protection for more than 10 million members of final salary pension schemes. They are positioning themselves against increased security, against making it easier for companies to run schemes and against giving people more choice about when they retire. In short, they are against simplicity, security and choice in pensions.

The Bill complements the other steps that we are taking to renew the pensions partnership such things as informed choice, much of which does not require legislation; the work of the employer taskforce in identifying and recommending best practice; the independent Pensions Commission in examining the question of compulsion for the future; and everything we are doing through pension credit and the new Pension Service to tackle pensioner poverty all have a crucial part to play.

In extending TUPE, putting a proactive and tough regulator in place, cutting through the layered cake of complexity, opening up new choices for retirement and, crucially, through the pension protection fund, the Bill provides a major step forward for pensions security and confidence, and I commend it to the House.

1.26 pm

Mr. David Willetts (Havant) (Con): I beg to move,

That this House declines to give a Second Reading to the Pensions Bill because it fails to provide encouragement for individuals to save for their retirement or for companies to keep open existing pension schemes or start new ones and does nothing to mitigate the effect on the savings culture of the expansion of means-tested benefits in retirement; it omits measures permitting simplification and amendment of pension schemes' terms, abolishing compulsory AVC provision, simplifying anti-franking provisions, permitting people to continue working part-time for a company after retirement, abolishing or modifying Guaranteed Minimum Pensions, and new vesting arrangements; and further fails to provide help for the estimated 60,000 people who have already lost all or most of their pension entitlement.

First, I draw the House's attention to my entry in the Register of Members' Interests.

I welcome the opportunity to set out my party's approach to the Pensions Bill and the wider pensions crisis. We tabled the reasoned amendment because it is a most unsatisfactory Bill. One reason is that it has taken so long in coming. At least we now have a feeling of relief that it has finally appeared. The minimum funding requirement, which it replaces, has been under almost continuous review since December 1998. The Pickering inquiry was set up in September 2001 and we had a Green Paper in December 2002.

We have heard today that important provisions that are not in the Bill before us are still to be added. The Secretary of State was suitably apologetic about the various aspects that will require further amendment, but I have to say that he has consulted on these matters for years. He is like an ill-organised teenager who knows that the exam has been due for years, but is still in a panic when he suddenly realises that he has to sit the test in few days' time. The Bill manages to be both late and panicky—an unusual combination, but that is what we have before us.

The Bill is very long, but it also contrives to be, on close inspection, sadly lacking in the substance and detail that we require properly to appraise it. Many of the clauses set up frameworks and committees or appoint bodies, but lack crucial information about the substance of the key provisions. There is much on administrative mechanisms, but little on the tough

[Mr. David Willetts]

choices that any Government have to take in tackling a crisis as serious as the one we now face. Inside this rather fat Bill, therefore, is a rather thin Bill trying to get out. It has surprisingly little in it, and Ministers cannot expect the House to do its proper job of scrutinising legislation unless we receive more crucial information. It is most disappointing, to make the point again, that the House will vote on a programme motion in a few hours' time, fixing a timetable for the Bill, when we have heard from the Secretary of State that we shall have to wait for amendments to be tabled on many crucial aspects of it.

Let me turn to the measures at the heart of the Bill. Above all, there is the issue of insurance for pensions. We support the principle of pension insurance, but we are not satisfied that the Secretary of State has set out the correct way of implementing it. I wholly agreed with him, however, when he remarked that it is odd that we insure our holidays with the Association of British Travel Agents, that we insure our bank deposits, yet we do not insure our pensions. The principle of having some insurance for our pensions is wholly right and we fully support it.

It would be interesting to hear from the Secretary of State why, on his watch, the Government's approach to pensions insurance has changed so radically. In October 2002, the then pensions Minister his right hon. Friend the Member for Makerfield (Mr. McCartney), came to the House for an Adjournment debate on this very subject. I shall quote him at some length, because we need to hear from the Secretary of State exactly why the Government have changed their minds in the subsequent 15 months.

The right hon. Member for Makerfield said:

"My hon. Friend"—

I do not know whether he was referring to the hon. Member for Cardiff, West (Kevin Brennan), who was present at that debate, or another hon. Member—

"called for the introduction of a form of pension benefit guarantee. The Government have previously considered ... schemes ... Both issues of a central discontinuance fund and compulsory insurance were consulted on ... Both options received little support. That is mainly due to two factors. First, the majority of schemes are well run in this country. Those who are members of schemes and the trustees who represent them were not supportive of the idea that they should top-slice their well run schemes to assist the underfunding of poorly run schemes."

Has the Secretary of State decided that the schemes are not well run after all?

The right hon. Member for Makerfield went on:

"Nor was there any great support for the idea of a fund linked to an insurance-based system. An insurance system would have to be created to re-invest in the risk associated with it."

I think that he meant equities.

"There was little support when we consulted on that."

Mr. Miller: It is important that we understand where the Opposition are coming from. Is the hon. Gentleman saying that the Conservatives want to dismiss those two precise points, which were subject to discussion during the passage of the 1995 Pensions Bill, which became the Pension Act 1995, and that they have fundamentally changed their mind since the Committee stage of that Bill?

Mr. Willetts: I am trying to find out what has happened to the Secretary of State's thinking since he took office, because 15 months ago he sent his Minister for Pensions to the House of Commons to explain about insurance and central discontinuance funds. The Minister said:

"There is therefore no possibility at this stage of the Government acceding to such a request."

I want to know what has changed.

The right hon. Gentleman, who is now the chairman of the Labour party, said that

"the issue of compulsory assurance arrangements raises the potential for abuse and a moral hazard. Some schemes may neglect their responsibilities and obligations to their members, in the knowledge that their liabilities will still be met in the event of insolvency."—[*Official Report*, 16 October 2002; Vol. 390, c. 441–42.]

The hon. Member for Ellesmere Port and Neston (Mr. Miller) asks me about legislation in 1995, but I am asking the Secretary of State about what his team were saying 15 months ago.

Mr. Miller: Was the hon. Gentleman wrong in 1995?

Mr. Willetts: I have made it clear that we recognise and accept the principle of insurance. What has gone wrong—

Mr. Miller: It is the hon. Gentleman's fault.

Mr. Deputy Speaker (Sir Michael Lord): Order. There should not be interruptions from a sedentary position. The hon. Member is answering the question that the hon. Member for Ellesmere Port and Neston (Mr. Miller) put, and he should let him do so.

Mr. Willetts: I do not recall seeing the hon. Gentleman in the House last week when we debated pension wind-ups at some length. I explained clearly what I thought had happened since 1995.

Kevin Brennan: Will the hon. Gentleman give way?

Mr. Willetts: The hon. Member for Cardiff, West was present in the Chamber when the former Minister for Pensions made those comments, so I would be happy to accept his intervention.

Kevin Brennan: Is it not fruitless to pursue this line? It is a bit of debating fun, but the truth of the matter is that, like the Government, the Conservative party has changed its mind on this matter. The Government have been informed by events, and they consulted on their Green Paper and had a pretty clear answer. The moral hazard is present in all forms of insurance, but Governments should act on the immoral hazard of people losing their pensions.

Mr. Willetts: The hon. Gentleman says that I am raising debating points, but I am trying to find out what is going on within Government about this matter. The fact is that there has already been one significant change of course in the past few months. I always study *The Scotsman* carefully, but it particularly caught my eye when I saw the headline "Brown hit by revolt over Pensions Bill" in today's edition. The article says:

"A source close to Mr. Smith said he was furious that a Bill which 'should have been a triumph for him personally and the government' was being blocked by someone who was supposedly his ally."

I think that that is a reference to the Chancellor.

"'Andrew is frustrated that his flagship piece of legislation is being overshadowed by a row over providing compensation for 60,000 people.'"

It would be interesting to hear from Andrew whether he is frustrated, and what is going on.

Mr. Andrew Smith: That story is utter rubbish. Further to the intervention of my hon. Friend the Member for Cardiff, West (Kevin Brennan), is not the truth of the matter that the Conservative party is changing its mind, and it is being dragged kicking and screaming in the direction that we have set, because we have shown leadership on this issue whereas the Tories showed none?

Mr. Willetts: No. The Secretary of State has shown followership: he has not shown any leadership. We are all trying to tackle the serious pension crisis in the light of changes, including the tax imposed by the Government and the reductions in the value of the minimum funding requirement.

I appreciate that the Secretary of State addressed some of the questions about insurance that I put to him in the letter that I sent him in advance of the debate. He did not answer all of them, but he referred to it, and I am grateful to him for that. I make it clear that we support the principle of insurance, because we think that it can bring security into this sensitive and important area. Does the Secretary of State recognise that, if it is mishandled, it can make a bad situation worse? That is why it is important that the design is right. A badly designed insurance scheme could make the situation even worse than it is now, which is saying something.

Sandra Osborne: I think that the hon. Gentleman has been referring to my Adjournment debate in Westminster Hall. I am pleased that the Government have changed their mind on this issue. Does the hon. Gentleman understand that there is an urgency about this situation? He says that he supports the principle of insurance, so why is he not supporting the Bill on Second Reading? Will he explain his party's position on how to ensure that workers who have already been deprived of their pensions get justice?

Mr. Willetts: I make it clear again that I strongly support the case put forward by the workers who have suffered in wind-ups. This is an important subject, and it is why we had a debate in Opposition time last week, when we raised a variety of points and put a variety of suggestions to the Secretary of State. One of the problems with the Bill, and one of the reasons why we think the Bill is defective, is that it does nothing to tackle the problem of wind-ups. For the record, the Adjournment debate from which I was quoting was initiated by the hon. Member for Sittingbourne and Sheppey (Mr. Wyatt). Hon. Members on both sides of the House are concerned about this subject.

I repeat what I said in the debate last week. A clear majority of Members have signed either early-day motion 66, to which I do not subscribe—sorry, I do subscribe to early-day motion 66, as it is our EDM. It is early-day motion 200, tabled by the hon. Member for Cardiff, West to which I do not subscribe. I must get it round the right way—we were there first. By subscribing to one or other of those two EDMs, just about a majority of hon. Members are saying that we cannot leave those 60,000 people with nothing. I hope that the Secretary of State will take account of that widespread feeling on both sides of the House.

Mr. Watts: Many Labour Members will be pleased to hear that commitment to help to form some compensation package for the workers who have already lost a large chunk of their pensions. Will the hon. Gentleman set that out in writing? Will he send it to the Secretary of State and place a copy in the Library so that we can all be clear about his party's proposals to deal with this important issue?

Mr. Willetts: I am one of the Secretary of State's more regular correspondents. I am sure that he always enjoys receiving my letters. I wrote to him in January 2003 offering cross-party consultation on the specific point of the priority order in wind-ups. That does not magic any new money into existence: I do not claim that it does. However, it solves the cliff-edge problem of complete protection for pensioners and little, sometimes zero, protection for workers, however long they have been working for a company. I wrote to him in January 2003 saying that we would support measures to tackle that problem. It could have been done in an afternoon by amending regulations. It has still not been done. The right hon. Gentleman has tabled draft regulations, but we have still not been told when they will be implemented.

Mr. Andrew Smith *rose—*

Mr. Willetts: If the right hon. Gentleman is about to tell us, I will welcome that.

Mr. Smith: On the priority order, I made it clear in last week's debate that we sought to pursue the solution originally advocated not by the hon. Gentleman but by my right hon. Friend the Member for Birkenhead (Mr. Field), which gave greater priority to those who had been in schemes for longer. After the consultation on the regulations, we found that the measure was not possible because such information does not exist for a significant proportion of schemes. We will introduce an amended priority order shortly that will give a higher priority to older members, and that is the truth.

Mr. Willetts: I am pleased that that will happen shortly, but I shall remind the Secretary of State of the history: I wrote to him in January 2003; the draft regulations appeared on 22 October; and the deadline for responses was 3 December. We have still not seen a response on the regulations, and meanwhile every time a pension scheme is wound up, the existing workers lose out as a result of the current priority order. I fully accept that the priority order must be changed—all hon. Members accept that it must be changed—but I do not understand why it is taking so long, because it does not require extra money.

Richard Burden (Birmingham, Northfield) (Lab): I understand the point that the hon. Gentleman is making on the priority order. However, I may have missed something, because I have still not heard what the Opposition would actually do to create the funds necessary to compensate workers who have already lost money. I want to see such compensation; what is his suggestion?

Mr. Willetts: Yesterday, I signed the early-day motion tabled by the right hon. Member for Birkenhead. When my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) introduced his private Member's Bill last year, we supported it and voted for it on Second Reading. It was defeated on Second Reading because the Government talked it out.

Mr. George Osborne (Tatton) (Con): We know who did it.

Mr. Willetts: That is right; I remember the hon. Member who did it.

We have been trying to be constructive and have indicated a constructive way forward, and I accept the constructive approach put forward by the right hon. Member for Birkenhead. We voted for his proposals on Second Reading—what more can we do to show that we think that they are constructive? Of course, the matter requires further detailed work by the Government, who have had a long time to do it. Instead of long waits after consultations for straightforward matters such as the priority order to be tackled, it is about time that we had some practical assistance. Meanwhile, every time a pension scheme is wound up, there is no help for existing workers. Constituents, including a Ballast UK employee, have come to my surgery and discussed such cases. No hon. Member can tell constituents who face such financial distress, "I am sorry, there is absolutely nothing that can be done for you." That is why we had last week's debate.

Miss Anne Begg (Aberdeen, South) (Lab): Is the hon. Gentleman saying that he would not promise any Government money for any solution that his party proposes for those who have lost out because of insolvency in their pension funds?

Mr. Willetts: We could not support early-day motion 200 because it was an unconditional and retrospective commitment of public expenditure. The hon. Lady is smiling as if she has scored a great triumph. Some hon. Members are calling for everything to be done, but as a responsible Opposition we cannot say that. The Secretary of State has done nothing; all we say is that something—even if it is not perfect and even if it is not everything—should and can be done. We have proposals on the table to make that possible.

One of the reasons why we called last week's debate on the winding up of pension schemes was to give the House an opportunity to concentrate on that specific subject because of its importance. I recognise the subject's importance, which is why Labour Members have intervened so often. However, I have other points to make on other aspects of the Bill that go beyond the winding-up crisis, and after I have taken an intervention from the Liberal Democrat spokesman, I hope to move on to other aspects of the Bill.

Mr. Webb: The hon. Gentleman says that its retrospective nature was one reason why he would not sign early-day motion 200. Two days ago, he was quoted in *The Independent on Sunday*:

"We will be tabling an amendment to enable the pension protection levy to provide retrospective compensation".

Was he misquoted?

Mr. Willetts: It is not possible to use the insurance levy collected by the fund to pay compensation retrospectively for funds that have already wound up. One constructive suggestion is that, when the administrative framework of the pension protection fund is set up, it should be possible to operate a levy on current employees for future security—setting up administrative arrangements is one of the Bill's main provisions. At the same time, it should be possible, for example, to endow a compartmentalised fund with some of the unclaimed assets after a suitable period has elapsed, and the administrative arrangements of the pension protection fund could then be used to help people who have lost out from the winding up of pension schemes in the past. A future levy could not be used to compensate people retrospectively. When the administrative arrangement is in place, I envisage that it will be possible to endow it with funds from the source suggested by the right hon. Member for Birkenhead in order to help tackle the problem. I apologise if the quotation in the press did not make that clear.

Mr. Watts: The hon. Gentleman has dealt with part of the problem because he is trying to identify where the resources may come from to set up such a fund. He has not involved himself in the question of who would be eligible to claim from that fund. It is difficult for the Government to sign up to that agenda until they know who will be eligible. It would help if his party introduced its own proposals on who would be entitled to compensation and how a firewall could be built.

Mr. Willetts: Conservative Members have introduced more proposals and have tried to be more constructive than the Secretary of State. All we ever get from him is, "No false hope," We heard it again today. We have been doing our best with the limited resources of opposition to contribute constructively.

One crucial problem, which the hon. Member for Sittingbourne and Sheppey mentioned, is how little information we have received. We established the 60,000 figure in a written answer only last week, when we had been asking for that information and tabling parliamentary questions for months, if not years—it is a bit like getting blood out of a stone. We have done our bit: we have made it clear that we recognise that there is a problem, we have offered cross-party support on the priority order; and we supported the proposal from the right hon. Member for Birkenhead on Second Reading. It is about time that the Secretary of State came forward with some ideas.

Sir John Butterfill: Does my hon. Friend agree that one of the problems that Dr. Altmann identified is that schemes are more heavily in deficit if they are required to buy annuities? There is merit in exploring alternatives to the purchase of annuities, and there may be other means of securing that capital more efficiently for those who are adversely affected, which is a point that I shall deal with later if I happen to catch your eye, Mr. Deputy Speaker.

Mr. Willetts: As always, my hon. Friend makes an important point, and I hope that he has an opportunity to develop his argument.

Will the Secretary of State provide more information about one aspect of the insurance scheme? He covered several aspects in responding to my letter, but I should like him to address the important question whether the Government stand behind the scheme; he mouths the word, "No". It is not a matter of what the Secretary of State says in the Commons but of the underlying reality of the arrangements. What matters is the substance, not the words. I remind him that the scheme is being created by a vote in the House of Commons. He will appoint the chairman of the scheme, fix a ceiling for the levy that the fund can charge and fix the value of the benefits covered by the scheme. Can he really say that it would have nothing to do with the Government if such a scheme were to fold? Would he dare to try to get away with saying that the insurance scheme had to fold in the only circumstances in which that might arise—if several large companies had seen their pension schemes collapse and been unable to meet their pension promises?

If the Secretary of State would be willing to walk away from the scheme in such circumstances, because it could not be guaranteed by the Government, why is it that the action plan he published last June stated:

"The Government will improve the security of pensions by . . . introducing a Pensions Protection Fund to guarantee"—

I stress that word—

"members a specified minimum level of pension when the sponsoring employer becomes insolvent."?

How can the Government advance proposals that state that they guarantee a specified minimum level of pension and then say that they would not stand behind the scheme?

Mr. Andrew Smith: I have made it clear that it would be the responsibility of the fund to meet its obligations and make good a decent pension for the people uncovered. The risk cannot be nationalised, and I suggest that it is not wise to nationalise it. The hon. Gentleman makes the case for underwriting. If the pension protection fund were established, with the approval of the House, would he commit a Conservative Government to underwriting it—yes or no?

Mr. Willetts: I am not talking about whether we say that it should be underwritten. I am asking the Secretary of State, who has to take responsibility for his own proposal, how he can promise people a guaranteed benefit at the same time as claiming that it will not be supported by the Government. That is the question that he needs to answer about his proposals.

Other proposals should have been in the Bill, but they are not. The Secretary of State gave a long list of such proposals when he identified several areas on which he would table amendments. A cause close to his heart is the so-called cliff-edge effect for people who retire and go from full-time employment to no employment. We all remember his soundbite—at least, his sound-nibble—on that, and I agreed with him. He made a fair point when he said that people should be able to go back to work part-time and also collect their pension. The Bill says nothing about that. What will he do about that proposal?

I welcome the fact that the Secretary of State said that section 68, which rationalises the treatment of accrued rights, would finally be tackled. It has been an issue for a long time and it is time that it was addressed. We look forward to seeing the further provisions when they are announced.

Mr. Smith: On the issue of the ability to work part-time and draw down a pension, the bulk of the legislative change required will be for the Finance Bill. It is a tax legislation issue and I envisage that it will be covered by other measures that we will introduce to bring pensions legislation in line with the provisions in the forthcoming Finance Bill.

Mr. Willetts: I welcome the Secretary of State's clarification and his assurance that the matter will be included in the forthcoming Finance Bill.

Behind the omissions and the subjects added to the Bill lies a theme. What began as a measure to simplify matters and ease the burdens on pension schemes will instead add to them. Alan Pickering's inquiry was set up in September 2001, and when the Secretary of State reported on its publication to the House, he said:

"Pension simplification has to be at the heart of any strategy to encourage greater pension provision. We need to deal with the complexities built up over the years by successive Governments."—[*Official Report*, 11 July 2002; Vol. 388, c. 1053.]

That was right, but his agenda of simplification and cutting the burden of regulation has disappeared from view. The problems began on the day that he made that statement. The Conservatives made it clear that we were willing to support deregulation, but the Liberal Democrats—typically opportunistically and immediately—said that they would oppose any tactical proposals that might be made.

The Bill fails to implement Pickering. Instead, it will add new burdens to business. The National Association of Pension Funds has said:

"The Bill makes life more complex, not simpler, for those running Defined Benefit pensions in the UK. It fails to deliver on many of the positive proposals recommended by Alan Pickering in July 2002."

The Association of Consulting Actuaries has said:

"Much of the simplification agenda designed to ease burdens on employers and schemes—the original reason why legislation was planned—has failed to reach the Bill at this stage."

Instead of easing the burdens on companies running pension schemes, the Bill will place an even greater burden on them. Nowhere is that more starkly demonstrated than in the provisions on the obligations

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of trustees. The extra obligations and duties on trustees run the risk of detaching pension funds from their members, and we do not want to see that happen. The provisions will professionalise the trustee function and make it even more difficult for representatives of employees, or other people with a legitimate interest in a company pension scheme, to serve as trustees because the task will be professionalised. The ACA also said:

"there are real concerns that this proposal could lead to many trustees 'walking away' from the role due to the onerous obligations being placed upon them."

One of our biggest concerns about the Bill is that the whole trust model on which British pension funds have been based for so long is under threat because of the burdens that will be placed on people who continue to try to run pension funds on a trustee basis.

Sir John Butterfill: Does my hon. Friend agree that leading firms of pensions lawyers now take the view that the responsibilities that would be imposed by clause 200 would make it impossible for anybody other than a firm of professional trustees to serve as trustees, with all the cost that that involves?

Mr. Willetts: My hon. Friend makes a powerful point. Labour Members wish to encourage employees to become involved in company pension schemes, and many trade unions try to get their members to serve as trustees of pension schemes, but the view of many experts is that these proposals will make it less likely that employees of companies will be willing to serve as trustees. Members on both sides of the House agree that that would be undesirable.

Tony Lloyd (Manchester, Central) (Lab): I chair the trade union group for Labour Members. The hon. Gentleman makes an interesting point, but in fact the trust model is under threat and that is why we have the Bill. It is the failure of the trust model to do anything other than replicate the establishment view of the pensions experts that has led to the crisis in many areas of pension activity. He asks about the right balance between imposing duties on trustees and recognising that they must have such duties imposed on them. Part of the answer must be that trustees should receive adequate training. What proposals does he have in that area?

Mr. Willetts: One can always agree that training will help, but how much training, would people be willing to undergo it, how onerous would it be and what time commitment would be involved? As my hon. Friend the Member for Bournemouth, West (Sir John Butterfill) put it, we will soon reach the stage at which the function will need to be contracted out to professional advisers, but that is the last thing that any of us want. Trust funding of pensions is under threat.

There is an alternative approach, which is for the Secretary of State to sort out the mess in his own backyard. It is no good him telling everyone else involved in pension provision what they have to do if the Government will not do their bit by sorting out the complexity of the state benefit system. I ask the Secretary of State to recognise that there is a problem with the state benefit system. He is almost alone in believing that the spread of means-testing to more and more pensioners is a desirable or sustainable long-term approach for state benefits for pensioners. Let me quote from Alan Pickering, whom the Government invited to produce the report on which the Bill was supposed to be based. He said:

"I hope that the government will realise that it is in the minority of one that thinks means testing is sustainable. It is not a firm foundation for building a pension . . . Before we can modernise the world of private pensions we need to modernise the state pension."

That was what Mr. Pickering said, and he is right. It is no good for the Government to impose more and more obligations on the funded pension sector when they do not reform benefits.

As so many Labour Members are in their places, I should tell them that although this is not the occasion for a full exposition of our policy, I shall none the less make two simple points. First, if they are concerned that increasing the value of the state pension to roll back the spread of means-tested benefits will be badly targeted because the money would go to large numbers of affluent pensioners, I invite them to look at the figures for income distribution among pensioners.

I shall give the gross incomes for pensioner couples in fifths. The income for the poorest fifth is £165 a week; for the next fifth, it is £221; for the middle fifth, £276; for the next fifth, £373; and for the top fifth, £889. The average income of pensioner couples—£385—is higher than the income of the poorest four quintiles; in other words, most pensioners have modest incomes and there is only a relatively small number of pensioners on high incomes on whom such a policy would be "wasted", although they have paid their national insurance contributions. I should rather tax them at 40 per cent. than have means-tested benefits withdrawn, a minimum rate of 40 per cent. and rates that go up to 90 per cent.

Mr. Watts: Can I be clear about what the hon. Gentleman is proposing? As I understand it, he is not proposing an overall increase in pensions but a flat rate rather than a means-tested system. Would not that mean a dramatic cut in the income of the poorest pensioners in Britain?

Mr. Willetts: There will be no reduction in anyone's income. I shall tell the hon. Gentleman about the poorest pensioners—it was the second point that I wanted to make. Last week, we received the latest figures on the take-up of means-tested benefits. I have to tell the House that there is an increasing problem among the poorest pensioners—those who do not claim the means-tested benefits to which they are entitled. A higher and higher proportion of the eligible non-recipients, the pensioners entitled to means-tested benefits but who do not claim them, are in the lowest sector of income distribution. The most devastating statistic in the report was that we have reached the stage where, even before disability benefits, 65 per cent. of the

pensioners entitled to means-tested benefits, but who do not claim them, are in the bottom quintile of income distribution—they are among the poorest 20 per cent. of pensioners. They are the people who are not helped at present. Either the Secretary of State will have to bring us to a fantasy world where everyone claims the means-tested benefits to which they are entitled or he will have to accept that a large number of the poorest pensioners are not being reached by his means-tested benefits.

Mr. Andrew Smith: Having quoted those statistics, the hon. Gentleman referred to the fact that people were not being reached at present. He should accept that the statistics are outdated and precede the introduction of the pension credit.

Mr. Willetts: The Secretary of State finally got round to publishing the figures last week, so I can only tell him that I would be very happy to use more up-to-date statistics; all he has to do is provide them. Meanwhile, I shall work on the basis of the best statistics that he can offer—the take-up statistics that he produced last week.

Alan Howarth *rose—*

Mr. Willetts: I give way to the right hon. Gentleman—that distinguished defender of the rights of the bourgeoisie.

Alan Howarth: I am grateful to the hon. Gentleman. He expresses concern about the interests of the poorest pensioners, but is not his policy—to introduce an earnings link for the basic pension, but remove the earnings link from the minimum income guarantee—regressive?

Mr. Willetts: We shall have to wait to hear from Ministers what their plans are for uprating the pension credit. I have regularly asked the Secretary of State what his plans are for its future. Labour Members assume that the pension credit will be earnings-linked in future, but we shall have to wait and see. So far, we have heard no statement from the right hon. Gentleman about his intentions for the pension credit if he were re-elected.

It is not simply that we need that information so that we can assess our proposals against his but that it is very relevant to the Bill. How can he require private pension providers to deliver pension illustrations stretching way into the future when he will not even come to the Dispatch Box and tell us what may happen to the value of means-tested benefits in two years' time? How can there be proper modelling of people's pension prospects without a reliable and authoritative statement from the Secretary of State about what is to happen to the uprating of means-tested assistance for pensioners?

One of the omissions in the Bill is that it fails to tackle—

Mr. Bill Tynan (Hamilton, South) (Lab): Will the hon. Gentleman give way?

Mr. Willetts: I should like to make some progress, as I know that many Members want to speak.

There are no provisions in the Bill to reform state benefits, although I welcomed the modest encouragement from the Secretary of State to table amendments in Committee to try to address that serious omission. My hon. Friend the Member for Eastbourne (Mr. Waterson), who will be fighting energetically in Committee, will, I am sure, have taken note of the Secretary of State's remarks.

The other failure in the Bill is that it contains no new incentives to save. Over the past few years, the Government have been systematically stripping away incentives to save. Contracted-out rebates are no longer set on an actuarially fair basis and a £5 billion a year tax has been imposed on our pension funds.

Mr. Tynan: Will the hon. Gentleman give way?

Mr. Willetts: I should like to conclude my point.

In a rash moment, when the Secretary of State was challenged on how he expected people to save for the future, he said:

"The answer is the ISA, a more flexible vehicle which is attracting more savings, especially from younger people."—[*Official Report*, 2 July 2002; Vol. 388, c. 103.]

Since the right hon. Gentleman made that statement, a new 10 per cent. tax has been slapped on our individual savings accounts. Whenever people start to save, including in the ways in which the Secretary of State says he believes, they promptly have a new tax put on them.

Sir John Butterfill: Will my hon. Friend also confirm that the Government have reduced the limits on ISAs?

Mr. Willetts: My hon. Friend is right. The limits have been reduced and now the 10 per cent. tax credit is being withdrawn. In equity, I must now give way to the hon. Member for Hamilton, South (Mr. Tynan).

Mr. Tynan: The hon. Gentleman is most generous. Does he accept that the Conservatives were in power for many years and created the poverty that meant that people could not save for retirement, but that we are changing that culture and he should be ashamed of what happened in the past?

Mr. Willetts: I am afraid that what has happened is that the savings rate—the amount that we save as a nation—has not risen since 1997; it has been declining since 1997. There are many reasons for that, but among them, I am afraid, are the Government's policies. Taxing our savings and spreading means-testing is not the way to encourage people to save. That is why, sadly, the Bill will not tackle the savings crisis facing our country.

Several hon. Members *rose—*

Mr. Willetts: Many Members on both sides of the House want to speak, so I shall conclude.

Of course, the Opposition support the need for insurance for pensions, but because the Bill fails to improve incentives to save, fails to tackle the need to reform the state benefits system and fails to answer crucial questions about how the insurance scheme will

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work, we have proposed our reasoned amendment, which is a far better approach than the one taken in the Bill. I therefore commend our amendment to the House.

Several hon. Members *rose*—

Mr. Deputy Speaker: Order. Before I call the next speaker, I remind the House that Mr. Speaker has placed a 15-minute limit on all Back-Bench speeches, which applies from now on.

2.8 pm

Mr. Frank Field (Birkenhead) (Lab): I rise to congratulate my colleagues on the Treasury Bench on the Bill. In my short contribution, I want to set out four cautions about the Bill, but I do not want anybody to interpret my remarks as criticism of the strategy that the Government are adopting in this aspect of pensions policy.

No great Department is a free agent in any Government. Under this Government, we know that the imperial power of the Treasury has an extensive interest throughout Whitehall, and especially in Work and Pensions, so we should congratulate my right hon. Friend the Secretary of State on what he has been able to bring forward today within the limits set on him.

I hope that we will have changed the Bill in some important respects before it passes into law, but I doubt whether we will be able to deal with the subject of my first caution. Although we cannot expect those on the Treasury Bench to acknowledge this fact publicly at present, we know that we do not have a satisfactory long-term policy on savings and pension provision. One of the reasons for that—it is a paradox—is because the Chancellor, in his proper enthusiasm to help the poorest pensioners, has concentrated help in the form of the minimum income guarantee and pension credit. If help continues to be concentrated in the form of a means test that stands alone with no other measures, it will undermine the long-term confidence of perhaps 40 per cent. of the population in providing for themselves. I do not believe that any free society can operate in the longer run if most working people know that it is not in their interest to save. At some stage, the House will have to return to the consideration of our long-term strategy on pension savings.

The Government expect to receive a report from their Pensions Commission. I appreciate that there might be some logic in believing that when the commission reports in July, although perhaps that will be delayed until the autumn, the Government will ask it to deliver a report on its proposals and suggestions for long-term reform a year hence—after a general election. My caution for those on the Treasury Bench is that the results of the first period of operation of the Pensions Commission, which is exclusively concerned with collecting a coherent set of data on long-term savings for the first time, might be so shocking to us and our constituents that the voters will not give the Government another year in which the commission may think of what fine schemes it would like to commend.

Let us consider what is happening in all our constituencies. The turnout of people below pensionable age at elections has fallen dramatically. Turnout is falling most gently among people who are approaching retirement age or beyond it, so the next election will probably be the first ever in this country in which the majority of people who vote will be pensioners. There will certainly be a majority of voters who are five years from retirement or retired. Although pensions do not play in the Gallup polls that are useful guide to all of us, long-term savings and security in retirement might be concerns below the surface that will have a joker-type effect when the ballot boxes are opened after the next general election. I make a plea to those on the Treasury Bench to think about long-term reforms. We need to back up the success of the Government's short-term policies of helping the poorest pensioners now.

My other three cautions relate to the Bill, and my first refers to the risk factor and its weighting when working out the levy. I make a plea to those on the Treasury Bench to take a totally different approach to working out the levy. The people who are most interested in seeing the scheme up and running are not employers, but our constituents who are members of pension schemes. I happen to believe the trade union line that pension savings are deferred wages. The logic of that position means that those who will benefit from a pension should pay the levy, which should be related to the number of years for which they contribute and the size of the pension that is being insured.

It would not be wise to try to put a risk-based levy on employers, especially given what the Secretary of State said about that possibly taking a firm's credit rating into account. If we go down that avenue, the markets will eagerly wait for the Government to approve the publication of the risk-based levy, after which they will start to punish firms with a low credit rating on the Government's list. The need for an insurance scheme thus might become that much greater because more companies could be driven over the edge as a result of the publication of the information than would otherwise have been the case. I know that such a change to the Bill would be large, but I ask the Government to determine whether there is an alternative way of raising the required funds—we all agree that they are necessary—for an insurance-based scheme before we reach Committee.

My next caution relates to the loss of pensions, which many of our constituents have already suffered and that many more may suffer before the Government's scheme comes into operation. I agree with all those, especially Labour Members, who have said that if the Secretary of State fights his corner in government and comes forward with a scheme to compensate people who have already lost their pensions—I hope that he will be able to do that—all hon. Members will have a duty to ensure that none of us use that scheme to try to ensure that our favoured group is covered.

I was disappointed by Opposition Members the last time we discussed the matter because they immediately jumped up and said, "What about Equitable Life?" I declare an interest because I saved with Equitable Life. That was a foolish decision, in retrospect, but no one made me save with Equitable Life. We are talking about our constituents who, as a condition of employment, were made to join their pension schemes. Even after that

requirement was dropped, most people in pension schemes did not know that the Government had changed the law.

Mr. Miller: I put on record my thanks to my right hon. Friend for the help that he has given me with the Robertsons' case. Is he arguing that such compensatory arrangements should be based on the date of Royal Assent of the Pensions Act 1995, or that they should go back prior to that date?

Mr. Field: If my hon. Friend had received answers to the questions that he tabled for answer today, I could probably have given him a more definite answer. Most of the cases about which we know are fairly recent and as we look further back, the number of cases is smaller. I would not want to draw an arbitrary line at this stage without seeing the figures. However, I make a plea that we do not try to entice the Secretary of State into introducing a compensation scheme for a group of workers that somehow passes its cost on to future generations. If we are not prepared to meet the cost by asking the Chancellor to levy taxes, or, as I would prefer, by introducing a levy on unclaimed assets, we do not have the right to suggest that future generations, some of whom are not yet born, should meet a bill that we are not prepared to pay.

The Secretary of State has given two outings to his view that just because assets are unclaimed, that does not mean that they do not belong to people, so perhaps we should not touch them. Most people in this country know what their income is, and the Chancellor thinks that it is totally proper to tax us. If we agree to that, surely we can start to consider unclaimed assets that go back more than 100 years. I know that several Scottish Members are slightly jumpy at the thought of placing a levy on unclaimed assets in case they mistakenly own some, but given that some go back 150 or 200 years, we can start at the end of the queue and work forward. I make a plea: let us not try to impress any proposals on the Secretary of State unless we are prepared to suggest where the money would come from.

My last plea is about parking pension liabilities, which have already been touched on. However, before I move on to that point, may I say that I am sure that the my right hon. Friend the Secretary of State picked up the mood of the House when hon. Members discussed meting out justice to our constituents who were forced to save yet now face the horrendous prospect of a retirement with little or no pension? I want to strengthen my right hon. Friend's hand in the negotiations in which he will be involved. If the Government are unable to introduce suitable measures on Report, I hope that my right hon. Friend has picked up the feeling that at that stage, while the rest of the Bill may be secure, the Government might find difficulty in holding to their line when the vote takes place. Even if we do not manage to persuade the Government in this place, there is the revising Chamber. I do not say that in a threatening way. However, my right hon. Friend faces some tough negotiations and we all want him to be in as strong a position as possible when he takes on the powers that we are discussing.

The last issue and caution is whether, on Report, we can put into the Bill some measures that prevent unscrupulous employers from trying to park their pension liabilities in companies that then sink. I say that because last week I was debating the impact of the actions of a firm in Birkenhead. Although that firm paid all its insurance to Chesterstreet Holdings to cover its workers on asbestosis claims, Chesterstreet Holdings decided that it would leave all its liabilities for asbestosis cover in its main company. It took away all the said firm's profitable business and placed it in another company. That company still trades. Many constituents suffered considerable shock and alarm when the insurance cover for asbestosis went down with what was then nearly a cardboard firm.

I hope that the Government will be open to comments and suggestions about reform from us all when we come to consideration on Report, to ensure that those employers who want to rid themselves of their pension liabilities and then continue trading in another guise cannot do so. We must somehow link the responsibilities that are built up to the company that collected contributions and invested them on behalf of employers.

This is an important day for the Secretary of State and his team. I thank them for the huge amount of work that they have done to get the Bill in its present form. However, I remind my right hon. Friend of my four cautions. I hope that before the general election we shall set out to the electors a choice about long-term pensions reform. A risk-based levy on employers might bring down some companies, and in that event people will point the finger at the Secretary of State. Could we devise some way of preventing people from walking away from past pension liabilities, as Chesterstreet Holdings did with its insurance claims?

Lastly, before the Bill receives Royal Assent, I hope that the Government will give us the opportunity to ensure that those of our constituents who did everything that was required of them to save for their old age and who have been wickedly robbed of that inheritance will be given some justice.

2.23 pm

Mr. Steve Webb (Northavon) (LD): I am grateful for the chance to make a Front-Bench contribution and to follow the right hon. Member for Birkenhead (Mr. Field), who, as has been said, has often been the person to come up with innovative ideas, proposals and suggestions for tackling pension problems. With no disrespect to those on the Government Front Bench, it is a shame that he has to do so from the Back Benches.

We owe it to those who have lost their pensions and to those who are currently saving for pensions to be clear where each of us in the House stands on this issue. I wish to make it clear that I and my colleagues reject the Conservative reasoned amendment. I shall be asking my colleagues to support the Bill on Second Reading.

In my view, the Conservatives have behaved in a slippery and evasive manner. To read the press, one would think that they were tremendously sympathetic to the problems and had an entirely positive agenda. Yet, this evening, they will be trying to block a Bill that will provide protection for future workers' occupational rights. The hon. Member for Havant (Mr. Willetts) says that he supports the principle of a central insurance system, but he did not say anything about future workers, future pension rights and the sort of insurance-

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based scheme that he want to see, let alone mention provision for those who have already lost out. The reasoned amendment says that we should not give the Bill a Second Reading because of what it does not contain. I accept that it does not contain a great deal, and there is plenty in it that is flawed, but there is good enough in it. It provides for a proactive regulator—a long overdue provision. It provides for a scheme, albeit flawed, but it represents the basis for such a scheme, to protect future pension rights. That is why I shall be encouraging my colleagues to support the Bill on Second Reading.

As I said, the reasoned amendment gives a long list of concerns about things that are not in the Bill, but surely the Opposition cannot say that they do not support the proactive regulator. They cannot say that they do not support central insurance. So what is it in the Bill to which they object? I do not understand.

Reflecting further on the approach that the Conservatives have taken, I refer the hon. Member for Havant to his quotation from *The Independent on Sunday*. He is also reported in the press as saying that the Conservative plan is to table an amendment to enable the pension protection levy to provide retrospective compensation. Apart from having said that that is not an accurate reflection of his position, I do not understand how one can table an amendment to a Bill after it has been defeated on Second Reading. I am rather puzzled. Obviously the hon. Gentleman has no confidence that his reasoned amendment will be agreed to this evening. After all, if it were agreed to, he would not be able to amend the Bill. I know that I have not been in the House for as long as the hon. Gentleman, but I cannot work out his position.

The central proposal before us is the pension protection fund, and I shall concentrate my remarks on it. There is a paradox. The Secretary of State uses the analogy of holiday insurance and car insurance, and says that this is pension scheme insurance. He says that essentially we are talking about an insurance scheme, but the Bill contains a raft of measures and provisions that obviously do not make it an insurance scheme.

The first factor is the risk-related premium. To use the analogy of the boy- racer, in the first year of operation he will be paying exactly the same premium as the staid middle-aged driver who never has an accident. There will be no distinction between those who are extremely likely to make a claim on the fund and those who are unlikely ever to do so. We have been told that after a year there will start to be a risk-related element. I understand that that will be phased in over a period of years. We have the bizarre situation where a company that does well out of the risk-related premium—for example, BT, a big, solvent company that works hard fully to fund its liabilities—can opt for the RRP, and presumably not pay very much, while a dodgy company that has not funded its scheme properly, and is probably teetering on the brink of insolvency, can defer moving over to the RRP for several years. That is a wacky sort of insurance scheme, where the bad risk as well as the good risk can pay low premiums. I have not worked out how the sums add up. It is an odd transitional process. This is not really an insurance scheme. Instead, it is a messy hybrid. Many of these issues need to be resolved as we examine the details in Committee.

There is a further reason why I am concerned that this quasi insurance scheme is not what it appears to be at first sight. There is the idea that it guarantees people's pension rights. We know, broadly speaking, that the plan for the PPF is that a person will get 100 per cent. of their rights if they are already drawing a pension and 90 per cent. if he or she is still a worker. However, that might not be the case. If the fund is in trouble, what is the first thing that happens? The fund may set a higher levy for the following year, but the Bill contains a provision for a cap. The levy can be increased only by a specified percentage. What happens if finances are seriously in trouble? For example, early on many companies that are limping along to 6 April 2005 might suddenly make their claims on the fund. All right, the assets of the schemes will go across to the PPF, but if scheme funding becomes seriously in difficulty and the levy has increased against the cap, what happens? The next thing is that the PPF will cut the benefit that it pays out. It will get rid of the indexation of pensions in payment. It will get rid also of the uprating of pensions that have been deferred.

What if the scheme is still in a mess at that point? Buried in one of the schedules is the Secretary of State's right to cut the protection that is offered by the PPF below 100 per cent. and below 90 per cent. We have the bizarre situation where a so-called insurance scheme might not pay out.

John Robertson (Glasgow, Anniesland) (Lab): Is the hon. Gentleman arguing that there would be a blank cheque when firms wind up their pension funds? If so, would that not encourage some firms to wind up their pension funds, as they would know that the Government would bail them out, no matter what?

Mr. Webb: Given the political difficulty for the Government if they do not honour the insurance, I suspect that that is precisely what will happen in practice. If the Government face the prospect of a big company going to the wall, a crisis in the fund, which did not contain enough money, a jacking-up of levies to the ceiling, the scrapping of indexation rights, and the need to get an affirmative resolution through the House to cut the protection offered by the pension protection fund, they may well opt for a bail-out. We should plan rationally, not so that the public sector puts money in that it never sees again, but so that it is a lender of last resort. Although the pension protection fund has borrowing rights, they are limited. The Government are trying to claim that the insurance scheme will protect people's pensions and is operated at arm's length, but the Secretary of State has his mucky paws all over it—he can tweak it, cap the levy and change the benefit rights. It is essentially a public sector or Government scheme.

It would be preferable to avoid a panic when the pension protection fund suddenly runs out of cash and things are desperate by planning rationally. How would any Government lending of last resort work, how long would it last, and on what terms would it be repaid? We must plan now, instead of panicking when companies go to the wall. The public are in danger of being misled, as

they may think that the pension protection fund protects their pensions at 100 per cent. or 90 per cent. In fact, if the scheme gets into trouble, the Secretary of State may come to the House and cut those rates. If someone insured their car and it crashed, they would not want Direct Line to say, "We haven't got much money this month, so we will only pay for half the repair." However, that is what the Secretary of State is proposing in the Bill, which surely is not right.

Lynne Jones (Birmingham, Selly Oak) (Lab): In view of the uncertain nature of the scheme at the outset, the Association of Consulting Actuaries has suggested that the benefits from the insurance fund should be set at a lower level—100 per cent. for pensions up to £10,000 a year, and 80 per cent. for pensions between £10,000 and £20,000. The poorest pensioners in the scheme are therefore protected when the scheme starts, but benefits can be increased later. Would the hon. Gentleman comment on that proposal?

Mr. Webb: I have some sympathy with the notion of a capping mechanism, although I am not sure about those levels. However, our priority is to make sure that, first, people are not left destitute and, secondly, have a reasonable return on their savings. Trying to define that in statute is extraordinarily difficult, but our first priority is to make sure that people are not left destitute. After that, if money is left in the fund, we could look at the allocation of the balance. However, it is certainly well worth considering a cap when there is pressure on funds. There are capping components in the proposals, but they would operate at quite a high level.

The Government say that they are saving occupational pension schemes money by reducing their obligation to index pensions in payment post-retirement. However, they may have greatly overestimated the amount that pension funds will save as a result. Although pension funds may have a 5 per cent. requirement post-retirement, the evidence is that many of them are not providing for 5 per cent. because they do not expect inflation to be anything like that. The amount that they may save by not being required to meet that 5 per cent. rate may therefore be less than the Government think. Some schemes, in any case, have an obligation that is greater than 2.5 per cent., which they will continue to meet, even if the statutory requirement goes down to 2.5 per cent. because the terms of the trust may require them to index by more than 2.5 per cent. They, too, will not save any money as a result of the change.

The money that the Government claim that they are saving company pensions may be less than they expect, and the premiums that they will require of schemes may be substantially higher than the £300 million that they estimate. It is important that we are given such information. We would not reject the entire Bill because we do not know such things yet, but we should receive reliable information. I hope that the Secretary of State will place in the Library a copy of the projections on which his figure of £300 million is based, as well as the alternative scenarios with different outcomes. He suggested that even £300 million was a pretty gloomy scenario, so perhaps he can assure us that he will place in the Library both the basis of the figure and the alternative scenarios that the Government have looked at.

The issue that, quite properly, has attracted the most attention is the position of people who have already lost out or will lose out before 2005 and will not be in the system established by the Bill. A number of them are visiting Westminster today, and I want to put on record the appreciation that I share with a number of hon. Members on both sides of the House for the work of Ros Altmann and others for the pensions action group. Members who represent constituents with ASW pensions, along with other hon. Members, appreciate the fact that that group has maintained a high profile for the issue and, in addition to campaigning, has submitted evidence, arguments and positive ideas to the debate, which it needs. The Bill, I hope, will provide a chance for us to put something on the statute book to deal with the problem.

I have reservations about muddying the issue by linking it to the pension protection fund—in my view, tackling it is a separate exercise. If we try to bring those individuals within the scope of the pension protection fund, the straw man of retrospection will be brandished, and people will say that insurance cannot be available retrospectively, so the whole argument for the Bill is weakened. We will not help our case by saying that money should be made available from the pension protection fund. A separate system of compensation is required. I do not mind if we talk about providing assistance, as long as the people who have worked and saved hard, listened to Government and official advice, and did what was expected of them get justice. That should be our priority.

The Secretary of State was a little light-hearted about the suggestion that £100 million was affordable and not a substantial sum of money. It clearly is a substantial sum, and demonstrates that many people have lost a lot of money. We would not be talking about payment of £100 million a year if many of our constituents had not lost out badly. To say that £100 million is such a large sum that that one could not undertake action is not acceptable. If many people have lost a lot of money, doing something about it will result in a big bill. We may be able to find the money in the assets of people who died 200 years ago, and we are all attracted by the notion of a free lunch. If free lunches were available, even if they were 200 years old, I would join the queue. I maintain an open mind about the early-day motion tabled by the right hon. Member for Birkenhead. If there is credible evidence that that proposal would cover the substantial costs of action, my colleagues and I would be willing to look at it.

I fear that that proposal would not operate on the scale required, although I am open to persuasion. If it does not, we must look at the Department's existing spending plans. When it draws up those plans, it identifies what it spends on pensions, benefits and so on. However, there is also a line headed "unallocated", which is money that it has not decided how to spend, and which is £150 million, £200 million or £250 million over the planning horizon. That is usual practice for Government Departments, especially Departments that spend £100,000 million. They tend to allow 0.1 or 0.2 per cent. for unplanned expenditure. The Secretary of State might argue that if there were a fight over unclaimed assets, every Government Department and good cause would queue up for a share. However, people who have lost company pensions must be close to the front of the

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queue for money that his Department has not allocated. There is a profound case for providing justice for them, and when the Department allocates unallocated expenditure, it should put them at the top of the list.

Kevin Brennan: The hon. Gentleman said that a lot of money has been lost, but does he acknowledge that although that is the case, the sums for the individuals concerned are relatively modest? For the average active pensioner, the sum is probably about £8,000, for the average deferred pensioner, it is only £3,000 a year, and for people with pensions in payment it is about £6,000 a year. We are therefore not talking about fat cats.

Mr. Webb: I am sure that the hon. Gentleman knows that I was not implying that they were fat cats. If the cost is £100 million a year over a generation or so, that suggests that a lot of people are affected—the estimate is 60,000. For the individuals concerned, the money represents most or all of their pension. There is a danger that we will be caught up in the fine print, and will lose our anger at the injustice. The Secretary of State is a decent man, and wants such losses to be prevented in future. I hope that in examining the minutiae of the Bill he and other hon. Members will not lose sight of the fact that it is not right to allow people to work and save hard, reach the brink of retirement, only to have everything taken away from them and be told, "Sorry, although we sympathise, there is nothing that can be done."

That cannot be an acceptable outcome. I hope the Secretary of State would agree with that basic principle while he tries to work out exactly what he intends to do, and I am not sure that he does. He says that he does not want to raise false hopes, but does he accept the principle that the one outcome that is not possible and should not be possible is that nothing is done? I am happy to give way if he wants to give us the assurance that that is his starting point—that it is unacceptable that nothing be done in response to the injustice. I am slightly disturbed that he does not want to take that opportunity.

The pension protection fund is central to the proposals, but there are various difficult issues about how the fund relates to the rest of the pensions architecture that the Secretary of State is setting up. Schemes will have to follow a scheme-specific funding requirement. That makes a lot of sense. For a scheme with a large number of people who have already retired, the investment strategy and the funding rules will be very different from a scheme with most of its workers still active in the labour market. But there is another funding requirement knocking around—the pension protection fund funding requirement. The PPF will not just sit there: it will be active, keeping an eye on what companies are doing and how much money they are putting in. Presumably the PPF will be interested not only in whether they meet the scheme-specific funding requirement, but in whether they meet the level at which, if the company became insolvent, it would not make a claim on the PPF.

Is there a danger that two funding requirements are being operated in tandem? There is a scheme-specific one, but then the PPF comes along and says, "Well, you may satisfy the scheme-specific one, but you don't satisfy ours, because if you went bankrupt, you would make a claim on us, so we want you to put money in to satisfy that funding requirement as well." Is there a danger that there will be annual actuarial valuations for the risk-based premium and two different funding requirements, making the whole thing extremely complicated? Has the Secretary of State thought through the open question whether we need a scheme-specific funding requirement if there is a PPF funding requirement? How do the two interrelate? Is there a danger of duplication?

There is a raft of other measures in the Bill which I will not go through in detail, but I shall pick up on two other issues. The first concerns the trustees of the schemes. Like other hon. Members, I meet regularly with retired members of occupational pension schemes. They feel that they are excluded from the running of the occupational pensions on which they depend. One of the things that they value enormously is trustee rights—retired members drawing pensions being entitled to serve as trustees.

The Government considered two options for choosing trustees of occupational pension schemes. They rejected the option known as "fair and open". It is strange that the Government rejected the fair and open selection of trustees for occupational pension schemes. That makes me rather nervous. Retired members say that they want to have a say about the scheme that is as much theirs as anybody else's. They have no mechanism for contacting the electorate—the members of the scheme—and there ought at least to be a fair and open method of selecting trustees. The Government have rejected that for fear it would be bureaucratic and for fear of "vexatious scheme members complaining". Scheme members get vexed if they think they are not being listened to. I hope the Secretary of State will review that decision. It is important that workers, deferred members and retired members are properly represented in a fair and open way. I am not convinced that that is the case.

Finally, I shall touch on the part of the Bill that deals with the state pension. In general, we must be in favour of measures that give people new choices about retirement and new flexibility. Anything that allows them to take their pension later and get an enhanced accrual rate or a lump sum would seem to be attractive, but as was pointed out when we discussed the matter last week, the choice is complicated. When pressed, the Secretary of State seemed a little hazy about how lump sums would be treated. I looked on the Department's website, where there is a fact sheet—a sort of idiot's guide, which I found helpful and I hope the right hon. Gentleman will as well.

Under the heading "Pension Credit", the fact sheet states:

> "We also want to make sure that the lump sum is ignored when most people claim Pension Credit".

One's heart sinks at that sentence. It creates yet more complexity. People defer their pension, get a lump sum, which is taxed at their marginal rate at the time, and for most people it will not count on their pension credit, but presumably for some it will. Who are they? How are we supposed to assess that? Nobody seems to know how it will work. How will someone aged 65 judge whether at 70 they will be one of the people who have the lump sum taken into account or not?

Part of the Bill is about information on the internet, combined pension forecasts and so on—telling people more—and another part creates a new, complicated choice that makes it extremely difficult for people to know what is the right thing to do. Once people have drawn their lump sum, does the Department say, "We'll always ignore £30,000 of your capital", or does the Department say, a year on, "Well, it is legitimate for you to have used £1,000, so we'll only ignore £29,000"? If people have other capital, does the Department distinguish between that and the lump sum capital? One begins to see how complicated matters become.

Yes, the Bill is a missed opportunity to simplify matters. It has been calculated that somebody who retires from a money purchase scheme after April next year and who has been a scheme member since before April 1997

"may need to buy six different types of annuity with what is effectively one pot of money",

because of all the different rules about when it was saved and how much it has to be indexed by. The Bill was a chance to simplify matters, but it has made them far more complicated. However, I return to my opening point. We need a regulator who is proactive in looking out for problems. We need protection for future workers. That is why we will support the Bill tonight, but I echo the comments of the right hon. Member for Birkenhead that we will not be satisfied until the Bill also provides for the people who have suffered the greatest injustice of all in that respect.

2.46 pm

Kevin Brennan (Cardiff, West) (Lab): I, too, welcome the Bill and join in the praise that has been heaped upon the Secretary of State for introducing it. It is a brave, timely and necessary measure. At the same time as praising the Government for introducing the Bill, it is important to praise the workers from Allied Steel and Wire and other companies, many of whom travelled to Westminster today and whose triumph is that they have campaigned, made the case for, used persuasion in a responsible manner—often with great assistance from their trade unions and constituency Members—and persuaded a Government prepared to listen that something must be done about the problem of pension protection. The Government should be praised for changing their mind, having listened to the evidence.

Sandra Osborne: Does my hon. Friend agree that for those who have been active in the campaign for the introduction of the pension protection fund, it would be rather silly not to support the Second Reading of a Bill that would achieve that for the future, no matter how concerned we are about those who have already lost out?

Kevin Brennan: My hon. Friend makes an important case. I was surprised when I heard last night that the Conservative Opposition intended to oppose Second Reading. By doing that—it is becoming more common under their new leadership—they reveal that they have forgotten the distinction between responsible opposition and irresponsible opportunism. That is what we see in their opposition to the Bill on Second Reading. They are opposing it only because they are grandstanding on the issue. I regret that, because we need some measure of cross-party discussion of the matter and some measure of agreement across the House about how we fix the problem, which affects so many of our constituents.

Tony Lloyd: Will my hon. Friend give way?

Kevin Brennan: I am happy to give way. Last week, the hon. Member for Eastbourne (Mr. Waterson) called me "the intervention king", so I am happy to show him that I am also prepared to give way to other Members.

Tony Lloyd: The intervention king has taken two interventions in not many more minutes. I found the speech from the Opposition spokesman interesting because it contained so little that was positive about what the Opposition were proposing, and so little that was negative about what the Government were proposing, that it was hard to understand why they intend to vote against the Bill. My hon. Friend made an important point. We need some cross-party agreement on the future, particularly if there is to be a rescue scheme for the pensioners who have lost out. It must be guaranteed not only by the Government who announce it, but by all successive Governments. May I, through my hon. Friend, press the Opposition spokesman who is to reply to the debate to make it clear that they will be members of that all-party grouping, so that we can give those outside the confidence that their pensions will be guaranteed?

Kevin Brennan: My hon. Friend makes an important point. I hope that the Opposition's position will be clarified during the wind-ups, although I suspect that Labour Members are not holding their breath.

My interest in this matter was triggered particularly by the case of Allied Steel and Wire, which affects many of my constituents. Speaking from personal experience, as the son of a steelworker who worked at Llanwern steelworks in the constituency of my right hon. Friend the Member for Newport, East (Alan Howarth), I would have been outraged had my father been subject to what has happened to many of our constituents—if, after working for 20 years in those steelworks, he had left only to be told that his pension was worthless. We would all be outraged if that happened to a member of our family, and we are similarly outraged when it happens to others, whether they are our constituents or those of other hon. Members.

The Bill is an excellent step forward. I particularly welcome the establishment of a pensions regulator with teeth, which is a part of the Bill that we do not talk about enough, but which is very important in making the pension protection fund work properly. We need to rid occupational pensions of their dodgy reputation and give them a reputation for being safe, sound places where people can put their savings for retirement.

There are three basic reasons for giving some sort of assistance to workers who have lost out as a result of their company becoming insolvent: the moral case, which hon. Members have outlined; the legal case, which we cannot talk much about in this place—I sometimes think that we have too many lawyers here when I read amendments that are framed in dry legalese instead of addressing real human concerns—and the public interest argument, which is ultimately unbeatable.

[Kevin Brennan]

On the moral case, we have here, in effect, a case of breach of promise. One has to ask what steps any reasonable, rational human being would take if they were saving for a pension in their retirement, and what is the minimum protection that they would have the right to expect from the state in that regard. A worker from Allied Steel and Wire in Cardiff who joined its scheme 25 years ago would have been compelled to do so as a condition of employment. As the state permitted that compulsion, it bears some responsibility for the consequences. If the worker was of a sceptical nature, he might think, "Hang on a minute; I don't like buying a pig in a poke", and take a deeper look at what they were getting themselves into. A reasonable, rational human being might think that he should do a bit of research to see what, for example, the National Association of Pension Funds says about the subject. One of its recent leaflets says that defined benefit schemes make

"a promise of a guaranteed pension based on the number of years you are a member of the scheme".

If the person read on, they would be told:

"The promised pension is not affected by the level of investment returns or interest rates as all these risks are borne by your employer."

I think that that would be enough to satisfy me, but if I was a doubting Thomas I might want to see more evidence about these so-called guaranteed pensions and go on to read a leaflet from the Financial Services Authority called, "FSA Guide to Pensions: Reasons for joining an occupational pension scheme if you can". It states:

"In a final salary scheme, you know broadly how much pension you'll get (as a proportion of your earnings before retirement). This makes it easier to plan for retirement."

That further reassurance might have satisfied me, but I might have gone on to look at what the Department for Work and Pensions had to say. I am not sure what it said in the distant past, when many people would have taken the trouble to find out, but it said recently:

"Should I join my employer's occupational pension scheme?

Occupational pensions are usually a very good deal".

That might have satisfied me, because although I would not necessarily want a very good deal for my pension, a good deal or a reasonable deal might be sufficient. But that information nowhere states: "You should be very wary, because if you join a final salary occupational pension scheme you are betting your retirement on one share—namely, the share of your employer." That is what the current situation permits. People who were originally compelled to join a scheme could have read all that advice, but never have been given a health warning that they were effectively being asked to bet their retirement on one share.

If the worker was still sceptical, he might read his own company's documentation. The leaflet from Allied Steel and Wire in Sheerness, which is in the constituency of my hon. Friend the Member for Sittingbourne and Sheppey (Mr. Wyatt), says:

"What benefits does the Fund offer?

The benefits of the ASW Sheerness Steel Group Pension Fund are comprehensive:

A guaranteed pension on retirement, which increases each year to help protect it from inflation".

I defy anyone reading that body of evidence to point to the health warning. It represents a promise, implicit if not explicit—I think that it was explicit—from Government, from quangos, from the Financial Services Authority and from employers. Any reasonable, rational human being who looked at that evidence would anticipate that their pension benefits were guaranteed.

Leaving aside the moral question for a moment, I turn to the legal question. Workers' pensions are supposed to be protected under the European insolvency directive. I shall not go into detail on that because the case may well end up in the courts. I merely ask my hon. Friends this: why should we line the pockets of lawyers in taking this case on, whatever the legal advice turns out to be; pay double the financial penalty in having to do so; and ultimately face a political penalty for not having assisted when we had the opportunity?

The third reason for giving assistance is that it is in the public interest. I recognise the danger that this issue may drown out the good news about the measures in my right hon. Friend's Bill and undermine public confidence in occupational pensions at a time when he is trying hard to strengthen it. I do not want to do that. However, public confidence will not be restored if, after the passage of this Bill, 50,000 or 60,000 workers say to their colleagues of the pension protection fund: "Don't believe the promise that you will get a guaranteed pension if things go wrong—look what happened to me." That is what they will say if there is not some form of assistance and some acceptance of responsibility.

Mrs. Iris Robinson (Strangford) (DUP): Is the hon. Gentleman aware of the double injustice meted out to the former employees of Irish Fertiliser Industries? Workers in the Northern Ireland plants will receive only about 20 per cent. of their entitlement while those who were based in the plants in the Irish Republic will get their full entitlement. Should not the Government press the Irish Government to ensure equity?

Kevin Brennan: I doubt whether the hon. Lady is making an argument for a united Ireland, but I take her point and sympathise with the workers whose cases she eloquently highlighted in her intervention.

I believe that the Government accept, and have great sympathy for, many of the arguments. They have given tremendous attention to cases, met many affected workers and been genuinely moved by their stories. They have shown a willingness to help if possible. However, I understand the concerns that they have raised. Worries about cost and how one draws a line are not to be baulked.

Although it is easy to make the sums appear and sound large—huge amounts of money are involved—let us be clear: the state provides tax incentives to private pensions. We cannot pretend that the state has nothing to do with private pensions. It provides them with tax incentives of up to £14 billion a year. Half of that goes to the top 10 per cent. of taxpayers and a quarter to the top 2.5 per cent. We could reduce the costs if we stopped buying annuities—Dr. Ros Altmann made that point well—and allow the pension funds to fulfil their current commitments, until the point when they need more funds. Some pension funds might recover in that period

if, as expected, the stock market recovers. During that lull, the Treasury could set aside funds for an occupational pensions assistance board of some sort. I do not mind whether it is associated with the pension protection fund, as the hon. Member for Havant (Mr. Willetts) mentioned, or whether it should be insulated from that so as not to confuse matters.

Whatever the method, it should be possible to provide some sort of assistance board, for which we would not have to pay out for many years. I appreciate that the costs may, according to one estimate, eventually be about £100 million a year. Another estimate from a TUC pension adviser is that it is likely to be closer to £50 million a year. Although that is a large sum, it is a small proportion when compared with Government involvement in subsidising private pensions. We must bear it in mind that many workers will claim the pension credit if they do not receive some form of assistance. They do not want to do that when they believe that they have made all the necessary provision for their retirement and that they should be paid accordingly.

Let us consider the point about drawing a line. It would be helpful if we all acknowledged—I make a special plea to Conservative Members to do so—that we are not considering Equitable Life but a completely different issue. It is neither Equitable Life nor Maxwell. There are two main reasons for that: compulsion was involved for many of our constituents and there was a lack of a proper health warning. The problem has largely developed since the Pensions Act 1995, and all those who have been affected by a specific date should be permitted to apply to an occupational pensions prior claims assistance board.

We are not considering fat cats. A medal should be struck for Dr. Ros Altmann for all her work on the matter. She estimated that for the average worker—the active pensioner—we are talking about a pension of a maximum of only £8,500. We would not let that happen to our parents or to us, and Ministers would not let it happen to them. We should not let it happen to our constituents.

3.4 pm

Mr. David Ruffley (Bury St. Edmunds) (Con): What on earth have the Government been doing for the past six and a half years? The pensions industry is in a mess, pensioners are worried and Ministers appear to believe that serial consultation, with no results, is an adequate substitute for the serious radical reform that we need of our private and public pension provision.

In December 2002, the Government set out, in response to a question, the list of Government consultations that had taken place since August 2001. Yet, unbelievably, Ministers were unable to provide details of their consultations between May 1997 and August 2001. They gave the following reason for not providing the information:

"A detailed list of consultations before this date"—

before 2001—

"is not readily available and could only be provided at disproportionate cost."—[*Official Report*, 9 December 2002; Vol. 396, c. 140W.]

Pensions are a difficult and thorny subject, but such an answer is straight out of Alice in Wonderland. Ministers have displayed a stupendous lack of grip on the matter since 1997. Meanwhile, British pensions are in crisis, which is intensifying.

Adair Turner, chairman of the Government's Pensions Commission, said that in the past five years

"Sixty per cent. to 70 per cent. of private sector defined benefit schemes—weighted by number of employees—have closed to new members".

More than 55,000 occupational pension schemes were wound up between 1997 and 2003. Since 2001, nearly 4,500 schemes have begun the process of winding up, but have not yet completed it. The parlous state of occupational pension schemes contributes to the general collapse of public confidence in long-term saving.

In our naivety, we might have supposed that a new measure called "Pensions Bill 2004" would, after all this time, include some radical and effective provisions. It is any Government's duty to supply them in circumstances in which pensioners cry out for effective action. Such reform was not to be. The Bill fails on several counts. It contains no serious proposals to reform and improve the basic state pension provision, especially in a way that will rein in the pernicious effects of means-testing, about which my hon. Friend the Member for Havant (Mr. Willetts) has often spoken so eloquently.

The reform of the basic pension is a prerequisite for encouraging employees to make more private provision through personal or occupational pensions. One needs a solid platform of basic state provision from which to float pensioners off means-testing and give them the confidence to invest over and above state provision without the risk of the means test kicking in and making their extra and responsible private savings throughout their lives of nugatory value.

Alan Howarth: Has the hon. Gentleman estimated the level of the basic state pension necessary to float pensioners off means-testing, and how much it would cost?

Mr. Ruffley: I did not say that we would devise a scheme in the first term of a new Conservative Government—*[Interruption.]* Labour Members should listen. I never said that we could devise a scheme to float all pensioners off the means test in the first term of office. Change would be incremental. My hon. Friend the Member for Havant has described relinking the basic state pension with earnings in the first four years of any Conservative Administration. That would deliver approximately £8 to £10 a week for the average pensioner. That is a start, which would get rid of the bottom end of the means test. The election of successive Conservative Administrations would mean that we could make even more progress on whittling away the disgraceful means test.

John Robertson: The hon. Gentleman has mentioned a figure of £8 to £10. Where would that leave the 3,000 beneficiaries of pension credit in Havant, who receive more than £40 extra a week?

Mr. Ruffley: The hon. Gentleman should refer to the excellent pamphlet, "A Fair Deal for Everyone on Pensions", which is on the Conservative central office website. I do not have time to go into that now, but he will there discover the answer to his question. We will also find savings from the administration of the means test, and there are many other ways in which we can ensure that no pensioner who is currently at or just

[Mr. Ruffley]

above the level of the old minimum income guarantee, or the guaranteed pension level, will be a loser in any shape or form.

The elegant insight into cutting into the means test that my hon. Friend the Member for Havant supplied shows an imaginative and simple solution. That elegant solution is to boost the basic state pension in ways that would provide more incentives to save, and fewer disincentives to do so. Although the hon. Member for Glasgow, Anniesland (John Robertson) mentioned the pension credit, I stress to him that there would be no losers under my hon. Friend's proposal. The hon. Gentleman should have faith in the brilliance of my hon. Friend who, unlike Labour Members, knows what he is doing. My hon. Friend has displayed imagination in coming up with his idea. Labour Members might find counterintuitive the idea that the Conservatives want to restore the earnings link, but the proposal works and the numbers stack up—in the first instance, for the limited period of the first four years.

The other problem with the Bill, apart from the lack of imagination to which I have referred, is that it makes no constructive proposals for reforming occupational pensions in a way that would prevent future losses of the kind that we saw in Allied Steel and Wire and other depressing cases.

Lynne Jones: I entirely concur with the hon. Gentleman's desire to reduce means-testing, but would not the Conservative proposal, while restoring the link between the state pension and earnings, do away with that link in relation to the means-tested benefit? In other words, the Conservatives intend to hold down the means-tested benefit so that the state benefit can catch up. That would affect many poor pensioners, especially women.

Mr. Ruffley: The hon. Lady has obviously not read our proposal for the eventual abolition of the pension credit. I suggest that she look at it.

Vera Baird (Redcar) (Lab) *rose—*

Mr. Ruffley: I shall give way in a minute, but I wish to make progress.

The constructive proposals for tackling the losses of those who lost everything—

Mr. Nigel Waterson (Eastbourne) (Con) *rose—*

Mr. Ruffley: I shall give way to my hon. Friend.

Mr. Waterson: My hon. Friend should not feel at all abashed in the face of the last intervention because, as he will be aware, the Government have gone out of their way to decline to answer the question of whether, if by some mischance they were re-elected to Government, they would link the pension credit to earnings or prices. My hon. Friend should expect a helpful intervention from the ministerial Front Bench if he were asked to deal with that issue.

Mr. Ruffley: My hon. Friend the Member for Havant asked a question on that. Will that link be restored after the next election, according to the commitment first announced, I think, by the Chancellor? We do not know. Most people think it highly unlikely, given that he is trying to save money in his next comprehensive spending review.

What is to be done about the individuals who have lost everything? Before moving on to that, and to the proposals of the right hon. Member for Birkenhead (Mr. Field), I want to mention the Bill's most important proposal, which is not entirely without merit: the pension protection fund. I have some sympathy with the Government over their task of setting the right level of protection. If that is set too low, future pensioners will not get the cover that they need, but if it is set too high, the premiums will be too crippling and prohibitive for companies.

At first blush, it might seem that the Government have gone for a practical compromise in the Bill, essentially saying that existing pensioners will get 100 per cent. cover and future pensioners will get 90 per cent. of their benefits. Current pensioners will have a reduced indexation of 2.5 per cent. for post-1997 benefits, with no indexation before 1997. So far, so good—one might think. However, the question that has not been answered is how reliable is the Government's estimate of the total cost of the levy. They have put that at about £300 million, but under FRS17, Watson Wyatt has calculated that the whole of British industry's current deficit could be £60 billion. In that context, £300 million does not look terribly realistic.

That does not bode well for a successful pension protection fund. Moreover, the Government do not have any estimate of the number of pension funds that are cheerily waiting for the creation of the pension protection fund so that they can make a claim. Add to that the fact that in the first year the fund will be collecting only the fixed-rate levy, and one can well envisage how the fund might be in deficit at the start of its life.

Clearly, a flat-rate levy on its own will bring moral hazard, because cross-subsidisation from the healthier to the weaker funds will provide a powerful disincentive to giving greater contributions to the weaker funds. That is why the Government have introduced a risk-based element to the levy. Again, that seems reasonable, until one starts to ask how it will be assessed. It seems that the assessment will take into account the surplus and discount of the pension fund, the company's solvency and the fund's mix of assets and liabilities. However, I thought that the Government were arguing for abolishing the minimum funding requirement provisions precisely so that funds could return to higher-performing equities with higher returns when they wished to. That is not likely to happen if there is a risk-based element, because that is likely to lead, on average, to a higher levy.

Another devilishly difficult problem for the Government, to which the Bill contains no answer, is that the risk test will require actuaries to make various judgments. Current opinion in the actuarial profession, depending on to whom one speaks, is not entirely sure whether bonds are the best means of matching pension liabilities these days. The consensus among professionals is that the risk element in the levy will be difficult to assess reliably and consistently. Perhaps the most obvious problem with the risk-based element is

that the weakest funds will pay the most. The weaker they get, the higher the levy. That could well exacerbate problems for a weaker fund, even given the transitional arrangements that seek to obviate the need to tackle that problem.

The fund is no panacea. The model that the Government have borrowed—the US Pension Benefit Guaranty Corporation—is running at a deficit of more than $11 billion. The only logical outcome for the model that the Government have come up with is for the pension protection fund to reduce benefits to below the proposed level of 90 per cent. for current or 100 per cent. for existing pensioners. It is a matter of logic that the Government will have to cut those benefits because they have capped the levy. Had they not done so, any deficit in the fund could be closed or reduced by raising the levy, but they have expressly ruled out that policy option. The Government seem to have boxed themselves in.

The fund should come with a large health warning for future occupational pension holders. Presumably, that will come with the further information to be sent out as a result of part 4 of the Bill. The fact is that this is not a guaranteed scheme, and the Government would be duping future occupational pension holders if they were to pretend that it were.

I would like to touch on the points raised by the right hon. Member for Birkenhead. I seek a point of clarification from the Minister as to what legal advice he has received—perhaps he would care to publish it—on the status of the unclaimed assets that would form the basis of the scheme proposed by the right hon. Member for Birkenhead. That would involve an endowment quite separate from the fund in the Bill, and it would be hugely useful to get a definitive ruling on that status.

Mr. Frank Field: Would it be a good idea to ask the Attorney-General?

Mr. Ruffley: The right hon. Gentleman has anticipated the gag that I was about to make. I know that legal advice is a sensitive subject for Labour Members, and I also know that they have different views on the matter. Perhaps the Minister could clarify whether there is anything in the right hon. Gentleman's proposal that is worth looking at—the Secretary of State was very unclear on that—or whether the Government can give a definitive ruling that it is not a runner, and that it is a free lunch that will, frankly, not be available. Clarification of that issue would assist all of us in our deliberations on the Bill.

The Bill as a whole does too little, too late. As a result, current and future pensioners are being let down, and the Bill needs to be voted against.

3.21 pm

Alan Howarth (Newport, East) (Lab): The first responsibility of any Government is to ensure the provision of a universal state pension. At the moment, the state is not doing so, as the House of Lords Select Committee on Economic Affairs notes in its excellent report, "Aspects of the Economics of an Ageing Population". Because eligibility for the state retirement pension rests on the contributory principle, large numbers of those who are currently retired do not qualify for a full basic state pension in their own right. Conspicuous casualties, both now and prospectively, are women on earnings below the level for national insurance contributions, and carers in households not in receipt of invalid carers allowance.

The system has been stretched and patched to support varieties of people whose national insurance contributions fall short but who are considered deserving. I think that the Government are now proposing accrual of pension rights for people on paternity leave. The House of Lords Select Committee says trenchantly:

"We see little purpose in this contribution system, which appears to be a now largely dysfunctional legacy of the post-war Beveridge welfare plan."

It concludes, quite rightly in my view, that

"the basic state pension should be paid on the basis of citizenship rather than contribution record."

The Green Paper discussed the basic state pension at length but did not embrace that idea. Given the plethora of credits already available to older people on low incomes, it would not be unaffordable to provide fairly and squarely that every citizen should be entitled to a basic pension, and I would have hoped that such a provision would be in the Bill.

After establishing the platform of a decent basic pension, the Government have a responsibility to encourage and assist everyone of working age to build on that platform.

For all too many people, defined benefit schemes have turned out to be a snare and a delusion. The Government can levy taxes and are therefore in a position to honour their commitment, expensive though it is. When private sector employers felt that they should emulate the public sector, a fuse was lit.

Representing a constituency in south Wales, I am intensely aware of the grievous plight of the ASW pension scheme members. Naturally, I would like to see the Government help them, perhaps in the same sort of way in which they helped the Maxwell pensioners by readmitting them to SERPS and forgoing for the time being the NI contributions otherwise owed. However, the Government cannot confine themselves to helping selectively in the highly publicised cases. The Government would need to offer equivalent relief to members of all occupational schemes, including defined contribution schemes—to some of which employees were required to belong—that have suffered a ruinous collapse in the value of their pensions. Pace my right hon. Friend the Member for Birkenhead (Mr. Field) and my hon. Friend the Member for Cardiff, West (Kevin Brennan), I ask how could they not then, in justice, help savers in Equitable Life and other personal pension schemes that have experienced catastrophe? I do not know whether my right hon. Friend has established a definition of "catastrophe", the period of time that should be taken into consideration, the numbers of savers whose pensions have been ruined and the cost of rescuing them on the same basis as the Maxwell casualties.

Among the lessons of these calamities must be that it would be a mistake to commit further to defined benefit schemes. Employers have already understood that.

Sir John Butterfill: I am listening very carefully to what the right hon. Gentleman says, but I think that he

[Sir John Butterfill]

might be in danger of over-egging his pudding. Is he aware that some 4.6 million British workers are still in defined benefit schemes, and that we are talking about 60,000 people who are affected by the calamity of ASW and other such cases? It is therefore necessary to keep this matter in proportion.

Alan Howarth: I shall come to some of my concerns about the commitment of British industry to defined benefit schemes a little later in my speech.

The Government's main administrative and legislative effort at this stage, as we see in the Bill, is to create a pension protection fund. I understand, of course, why they want to do so, but the proposal bristles with difficulty, morally and practically. Even if the badly run schemes have in due course to pay a bigger levy, why should the well run schemes be required to contribute to a fund to bail them out? In any case, might not the fund indeed offer false hope? The so-called Pension Benefit Guaranty Corporation in America has gone sharply into deficit, with all concerned crossing their fingers and hoping that a rising stock market will float them off the rocks. The scale of payments that will need to be levied from UK pension funds to provide the guarantee that the Government proclaim may be such as to drive more employers into abandoning the very model—the defined benefit scheme—that the Government want to prop up. The bureaucracy involved in a scheme of differential levies—as in the supervision of scheme-specific funding—will surely be onerous.

It seems to me that my right hon. Friend the Secretary of State and my hon. Friend the pensions Minister may be expending their powder and shot in fighting the last war. Instead, we should be welcoming the shift to defined contribution schemes and concentrating on devising an appropriate regime for them.

There will be no reversing the trend away from defined benefit—DB—schemes. With the altering age balance in the workforce, the maturing of schemes, the disappearance of surpluses and greater longevity, more and more companies will be unwilling to shoulder the cost and risk of final salary schemes.

Policy by successive Governments—the taxation of surpluses; regulations far more burdensome than in the USA; FRS 17, which means that volatility in the value of pension funds affects balance sheets; and European Union discrimination legislation—has been driving employers away from DB schemes. Nor need we lament that. It is not in employees' interests to be in unsustainable DB schemes or for their firms to be rendered uncompetitive by the cost of a DB commitment. Final salary schemes make less sense with the need for many people to work for more years and to retire gradually. Defined contribution—DC—schemes make more sense in a flexible labour market and for individuals who expect to change jobs relatively frequently, or who are low earners, or who depend on overtime or other payments which are not consolidated into pensionable pay. For all these reasons, the change to DC is happening.

Adam Price (East Carmarthen and Dinefwr) (PC): I can think of few professions in which people would expect to change jobs more frequently than this one. Would the right hon. Gentleman support a motion in the House to move our pension scheme from defined benefit to defined contribution?

Alan Howarth: The hon. Gentleman tempts me down an interesting avenue, but I shall resist the temptation.

For all the reasons that I have just outlined, the change to DC is happening, and I would have hoped that the Bill would be focusing on the urgent need to provide a framework and standards for DC schemes so that they can perform as they could do and need to do. There is an obvious agenda here. We need to ensure that sufficient contributions are made by employers and savers, that appropriate investment options are available, that information, financial education and financial planning advice are available, that the regulation of DC schemes is simplified to replace the four distinct regulatory regimes that we have at the moment, that there is ease of transferability, and that people are helped to buy the right annuity at the right rate. It is vital to raise the standards of DC schemes if we are to avert widespread poverty in retirement and huge rises in public expenditure.

The Association of British Insurers calculates that, on present trends, 80 per cent. of the population will rely on means-tested benefits by 2050. If that is correct, this is the impending pensions crisis. Twenty per cent. of workers are not saving at all, and many more are not saving enough, either because they lack the money to do so, or because they are baffled by the complexities of pensions, or because they do not realise how important it is for them to save.

The DC regime that I want the Government to bring in will be strongly paternalist. I welcome the provisions in the Bill for a new regulator, but I want the regulator to do more than the Government may wish.

To build up a pension large enough to prevent a painful fall in disposable income during retirement, people need, at any rate from their early 30s, to put in not less than 15 per cent. of gross earnings annually. The responsibility should be split fairly between saver, employer and Government. The ABI has found that when an employer contributes at least 5 per cent., the proportion of people saving for pensions rises from 13 per cent. to 69 per cent. Employers should be compelled to contribute a minimum percentage of pay, and incentivised by Government, through a tax credit or relief of national insurance contributions, to contribute more. Employers' contributions have of course been falling in the transition from DB to DC: the average employer's contribution to contributory DB schemes is 10.1 per cent., but to DC schemes it is 5.8 per cent. The Government should also contribute, but by way of grant rather than tax relief. As Sandler, Altmann and others have noted, tax relief is highly regressive. In 2002, of £14 billion worth of tax relief, as my hon. Friend the Member for Cardiff, West noted in his superb speech, half went to the richest 10 per cent. and a quarter to the richest 2.5 per cent. It is neither just nor efficient to provide the biggest tax relief to those who are most able and most disposed to save. Grants would enable the Government to provide extra incentives to save for people on lower earnings and would have a flexibility which tax relief does not have.

If the Department for Work and Pensions thinks that that would be sensible, I wish it well in its negotiations across Whitehall. The Department of Trade and Industry no doubt thinks that compulsory employers' contributions would be an unacceptable burden on business. To be sure, we should not impose social costs on the scale of Germany and France, where they destroy jobs. After all, near-continuous employment is the precondition of building any decent pension. But we should say plainly to employers in the UK that they should make a certain level of contribution to pensions as part of our social contract. Good employers already do that. Why should they be undercut in the labour market by bad employers who do not?

We also need a more extensive, energetic and urgent programme of action from the Treasury. I look forward to the Finance Bill. The Treasury needs to intervene far more decisively in asset allocation. Pension funds, as experience has miserably shown, have been excessively exposed to equities and the risks inherent in equity investment. I am dismayed to read—I hope that it is not correct—that Ministers now propose to change the solvency rules to allow fund managers to invest more in equities. Can it be right for the Government to encourage pension scheme trustees, so many of whom lost their fiduciary gamble in recent years, to stake yet more of other people's money in the equity casino? Compounding untaxed interest and capital gains on fixed interest investments in a low-inflation environment will provide a considerable return, and a safe return, on savings over a working lifetime. The Government should be explaining that and steering savers towards sensible asset allocation.

The Government should ensure that regulations comparable to the American "safe harbour" regulations for DC schemes are put in place and that best practice guidelines are issued. Prudential supervision needs to be exercised to ensure that a sufficient variety of investment products is available to individual savers to match the variety of their personal needs. Trustees, as has been noted, need training. Savers need financial planning advice—Sandler is dangerously wrong to suggest that the creation of simple and "low risk" products, not all of which are so low risk in reality, obviates the need for advice. The Sandler products may not be suitable at all for people who would do better to pay off debt or buy an ISA. People will need advice both on whether they would be wise to buy any Sandler product and, if so, which. As Dr. Ros Altmann has put it, there is a danger of a new "misbuying" scandal. Besides, such is the lack of confidence in pension products because of their complexity, past scandals and the highly publicised collapse of schemes, that people will need to be encouraged to invest in any of these new products. The Government must ensure that everyone receives financial education, information in intelligible terms about their pension options, and competent independent advice. I am glad that the Government recognise the importance of "informed choice". They must not underestimate the scale of the exercise required to achieve this. The cost will have to be met. Are the Government willing to provide a tax credit for employers who make suitable education, information and advice available in the workplace? At present, not only can employers not get tax relief on the cost to them of providing pensions advice, but such advice may be treated as a taxable benefit for employees.

While DC occupational schemes are preferable to DB, there is a case to be made against occupational schemes altogether—whether DB or DC, they inhibit the labour market. We need people to be able to move as flexibly as possible between employers and sectors. Occupational schemes are predicated on an obsolete model of lifetime employment in one particular occupation.

It would be better if everyone built up their own personal and portable pension. Chile and Singapore have adopted such a policy. The 401k schemes in the USA, which the Bush Administration have encouraged and which are increasingly popular, offer another model, which is likely to be more applicable here. I believe that we need a fully fledged system of personal and portable pensions as the centrepiece of provision. This would require strong incentivisation and intrusive regulation in the approval of funds, in ensuring a suitable diversity of funds and to enable risk to be spread, in safeguarding savers' interests against imprudent investment by fund managers and trustees, and in ensuring competition between funds. It would require full transparency of commissions, charges, transactions, valuations and projections. An inescapable obligation would have to be placed on employers to pay at least 5 per cent. of pay into each worker's individual fund. Similarly, the Government must oblige the self-employed, 28 per cent. of whom are making no personal pension provision, to save.

Among the virtues of the PPPs that I advocate is that, having their individualised pension pots and taking such responsibility for themselves, people would take a closer interest in their pension and would be better able to make their own judgments as to the sufficiency of their accumulated pension, and whether they needed to carry on working, at any rate part time, for longer. There will be the more need for people to extend their working lives now that they will have to repay university fees in the earlier years. Of course, if the Barker review of supply and demand for housing leads to policies that will reduce the British incubus of mortgage costs, that will make it easier for people to build better pensions. Meanwhile, since such a large proportion of personal wealth in Britain is tied up in bricks and mortar, we need properly designed and regulated home income schemes.

The Government should stop discouraging saving for personal pensions by relaxing their rule requiring commutation of personal pension funds for annuities by age 75. There is no such requirement in the US, I understand, on DC schemes. It is fair enough to require provision of an annuity sufficient to ensure independence of publicly funded benefits. Beyond that, people should be free to keep their personal pension funds until death, and indeed to bequeath them to their heirs provided that tax relief and inheritance tax are paid to the Exchequer from their estate.

Meanwhile, there are many useful things in the Bill—the introduction of the regulator, the extension of the transfer of undertakings principle in the private sector, the drive towards early transferability, those areas in which the Government are taking the axe to red tape, the encouragement to the provision of better information, and, as I anticipate, the change to the priority order in wind-ups. But we do face a savings crisis and an urgent need for pension reform in a variety of respects not encompassed in this particular Bill. We

[Alan Howarth]

need to look beyond the thickets of immediate pressures, decaying orthodoxies and vested interests. The Government have set up the Turner review, and no doubt Ministers are waiting for that report. I look forward to the Government unveiling their wider vision of a new pensions landscape and showing us how to arrive there.

3.38 pm

Mr. Peter Lilley (Hitchin and Harpenden) (Con): It is a great pleasure to follow my right hon. and repositioned Friend, as I suppose that I should refer to him in the light of his remarks about my party's change in position. I was not sure whether he disagreed with that in principle or was bemoaning the fact that it made his move unnecessary. Anyway, his speech was extremely interesting and will well merit rereading.

I want to concentrate on one problem that is addressed by the Bill and one problem that is ignored by it. The problem addressed by it is that on which most Members have commented: the problem of providing compensation when pension funds fail and the company is bankrupt.

I understand the conflicting pressures on Ministers, since I experienced similar pressures when I became Secretary of State for Social Security and immediately faced the problems bequeathed to us by Robert Maxwell, when he was found dead in the Atlantic and his funds were found to be short of several hundred million pounds. I refer to these issues solely because I believe that we may be able to draw lessons from that experience in coping with the similar—though, I accept, different—problems that we now face from a number of failed funds. The House will recall that several hundred million pounds were missing from all the Maxwell pension funds, that some 30,000 pensioners were as a result left at risk of losing all or part of their pensions, and that some faced immediate destitution, as their funds would be unable to continue paying their pension at all.

I therefore faced two conflicting pressures very similar to those that Ministers now face. The first was a desire to help those facing destitution and the loss of the expectation of a pension that they had confidently looked forward to receiving. The second was a reluctance to accept an open-ended responsibility for events that were not the fault directly of Government.

I decided that humanity had to override rigidity of the financial rules, and that we had to cope with the problem of people losing their pensions. We had to be imaginative about it, so we invented something called a non-reimbursable loan, which was immediately made available to continue the payout of pensions of those who would otherwise have lost them. A small sum, just £5 million, was created by that rather unusual financial instrument, but it bought us time, during which we were able to do a number of other things, including deferring the state earnings-related pension scheme contributions and thereby effectively making more money available from public funds to meet the problem. We also appointed my noble Friend Lord Cuckney, who, with the backing of the Select Committee and in particular the right hon. Member for Birkenhead (Mr. Field), and indeed of all parties, helped regain the money and plug the gap so that pensions were secured for all those 30,000 pensioners.

Subsequently we set in place a number of protections against a repeat of such a fraud, and, as a last resort and long stop, powers to impose a levy to compensate pensioners in the event of a fraud being perpetrated on a pension fund. What we did not do, rightly or wrongly, was to set up an insurance fund against failure resulting not from fraud, but from insufficient funds being put into the pension scheme and from the eventual failure of a company.

We did not do so for three reasons. The first was that such a coincidence of events, both a shortfall in the fund and the insolvency of the employer, was exceedingly rare; it scarcely ever happened on a major scale. Secondly, we had reduced the likelihood of its happening in future by introducing the minimum funding requirement. Thirdly, we wanted to avoid any possibility of moral hazard that such an insurance scheme, like all insurance schemes, can create.

What we certainly did not foresee at the time was that the Government would twice relax that minimum funding requirement and would impose a £5 billion a year tax on pension funds, siphoning that money off from them. On the day it was introduced I described it as the Robert Maxwell memorial tax, because it had such echoes of the very problem that brought about the crisis in the Maxwell funds. The tax has contributed to, though it is by no means the sole reason for, the crisis in pension funds generally now.

Kevin Brennan: The right hon. Gentleman is informing many of us in the House about the details of the Maxwell incident. Before he leaves that, will he acknowledge that the major reason for the shortfall in funds that we are discussing today is the performance of the stock market, rather than the other issues he has raised?

Mr. Lilley: The hon. Gentleman must remember that the performance of the stock market is not unaffected by the siphoning off of £5 billion a year from pension funds, which are major holders of equities.

I should like to draw the positive lessons from the Maxwell experience. First, a Government cannot ignore the current victims of a crisis that has provoked them into taking action to help future victims of similar crises. They cannot do so on grounds of avoiding being retroactive, especially as the fund that the Government propose to create will itself be partly retroactive in its effect; it will compensate people for problems that have built up in recent years, when the fund did not exist, if those problems are crystallised in the years immediately ahead.

The second lesson is that the Government must be imaginative. We invented the non-reimbursable loan and the postponement of SERPS contributions. The right hon. Member for Birkenhead suggested using a portion of unclaimed assets. We have had no imaginative thought from the Government as to how assistance can be provided for those who are affected by the collapse of their employer and their pension fund simultaneously.

The third lesson is that it is surely better, probably cheaper and certainly fairer to keep pensions in payment rather than to make an upfront purchase of annuities for

future pensions, which may cost a great deal. By keeping the pensions in payment out of an ongoing fund, one buys time, spreads the cost over time and may reduce the ultimate cost if, as the right hon. Member for Newport, East said, the market recovers in the meantime.

I accept the Government's point that taxpayers cannot be relied on to provide support for everybody in an ongoing scheme; when many taxpayers are not themselves beneficiaries of defined benefit pension funds, that would be unfair on them. The fourth lesson, therefore, is that ideally the cost of insurance premiums for any protection should fall on the beneficiaries, the members of those pension funds, rather than the shareholders of the companies concerned, and this provision should be extended to the members of pension schemes underwritten by the state: members in public sector defined benefit schemes whose benefits are guaranteed by the taxpayer. They include Members of this House. It is very odd that we should be narrowing the burden of the cost of support to private sector members and employees belonging to defined benefit pension funds, saying that those in the state sector, including Members of this House, should make no contribution towards that insurance scheme.

Fifthly, I accept that there is moral hazard and that therefore we may need to have an only partial—less than 100 per cent.—insurance provision for the collapse of a company and its pension scheme, and conceivably even less than the 90 per cent. for ongoing schemes that the Government propose. It is, however, important to provide at least some protection. There is a precedent in the form of the financial services compensation scheme, which covers deposits, investments and a number of other things. In most cases, although the arrangement for investments is slightly different, it will provide 90 per cent. payments up to a certain level of deposit or investment. So the issue has been dealt with elsewhere, and the Government are right to consider trying to tackle it in the Bill.

Sir John Butterfill: If all the costs of the premium payable to the fund were borne by employees, would there not be a much greater danger of moral hazard? Surely employers would be tempted to behave badly, because they would not be bearing any of the costs.

Mr. Lilley: I do not think that the impact on employers would be hugely different if the premium were compulsory, because they cannot avoid it in any event. There is of course a distinct possibility that employers will refuse to contribute a penny more than the minimum funding requirement or whatever replaces it, because they will know that if they do they will be protecting themselves unnecessarily—that if the company goes bankrupt and the fund is temporarily insolvent, the state will deal with the situation. I do not think that the risk—which does exist, and must be coped with—would be increased by making the beneficiaries, namely the members of the pension fund, pay the costs of the scheme.

The Bill does not deal with one problem. It does nothing to rebuild the pensions system from the rubble into which it has been cast. Those are not my words; it was the right hon. Member for Birkenhead who said that the Government had inherited the strongest pensions system in Europe, and had reduced it to rubble. We accept that other factors besides Government actions have contributed to that, and I am not here to blame the Government particularly for creating the problem; rather, I am here to blame them for doing nothing to solve it. The culture of saving has been undermined by the problems affecting pension funds, but above all by the pernicious effect of means testing. We must restore that propensity to save.

As I said the other day when presenting a ten-minute Bill, I believe that three actions are needed. First, we must require people to save enough during their working lives to provide a pension that will avoid their being dependent on means-tested benefits when they retire. Secondly, we must enable them to do that by providing rebates from their national insurance contributions, incorporating large flat-rate rebates which, along with their basic pensions, will be sufficient to lift them above any dependence on means-tested benefits. Thirdly, the Government should guarantee the fund up to that basic level for each individual, while not including any extra savings that he or she might be encouraged to make, and should establish appropriate rules to prevent the exploitation of that guarantee by those investing on their behalf.

I think that if we introduced those three rules—compulsory saving by everyone, the provision of rebates to enable the basic level to be met, and a guarantee of that basic level—we would secure a system that would encourage people to save, enable them to save more than the basic minimum, and allow them to choose when to retire, once they had enough in their funds, so that they would no longer depend on means-tested benefits. At the same time, ownership should again be spread throughout the people of this country. That has not happened since the extension of home ownership.

Sadly, the Government have failed to take the opportunity presented by the Bill. I therefore support my Front Bench, whose amendment has fired a warning shot across their bows.

3.54 pm

Sandra Osborne (Ayr) (Lab): I congratulate the right hon. Member for Hitchin and Harpenden (Mr. Lilley) on his very interesting speech, and I agree with what he said about compulsion. He used his own experience to set out some of the reasons why the present problems exist, and the lessons that hon. Members of all parties should learn. No party has a monopoly of wisdom on this matter.

I congratulate the Government on the measures that have been taken on behalf of pensioners, and on the pension credit in particular. I recognise that a balance has to be struck between meeting the needs of today's pensioners and encouraging people to save in the future, but more than 4,000 pensioners in my constituency have benefited from the pension credit, with an average payment of £40.74 a week. People who are ultra-critical of the pension credit should try to explain to those pensioners why it is not a good idea. I should be interested in accompanying them as they did so. I have had 22 meetings in my constituency

[Sandra Osborne]

about the pension credit and spoken to more than 500 pensioners. I can tell the House that they are absolutely delighted with it.

Sir John Butterfill: Would not it be ironic if the people suffering in the way described by the hon. Member for Cardiff, West (Kevin Brennan) were recompensed for their loss by the Government, only to find that the money was clawed back through the withdrawal of means-tested benefits such as pension credit?

Sandra Osborne: That is certainly a consideration that I hope that the Government will take into account in their deliberations, but I know that those of my constituents who have lost out with their pensions do not want to have to depend on the pension credit, or on any other means-tested benefit. They saved in what they thought was the sure and certain knowledge that they would have a pension to live on.

I want to talk about the question of a flexible retirement age. There is, of course, no retirement age for hon. Members—unless the electorate decide otherwise. I have worked since I was 16, and have also raised a family and had access to education. I have no intention of working until I am 70, even if the electorate were to allow me to do so.

Out of necessity, many people work in jobs that are neither easy nor especially enjoyable. Some jobs are physically exhausting, with long or antisocial hours. People look forward to the day when they can get off the treadmill, relax a bit and enjoy family life. Of course, some people want to work on, perhaps on a part-time basis, and they may welcome the prospect of receiving a lump sum.

I do not know whether other hon. Members have come across this problem, but some people seem to be under the unfortunate impression that the Government intend, at some stage, to make it compulsory for people to work beyond the present retirement age. I am raising this matter today because constituents have approached me about it. It needs to be emphasised again that people have a choice when it comes to working beyond retirement age, and I hope that Ministers will make it clear that the Government intend that that will remain the case.

The trade union movement fought long and hard to secure terms and conditions that would give people a fair deal, both at work and in retirement. The aim was to ensure that people had decent incomes so that they could make the most of that time of life. In the past few decades, there has been a tremendous rise in the number of people with occupational pensions. That must rank as one of the most progressive achievements since the welfare state was established.

The number of people who have occupational pensions is nothing like the number who ideally should have them. In fact, I did not have a pension until I entered the House. As was pointed out earlier, for people who did as they were bid by successive Governments and deferred part of their wages until retirement—and we must make no mistake about it, that was what they did—the outcome has in general been very good.

Those people took advantage of a tremendous opportunity. They were able to enjoy security in their old age, knowing, in this uncertain world, that they did not have to depend on family or state benefits to survive. They might even have been able to help out family members now and again as they faced changing circumstances.

I warmly congratulate the Government on introducing the pension protection fund. Never again will workers be left with their dreams of a secure retirement shattered. That happened despite the guarantees that people were given, and even though they followed Government advice to the letter and their trade unions argued for a good pension entitlement in every year's wage settlement negotiations.

As I said in earlier interventions, I will support Second Reading and the principles of the Bill, because it would be plain daft not to, as I have been campaigning for some time for just such a provision as a pension protection fund, and now the Labour Government are introducing one. However, I am bitterly disappointed that that provision is being made only for the future, and not for those who need it most, and who need it now.

By introducing the Bill, the Government have conceded that there is an injustice now. I disagree with the hon. Member for Northavon (Mr. Webb), who, speaking from the Liberal Democrat Front Bench, doubted the Secretary of State's commitment to trying to find a solution to the problem. I have had many discussions both with my right hon. Friend and with his Ministers, as have some of my constituents who have found themselves in such a predicament. My right hon. Friend has been very open to suggestions, and—putting him under no undue pressure, of course—I am perfectly confident that, if there is anything that can be done, he is the very man to do it.

By introducing the Bill, the Government are saying that it is unfair that people can lose their deferred wages—that is, their pensions—just because their employer goes bust. The Government are conceding that that is the issue, and that is precisely what has happened to the former employees of United Engineering Forgings—UEF—in my constituency, and to 1,300 others throughout the UK.

When a Member speaks in emotional terms in the House, it is sometimes said that they are wearing their heart on their sleeve. I accept that none of us has a monopoly of concern on this or any other issue, but I admit wholeheartedly that, when I speak on this subject, I am wearing my heart firmly on my sleeve. I make no apologies for giving the House examples of the consequences that that terrible situation has brought about for UEF workers, and for 60,000 others in the UK.

An important factor in the demise of the UEF pension fund was the abuse of early retirement benefits as a carrot to entice people into voluntary redundancy. Many employees aged over 55 received their fully accrued pension entitlement when they accepted redundancy. It is often said that there are added pressures on pension funds because of increased life expectancy, but if more people receive pensions at an earlier age even when ill health is not a factor, the assets of the fund cannot withstand the pressure. That is what happened with UEF.

The employers were allowed to operate that policy without due regard to the fund's ability to sustain such a rapid drain on its resources. In this and in other ways, the UEF workers suffered from bad governance and maladministration, but apparently that was not illegal, so the Occupational Pensions Regulatory Authority took no action. Those people had no protection. I sincerely hope that the new pensions regulator will have powers to intervene much earlier, and communicate far better with the members of such schemes. I support what several other hon. Members have said on that subject. If such arrangements had been in place before, perhaps we would not have to spend time today pleading for those who have lost out, and we could concentrate more wholeheartedly on the positive aspects of the Bill.

With the trade unions, I organised a pensions summit in Glasgow to highlight the plight of those affected in Scotland. Unfortunately, the Scottish print media paid scant attention to that meeting, as they have done throughout the whole sorry tale. The meeting was attended by people affected from UEF, Motherwell Bridge, Dexion, Richards, and Melville Dundas; I know that many of my Scottish colleagues hope to catch your eye later, Madam Deputy Speaker, to talk about their constituents. I sincerely thank all the Scottish Members who attended that meeting, and also those affected, some of whom travelled a considerable distance to tell us their stories.

As those people recounted their experiences, only someone with a heart of stone could have failed to be moved. In the west of Scotland, it is not the norm for men to cry in public, but on that day, we saw a grown man cry. His tears were tears of anger, but also of frustration and sheer disbelief that such a thing could not only happen, but was not illegal. To pay into an occupational pension scheme for 37 years in the belief that it was entirely safe and would lead to a lump sum of £50,000 and an annual pension of £18,000, only to be told that he would be lucky to receive even a quarter of that, is likely to traumatise anyone. The effects of such life changes coming out of the blue include having to sell a home, depending on state benefits and having to work much longer than previously anticipated—perhaps on any job that can be had, whether he was fit enough to do it or not. Those are just some of the examples that we heard at the meeting, and I know that many hon. Members' constituents have recounted similar tales at surgeries. I agree with those who say that this matter cannot be ignored. There is a fundamental issue of justice here that must be addressed.

We should not forget that many people did not top up their occupational pensions with other savings or investments, simply because the Government continually told them that they were safe. There are many reasons why the problem came about, but it is widely accepted that legislation had some part to play. The Pensions Act 1995 was flawed legislation that contributed to the problem, so I believe that the Government should now right the injustice.

At the same meeting, we heard Dr. Ros Altmann explain her proposal for retrieving those pensioners' rights at a relatively low cost to the taxpayer. We have already heard that, of the £14 billion tax relief provided on UK pensions each year, 50 per cent. goes to the top 10 per cent. of earners. I am not saying that £100 million is not a lot of money, but it pales into insignificance in comparison with that.

I heard what the Secretary of State said about Dr. Altmann's proposals, and I will be blunt with the House. We have heard many measured speeches about where the money could come from—whether it could be found through unclaimed assets, whether taxpayers should provide it and so forth. I will be perfectly honest. I do not care where it comes from, but I want the Government to do something about it. My constituents expect that from a Labour Government. I want the Government to tell us how they propose to solve the problem. I am open to suggestions and discussions, but that is the bottom line. Those people are looking to the Government to save them from an horrendous situation, and I certainly hope that something can be done for them.

As Dr. Altmann spoke that day, I saw hope rekindle, where previously there had been only despair. I am not talking about false hope, to which my right hon. Friend frequently refers—I know that he does that for good reasons—because a coherent and possible solution is available here. If he does not believe that it is appropriate, let us talk urgently about what else can be done.

When the Prime Minister was in Scotland last week, he said that, in our world of uncertainty and rapid change, we could achieve more by working together than we could alone. As far as I am concerned, that is, always has been, and always will be the value base of the labour movement. The Prime Minister rightly said that individuals expect Governments to help them and offer support when they have to deal with unexpected events that are no fault of their own. There can be no more glaring example of such people than those whose pensions disappear overnight when their employer goes bust.

If the Bill is not amended or some other way found to deal with people whose time of need is right now, every time the pension protection fund kicks in to help future victims, instead of being a reminder of something to be proud of, it will simply add to the pain of those who have lost their pensions and need help now. I am aware that there is an issue of precedents, but there are plenty of precedents, and I shall mention one that my constituents continually mention. I refer to the compensation—to the tune of millions of pounds—received by farmers after the foot and mouth crisis. My constituents simply cannot understand why such compensation is perfectly all right for farmers, but not for others who are left destitute. We must have an answer to that.

The Government are acting to stop the problem happening in future, but I hope that they will amend the Bill to give collective support to those who must not be punished now for the actions of others. We should remember that Governments encouraged workers to join schemes and allowed them to be compelled to join them as a condition of employment. They even used the word "guaranteed". By any definition, that can mean only one thing: not just for future but for present workers, a pension promised should be a pension paid.

4.10 pm

Sir John Butterfill (Bournemouth, West) (Con): It is a great pleasure to follow the hon. Member for Ayr (Sandra Osborne). Few right hon. and hon. Members

[Sir John Butterfill]

could fail to be moved by her clear sincerity and her concern for her constituents. However, in examining the Bill, we must consider whether the Government are doing enough and whether it is appropriate to deal with the problems that confront pensioners.

I am one of those who think that the Bill is capable of improvement, and that, if sufficiently amended and seriously scrutinised in Committee, it can provide the basis for a valuable move forward. The Government could have consulted better, and could have produced a much superior Bill. That is shown by the level of criticism from trade unions, the trade bodies associated with pensions, the professional institutions and others.

I should like to summarise what I think the Bill does do—although it does not always do it clearly—and what it does not do. It is an enabling Bill with far too much left to regulation. I would be much happier if the regulations were more transparent. Unfortunately, we live in a parliamentary world in which we are all too often asked to rubber-stamp legislation without knowing the details that will come later. We certainly do not know what the detail of the regulations will be. Even more importantly, we do not know the detail of the Finance Bill that will be with us all too soon, although not soon enough to make it clear what will happen on certain important issues that the Bill should address. The Secretary of State touched on the changes that will need to be made pursuant to what happens in the Finance Bill. I think that that is regrettable.

There are a number of issues concerning the regulator, some of which are minor and some major. A minor issue relates to clause 2, which contains provisions to appoint the chairman and other members of the board of the regulator. It does not make it clear whether the chairman is executive or non-executive. Under clause 8, the chairman will chair the non-executive committee, which implies that the chairman will be non-executive, but that should have been made patent in clause 2.

Much more important are the functions of the Bill, which gives wide powers that will make the regulator extremely powerful. Clause 62 deals with disclosure of information by the Inland Revenue. I am worried about whether that function will comply with the Data Protection Act 1998. Subsection (2) removes the secrecy that is usually inherent in Inland Revenue information under section 182 of the Finance Act 1989. It leaves it to the opinion of the regulator as to whether such information should be appropriately revealed. I find that worrying. Lots of things in the Bill are left to the opinion of the regulator. Most of us want to safeguard the population in respect of the transmission of secret data. The Inland Revenue has walls that prevent one side, such as the valuation division, from obtaining money from the other side, the tax collection department. Presumably, the Bill will destroy those important safeguards. The Minister should reflect on that.

The opinion of the regulator does not apply only to that provision—I supplied that as an example. In many areas of these extraordinarily wide powers, the opinion of the regulator is the defining issue. The House should consider that.

The compliance required with schemes under the Bill is onerous and costly. For example, clause 118 requires annual actuarial valuations—the current requirement is triennial. I accept that the Bill goes on to say that the requirement for annual actuarial valuations can be overcome if written actuarial reports are produced every year. However, the cost of obtaining such reports and of the scheme actuary conducting annual valuations is enormous and will be another unnecessary burden on employers that still provide such schemes.

There should be clarity about what is contained in those reports. The Occupational Pensioners Alliance says that there should be transparency and that their contents should be available to scheme members and their trade unions, and I sympathise with that view. I do not sympathise with the need for what amounts to continuous re-evaluation. We are concerned by the current situation because the stock market has recently crashed, and we forget that pensions are a long-term business extending over many years. We should not therefore be motivated to legislate on the basis of a snapshot.

Clause 200 has already been mentioned. It contains the requirement for trustees to have "knowledge and understanding" of all the issues, which include not only legal matters and pensions legislation but valuation and investment. Leading firms of lawyers say that that is not sustainable, because no individual trustee could be so qualified. That would inevitably lead to the appointment of professional trustees at great expense to schemes, which is not necessary.

The regulator will have powers under clause 64 to define that point more clearly, and should use a light touch. Trustees should, of course, be informed, and anybody who takes on the job of a trustee should be required to acquire a level of knowledge. The regulator will need to specify the sort of knowledge required; I would prefer it if the Minister specified the required knowledge in the Bill. Perhaps the certificate of essential pensions knowledge issued by the Pensions Management Institute would be an appropriate benchmark, but there may be others. I hope that the Minister will move in that direction, otherwise trustees will either be deterred from serving or huge additional costs will be imposed on schemes.

The minimum funding requirement has been mentioned many times today, and its specification in previous legislation is fundamentally flawed. There is a huge emphasis on bonds and bond yields. The hon. Member for Ayr mentioned Ros Altmann's views on that point. Ros Altmann is right: one can do many things apart from buying annuities, which are propped up by bonds that are in short supply and that have historically provided grotesquely low yields.

Hon. Members may be interested to know that, if investments were made in, for example, commercial property instead of bonds, the situation would be transformed. A few weeks ago, I attended a seminar run by PricewaterhouseCoopers, which showed the yields in commercial property over the past 12 months, the past five years and the past 30 years. Over those periods, commercial property was much more stable and much less prone to fluctuation than bonds. The average yield

on all commercial property over the past 12 months is 10.7 per cent.; over the past 5 years it is 10.6 per cent.; and over the past 30 years it is 12.1 per cent. That is double the yield from bonds and annuities. If the Allied Steel and Wire pensioners' funds were invested in property, there would probably be no need to wind up the scheme because they could be paid out of the income from property.

Those figures refer to the overall yield rather than the net income yield. Even after allowing for inflation, the real income yield is still 7 per cent., which gives one some idea of the need to re-examine the components of the minimum funding requirement. That also shows the need for the Government to pursue the establishment of real estate investment trusts—I am pleased that they say that they will do so—that contain unitised property, which gets over the problem of illiquidity that has always bedevilled property investment in the past.

What will the Bill not do? It will not get rid of complexity, as the National Association of Pension Funds and the Association of Consulting Actuaries have said. As other hon. Members have pointed out, it fails to deliver on Pickering. It will not sweep away all the old legislation, as we were promised and which was why I welcomed the Bill when it was first mooted. It will not reform section 67 of the Pensions Act 1995, in relation to the simplification of existing schemes. It still leaves us with retained benefits, annual limits, contracting out, guaranteed minimum pensions and all the other old rubbish that could have been swept away by the Bill. That would save a huge amount of effort and worry for the civil servants who have to administer them and for the scheme trustees. It will not reform tax policy or establish the new priority orders that were discussed earlier. I am pleased to hear that it will abolish the compulsory additional voluntary contribution provisions, which were a bad investment for those who took them up, especially given that alternative investments existed that were less risky, did not involve annuity purchase and would have produced better returns.

The Bill does not make it clear whether the PPF will have any indexation, which is another issue raised by the Occupational Pensioners Alliance. Most importantly, it will not provide an incentive for employers. It is ludicrous to expect employers to do things but provide no incentive for them to do so. The Association of British Insurers has suggested a pensions contribution tax credit for employers, which is the least that the Government could do to encourage employers to provide that facility for their workers. If that does not happen, more and more employers will opt out of defined benefit schemes altogether. If that happens—if schemes are closed to new employees and employers do not continue schemes—it will reduce the pool of money from which the PPF can draw. It will be left only with the income from schemes that are in trouble, and that will mean the inevitable doom of the fund. It is in the Government's interest to encourage employers to provide such schemes.

The Bill does not clarify the situation of the PPF. *Pensions World* says that the Bill may be "too steep". Its costs have clearly been underestimated. For example, Watson Wyatt estimates that the present cost of administration of schemes is £90 a member, but Professor Blake says that the PPF will add another £80 per member. I think that that is a conservative estimate. The Government must consider the totality of the cost and then allocate it. The right hon. Member for Birkenhead (Mr. Field) and my right hon. Friend the Member for Hitchin and Harpenden (Mr. Lilley) said that the contributions should be made by the members—I have some sympathy with that view—but they should not pay the whole amount. That way lies a moral hazard. We need both the members and the employers to make a contribution, so that the employers can see that they will risk increased premiums unless they behave properly.

How will the regulator assess the schemes? That is not clear in the Bill. Who will make the assessment? It would not be appropriate for the scheme actuary to do so. Will some other external actuary make the assessment? Will civil servants make it? It is vital that we know how the assessment of funding is to be made and on what criteria it will be based. If it is based on the present minimum funding requirement, it will be a total disaster. We need a rethink of the whole basis of the assessment of schemes and their future liability. If Allied Steel and Wire had invested in property, it would have done well and it would not need to go down the pan in the way that is suggested.

The whole basis of assessment is key to the way in which we will view the Bill in the future. At the moment, we have insufficient detail to make an accurate assessment and there are many lost opportunities in the Bill. I hope that that will be corrected in its later stages.

4.24 pm

Mr. Derek Wyatt (Sittingbourne and Sheppey) (Lab): It is a pleasure to follow the hon. Member for Bournemouth, West (Sir John Butterfill), who has a deep knowledge of this subject. I shall read his speech, as well as those of other Members, with interest tomorrow.

Nearly two years ago, I had trouble with occupational pensions. Indeed, I could barely spell the words, let alone understand what on earth they meant. However, the events at ASW Sheerness raised my knowledge of occupational pensions from about two to six on a scale of 10, although every time that my right hon. Friend the Member for Birkenhead (Mr. Field) speaks, my score goes back to three. He has an uncanny knack of unnerving me by presenting yet another scheme or another set of ideas, but he has profound knowledge.

I am sorry that the Conservatives will not be joining us in the Division Lobby this evening, as we all share the problems of pensions. The above-the-line issues of current concern to my constituents are planning regulations, council tax and asylum. Pensions are below the line at the moment, but at some stage this year they will go above the line; they are a huge issue in our community. There may not be much press recognition of that, but that is not to say that people do not talk about the problems when we knock at their door.

I make no excuse for talking about ASW Sheerness. I want to reflect on what is happening there in relation to the proposals in the Bill. First, however, I express huge thanks to past and present Secretaries of State and Ministers with responsibilities for pensions. People sometimes say that their door is open, when in fact it is closed, but pensions Ministers always have an open door; they meet my constituents at every possible

[Mr. Derek Wyatt]

opportunity and never turn them down. They are a beacon in Whitehall. If Secretaries of State in other Departments took such an interest and treated people with such care and sensitivity, this place would be better.

I also thank Dr. Ros Altmann, who has been mentioned previously. I am slightly wary of describing her as a national treasure in case she is nationalised, privatised or PPP'd, but she has freely given us an amazing amount of her time. She has never sent us an invoice. She has made an unbelievable number of journeys and attended many conferences and we are grateful to her for giving us that time. She has also educated us, which has been important—especially for me.

I represent good people. They work hard, have a trusting nature and are committed to their community. They also read Government advice pamphlets with great care. Although everyone expects constituencies in the south-east to be flush with money, there is a necklace of poverty along the south-east coast that stretches from Woolwich to Southampton. Part of my patch includes the Isle of Sheppey and the port of Sheerness, so we have lived with poverty for most of the 20th century. As Members will know, financial poverty can be compounded by poverty of ideas and of leadership—we have had a fair smack of that, too.

In earlier times, the work force in Sheerness depended entirely on the docks—their university of life. But the docks were closed in 1960. There were no redundancy payments, no retraining grants and no pension—there was nothing. One day, people were working, the next day they were out of work. In 1960, after 200 years of industrialisation the good people of Sheppey were thrown on the scrap heap of unemployment in what we laughingly described as a civilised society.

To alleviate that large-scale unemployment, eventually—unbelievably—a steel mill was built on port land at the edge of the town. It has had several names and several owners. When I arrived in the area in 1997, it was known as Co-Steel and owned by a Canadian company based in Toronto. In 1999, it was sold to Allied Steel and Wire and became ASW Sheerness. At its height, it employed more than 500 people.

I was a regular visitor to Co-Steel, as I supported the Iron and Steel Trades Confederation in its desire for recognition at the plant. During my visits, I took time out to remind the workers that their pension fund was special because it was so generously endowed. That was because, as other Members have pointed out, it was a condition of employment that workers had to take out an occupational pension. We refer to such a scheme as "deferred wages". When my hon. Friend the Minister for Pensions sums up the debate, will he tell us whether, at the very minimum, those deferred wages could be repaid? It seems to be a crime above all crimes that deferred wages that were given to someone else to invest were stolen, in a sense. There is a case for us looking again at whether we could, at the very least, help on deferred wages.

Hon. Members will know that in early July 2002, ASW Sheerness and ASW Cardiff were placed into receivership with their pension schemes placed into administration—that was what we called a double whammy. Neither my hon. Friend the Member for Cardiff, West (Kevin Brennan) nor I knew that a pension scheme could be put into administration so quickly, but that happened.

Hon. Members who did history A-level will remember catch-all essays titles such as, "Compare and contrast this and compare and contrast that." Compare and contrast, then, the treatment of the workers in Sheerness docks in 1960 with that of the steelworkers of 2002—what is the difference? On the compare register, as one would expect under a Labour Government, we have offered the workers redundancy pay and retraining, and the ISTC has been exemplary in its support for its members. On the contrast register, however, what has changed? Nothing; people are still on the scrap heap without their pensions. How has civilisation changed over 44 years? How have we treated our people better or worse over that period? The answer is a huge disappointment, and although what happened was not the Government's fault, the situation is their responsibility.

A group of workers got together and came to see me about the problem. We did not know what we were going to do, and although we never thought that we would launch a national campaign, we have done that. I pay tribute to Keith Plowman, Andrew Parr, Phil Healey, Pat Wiggins and Tom Butler, some of whom are listening to the debate, for what they have done to create an organisation to make the case nationally and internationally. I also thank the Secretary of State because at least the circumstances surrounding administration will change.

We have no idea where our wretched pension is at the moment—we cannot get access to it because the administrator has his own rules. It is somewhere in the cyber world of insurance administration. It is untouched, or more likely out of touch. It is out of touch for who knows how many more years. Only 20 months have passed, but it is anticipated that it could be three, four or five years until we get even a minimum payment back from the pension. I am pleased that aspects of the Bill will change that situation. The regulator has been out of touch, and the pension has been out of touch of its members. Administrators belong to a private club that makes its own rules.

We have done our best to redress the issue. We marched up Whitehall twice, stripped off our clothes at the Labour party conference in Bournemouth and held a pensions summit. More recently, we have been holding up traffic in London. In the House, my right hon. Friend the Member for Birkenhead, my hon. Friend the Member for Cardiff, West and I have secured Adjournment debates and tabled early-day motions that have been signed by more than 50 per cent. of hon. Members. We have tried to win time for private Members' Bills. We have asked questions at Prime Minister's Question Time, and appeared across the media, especially in those Labour heartland newspapers *The Mail on Sunday* and *The Daily Telegraph*. Without the help of the journalists on those newspapers, the issue would not have risen up the political indices, so I compliment the papers' money pages on their help and encouragement.

In the end, has that effort been to any avail? Will the Minister tell us how often the ASW case has been raised in Cabinet? Has it been raised in Cabinet? If ASW has not been raised, have the other 200 cases been raised? I think that we should be told. It is important that our people feel that the case has not been blocked in one Department and that No. 10 understands its importance.

We seek election to this great place because, irrespective of party, we want to make the world better. I still believe that to be true, so it is time that we did that. A Government without the wherewithal to find a solution to the occupational pension problems facing ASW Sheerness and the other 200-odd schemes are morally bankrupt. I find the situation especially difficult given that a Government formed by the Labour party of which I am a member have not come forward with a single suggestion in 20 months on how to resolve the retrospective element of the occupational pensions funding crisis.

Miraculously, we could find £2.6 billion for foot and mouth and another £3 billion for an unnecessary war in Iraq. We overspend on every major computer contract in Whitehall, but we simply cannot find £100 million a year over perhaps 25 years for our workers who have given their lives for the wealth of the nation. It is difficult to believe. After all, £100 million is less than one day's GDP. It is small change.

Even at this late hour, and before amendments are moved on Report or in the other place, I ask my right hon. Friend the Secretary of State to make a statement that he is minded to hold an inquiry, as I asked of my right hon. Friend the Prime Minister last week, to examine both the extent of the problem and the solutions. I am aware that the Bill is a milestone because it will provide an insurance policy for future occupational pensions. We should be grateful for that. However, until the issue of retrospective compensation is resolved, a shadow will hang over the Bill.

4.35 pm

Adam Price (East Carmarthen and Dinefwr) (PC): It is an honour to follow the hon. Member for Sittingbourne and Sheppey (Mr. Wyatt), who with characteristic modesty has downplayed his role in the campaign to get justice for former workers at ASW Sheerness. He has played an important role in deftly co-ordinating some of the parliamentary co-operation that has gone on so far—some more choreography may yet be needed in the weeks and months ahead. I am grateful to him for the role that he has played.

I say on behalf of Plaid Cymru and the Scottish National party that we welcome the Government's change of heart on the issue of pensions insurance. There may or may not have been a change of heart on the part of those on the Opposition Front Bench as well, but the Government's position is greatly to be welcomed. It is a major step forward for the Government, and for any Government, to accept such an important principle, however belated that acceptance may be. It is clear that the Bill is the only game in town for anyone who wants to achieve justice for 60,000 workers. On that basis I shall be proud to vote for the Bill on Second Reading so that it can be amended in Committee.

It is important that we approach the debate with a touch of humility. The reason that we are debating the Bill and the reason why we have been lobbied today by 60,000 families whose lives have been devastated is that the House, the Government and previous Governments got pensions policy so badly wrong on so many previous occasions.

The Government refuse to accept complete responsibility, as Governments often do, for the genesis of the crisis. It is said that no one could reasonably have foreseen or forestalled the current crisis. I am not sure that that claim bears scrutiny of the facts. The Government knew that there was a problem as early as June 1998, when they considered the minimum funding requirement. They instituted what was effectively a quick fix in terms of the reduction in MFR liabilities, but they knew that there was a problem. Over the next few years, as we have heard, there has been a rash of Green Papers, reviews and consultations, ending up where we are now, with the Bill.

Four times in four years the Government examined specifically the idea of some form of mutual insurance or discontinuance fund.

Sir John Butterfill: I am following the hon. Gentleman intently. To be far more realistic, on two separate occasions it was not the components of the MFR that were reviewed; given the decline in bond yields, the requirements for MFR were progressively reduced on two occasions. That was entirely the wrong thing to do. The right approach would have been to maintain value while changing the components. That is what the Government significantly failed to do on two occasions.

Adam Price: I certainly could not compete with the hon. Gentleman given his expertise on these matters.

A rash of mistakes have been made over a fairly short period, and, specifically on insolvency insurance, the Government explicitly rejected their current approach as an option in what were, effectively, four separate policy pronouncements over four years. It is remarkable, therefore, that such insurance should now be embraced as a core principle of Government policy.

John Robertson: Does the hon. Gentleman agree that the European Insolvency Directive 1980 has saved some companies, and certainly saved some pensions? To say that everything has happened in a short space of time is not strictly true.

Adam Price: I was coming on to the previous Administration's responsibilities, but the hon. Gentleman is quite right. I have not seen counsel's advice to Amicus and the ISTC, and we do not want to tread on that territory too much. There is a case to answer, as article 8 of the directive makes plain. In other European jurisdictions—there may be a question mark over the Netherlands and the safety net in situ there—there is a pensions safety net, which is why, in the case of Irish Fertiliser Industries, there is such a discrepancy between the experience of employees in Belfast and employees in the Republic of Ireland, which has transposed article 8. I have met the official in the European Commission responsible for the directive,

[Adam Price]

and he said that if the Government's legal argument relies on the fact that in 1995 the Commission gave the UK a clean bill of health, that would be a weak defence. The Commission has written to the UK Government asking for clarification of the way in which the directive has been transposed in UK law, so it obviously has doubts about the matter.

Those difficulties could have been avoided if the directive had been transposed in 1983. Clearly, there were serious problems with Conservative policy, as we have heard, including the Pensions Act 1995, particularly section 73, which does not take account of the age or length of service of a member when determining the priority of his pension rights. A pensioner with three years' service could be paid in full, whereas an active pensioner with 30 years' service could receive little or nothing. That is not right or proper, nor is it fair to treat people aged 64 with pension benefits worth many thousands of pounds, in the same way as people aged 26 with pension benefits worth only a few hundred pounds.

The legislation was therefore seriously flawed. The Secretary of State referred to the Goode committee. I am not sure how good it was, but two proposals for a central discontinuance fund were subsequently presented, including one from the Government Actuary, to the pension law review committee. Unfortunately, the Government did not see fit to act. We should remember that when the Labour party were in opposition they tabled an amendment to the 1995 Act to create a central discontinuance fund. Unfortunately, however, they have not instituted such action until now.

As for non-feasance by the present and previous Governments, we need to consider the issue of retrospection, which has been used as an argument against intervention. When it suits Governments, they act retrospectively. For example, the House had a free vote in 1996 on its own pension fund arrangements. It overturned the recommendation of the Senior Salaries Review Body and backdated a 26 per cent. pay rise for pension purposes to MPs who left the House before the pay rise came into effect. There may have been good and honourable reason why that was done in respect of Members who would retire at the subsequent election, but it was a clear example of retrospection and backdating, and seven current Cabinet Ministers voted in favour of it.If retrospection can apply to our pension fund, surely we should not argue that the principle of non-retrospection prevents us from providing justice for workers at ASW and other companies. It is vital for the reputation of the House and our democracy that we are seen to be scrupulously applying the same standards.

There are other examples. On 11 June last year, when the Government announced the proposal for a pension protection fund, the Secretary of State also announced that to prevent solvent employers from winding up their pension funds and walking away from the schemes, as in the case of Maersk, he would require them to buy out in full. I support that, but the statutory instrument in question, the deficiency on winding up regulations, was not laid before Parliament until 23 February this year, and it will not come into force until 15 March, yet we read in article 2 of those regulations:

"This regulation shall apply in the case of a scheme which begins to wind up on or after the 11th June 2003".

That is an example of legislation in this very area that has nine months' retrospective effect and places a burden retrospectively on employers. I do not disagree with the Government on that, because there is substantial public interest in seeking to ensure that there is no stampede of closures before the regulation takes effect. My point is that the Government accept the need for retroactive measures when they perceive there to be an overriding public interest. In a parliamentary answer on the subject of retrospective legislation, the Solicitor-General stated that the Government's policy was

"to consider whether the general public interest in the law not being changed retrospectively may be outweighed by any competing public interest."—[*Official Report*, 6 March 2002; Vol. 381, c. 410W.]

Clearly, where there is a general public interest, the Government are prepared to act retrospectively. We can all name examples, such as the windfall tax and the infamous bank tax of 1980, I believe. We have heard eloquent speeches from hon. Members in all parts of the House pointing out that there is a general public interest, quite apart from the injustice suffered by 60,000 families. There is the issue of confidence in savings, in pensions provision and even in the guarantee provided by the pension protection fund, as the hon. Member for Cardiff, West (Kevin Brennan) argued.

The Government have been forced by the sheer strength of the public outcry over the pension crisis finally to act, but if the Secretary of State will forgive me—I do not think it is his fault—there may be an accusation that they are trying to do so on the cheap. They need to appear to be doing something, but they are doing nothing to right past wrongs, and they may not be doing enough to prevent recurrence of the problems in the future. As we have heard, the model for the pension protection fund is the Pension Benefit Guaranty Corporation in the United States, which to all intents and purposes is a Government-sponsored enterprise, in the same way as is Fannie Mae—the Federal National Mortgage Association. It is essentially a Government agency. We realise that there are significant problems with the PBGC. In the last financial year, single employer insurance programmes went from a surplus of $7.7 billion to a deficit of $13.6 billion. In 2002, they received more claims than the total amount in their previous 28 years of existence. That is why both Houses of Congress passed a Pension Relief Bill to stave off what is seen as the inevitable bankruptcy of the guarantee corporation. People are asking whether this is going to be another Savings and Loan.

Sir John Butterfill: It is interesting to note that although the figures that the hon. Gentleman gives are correct for single employer schemes, the part of the fund that is reserved for multiple employer, or collective, schemes, whereby employers group together, remains substantially in surplus. Does that send a message to us and to the regulator that in future we should have collective schemes instead of single employer schemes?

Adam Price: I was not aware of that point—it is certainly interesting to consider pooling funds within the overall umbrella of support.

If the guarantee corporation is to be the model, there are clearly lessons to be learned from its current position. The situation in the United States is not dissimilar to that here. We have experienced what is called in the US a perfect storm—a fall in interest rates at the same time as a fall in equity markets and, on top of that, an economic downturn in certain mature sectors: in our case, manufacturing; in its case, airlines and steel. The doomsday scenario that is being mooted in the US is highly relevant to the pension protection fund. There is a danger that a run on major defaults will put pressure on the fund, which means that levies have to be raised. That in turn creates further pressure that is analogous to a run on a bank. I have been reliably informed that at least one major company with thousands of employees has a £1 billion deficit in its pension fund and is trying to hold off until April 2005 in order to fall within the terms of the provision.

If true, that is worrying. It raises the question whether there should be some form of support for the pension protection fund. Government-backed annuities would be an option, but there are problems with the annuity market, which has only two providers, one of whom is withdrawing from the market. Bond rates are currently unsustainable. Perhaps we should consider employing special Government-backed bonds at a rate of around 9 per cent. to create a sustainable future for the PPF; otherwise, we might find ourselves having the same debate some years down the line following the collapse of the PPF and similar suffering by many people.

4.53 pm

Richard Burden (Birmingham, Northfield) (Lab): Like other Labour Members, I give a broad and warm welcome to the Bill, which will make important improvements in providing security in retirement. It is fair to say that most Opposition Members—certainly, most non-Conservative Opposition Members—have reservations about the Bill, but despite that recognise that it at least goes in the right direction. The nature of the debate has been generally constructive.

I approach my remarks with a degree of trepidation that I, too, will be intervened on by the hon. Member for Bournemouth, West (Sir John Butterfill), who has an encyclopaedic knowledge of pensions. I wonder what question he will put to me: whatever it is, I am sure that the answer is yes. Fortunately, my right hon. Friend the Member for Birkenhead (Mr. Field) is not in his place, so he will not be able to do the same.

Most of my remarks will be about the pension protection fund and the pensions regulator, but first I should like comment on the broader picture and pay tribute to what the Government have already done. We should not lose sight of the fact that we pay £9 billion more than the previous Government to pensioners every year. I do not emphasise that only to pay tribute to a Government whom I support. I want to remind Conservative Members that although there may be a legitimate debate about the relationship between the basic state pension and earnings—if I were making a party political point, I could say that we are spending £5.7 billion more than if the link were established—let us conduct it in a way that does not mislead or confuse pensioners.

A couple of months ago, a pensioners' lobby of Parliament took place, during which I talked to a group of pensioners from my constituency and those nearby. We discussed the pension credit and the group said that it did not like the idea and that people wanted the earnings link. One woman said that the pension credit was only for those who would otherwise be on income support. She said that she could not gain from it because it was means-tested and that she had heard about the means test, which she did not like. I asked why she said that, pointing out that I knew nothing about her circumstances. She replied that she had a small occupational pension and that the pension credit was therefore hopeless for her because it was a disincentive. I told her that although the pension credit provided help at the bottom end—what used to be called the minimum income guarantee—the other end was introduced precisely to benefit people in her position.

There are cut-offs, upper limits and so on and I could not therefore say whether the woman would benefit, but I stressed that she should check. I gave her the Pension Service telephone number and, a couple of weeks later, I received a letter from her thanking me for giving her the information. She had checked and was receiving extra money through the pension credit. She said that she had not understood what it was all about and that she had been told simply that the pension credit equalled means-testing, which equalled something that she did not like.

Although there are legitimate arguments about whether the pension credit is a good or bad idea, let us remember that pensioners hear our debates. If they are conducted in the wrong way, it can mean that pensioners do not receive their entitlement because they have got the wrong end of the stick.

Mr. Waterson: Will the hon. Gentleman comment on the Government's working assumption or target that 1.4 million pensioners will not get around to claiming the pension credit, to which they would otherwise be entitled? Does not that underline his point that the complexity and intrusive nature of means-testing may put people off?

Richard Burden: It underlines the need to be careful about the way in which we discuss such matters.

The hon. Gentleman's comments lead me to my next point, which is a tribute to the Pension Service for its imaginative methods of trying to demystify pensions and what is available. It conducts more home visits and transactions and gives information over the telephone. That is genuinely important. We must acknowledge the way in which the Bill takes the process of providing information a stage further. It is good that 2.5 million pension forecasts and more than 1 million combined pension forecasts have already been made. We should not bemoan but welcome the Bill's ambitions to create a position whereby future pensioners can have an online retirement planner to ascertain their position and what is available.

I do not deny that we all face big questions about the shape of our future pensions policies. We cannot ignore the failures of several private pensions to perform in the way in which perhaps all parties expected or the

[Richard Burden]

problems that have taken up much of the discussion today, such as what has happened to several defined benefit schemes and final salary schemes.

Mr. Dennis Turner (Wolverhampton, South-East) (Lab/Co-op): Would my hon. Friend care to comment on the serious collapse of the UPF GKN Thompson Chassis pension plan in my constituency? Hundreds of workers there are likely to receive only a small percentage of their pension and thrift entitlement, even though the former directors, as trustees, granted themselves enhanced pensions purported to be worth £1,000 a week. Surely that company's pensioners are entitled to some retrospection.

Richard Burden: My hon. Friend makes a valid and powerful point. I shall come in a moment to the pension protection fund and the need to address the issues surrounding employees who have already lost out, but I know that he is a powerful advocate of the employees involved in that particular scheme.

Looking at the bigger picture for the future, we need to take seriously some of the comments that my right hon. Friend the Member for Birkenhead made. We will have to re-examine fundamental questions on the balance between public and private provision, and issues of compulsion. I welcome the Government's willingness to look at that, and the setting up of the Pensions Commission is a valuable initiative in that regard. However, it is important to heed my right hon. Friend's point that once the commission has reported, the information that it provides will be one thing, but the inevitable demand for answers to the questions that it poses will be another. There will be an obligation on all parties to consider and provide those answers with some dispatch.

Issues of pension protection have rightly, and not surprisingly, occupied much time in the debate so far. The pension protection fund, the centrepiece of the Bill, addresses the important issue that it is wrong for an employee who has done everything that we have asked—saved for retirement and entered a scheme regarded as safe and secure—to be left high and dry at the end of the day, through absolutely no fault of his or her own. That has been brought to our attention not because we have worked out that, theoretically, it could happen at some time in the future but, sadly, because it has happened to real people in our constituencies. My hon. Friends the Members for Sittingbourne and Sheppey (Mr. Wyatt) and for Cardiff, West (Kevin Brennan) have referred to Allied Steel and Wire. I pay tribute to them for the way in which they have forged and led the campaign to bring that issue to the fore. My right hon. Friend the Member for Birkenhead has added his voice to that, and my hon. Friend the Member for Ayr (Sandra Osborne) spoke powerfully about the situation in Scotland among her constituents and those of many of our hon. Friends.

The problem will not go away, and we must address it. I should like to put on the record an example of a firm in my constituency, Kalamazoo. It is an interesting company, which was highly successful for a while, offering computer and print-based products to industry and commerce. It was in existence for more than 100 years and the irony, given what happened to it, was that it used to be regarded as a model employer and company. Its roots were in the Quaker tradition, and its employees enjoyed excellent facilities and working conditions. There was a profit-sharing scheme and, yes, a final salary pension scheme. In the 1990s, the company suffered a downturn in its fortunes for various reasons, some of them its fault and others not. The end result was that it had to sell quite a lot of its assets, including land and buildings. In 1997, its profitable printing business, Kalamazoo Security Print, was sold to a group based in Ireland, the Adare group.

The trustees of the final salary scheme met the employees who had gone to Kalamazoo Security Print to assure them that although they had left Kalamazoo Computer Group and were now deferred pensioners, their pensions were safe and secure. They were told that the company would not touch their money, and that their pensions would not be affected if the company went bust. Well, Kalamazoo Computer Group continued to lose money, and in August 2001 the company gave notice of its intention to cease payments of service contributions to the pension scheme. The trustees were therefore duty bound to put the company into wind-up.

The company owed the pension scheme more than £7 million against its minimum funding requirement, and the trustees were able to recover only about £5 million. The company went into voluntary liquidation towards the end of 2001, and its assets were sold off to an American company, UCS, in January the following year. The pension trustees continue with the winding-up of the scheme, but the predictions are that the employees who remained at Kalamazoo Computer Group and those who went to Kalamazoo Security Print will be left with a major shortfall in the money due to them. Unless we address the issue of the employees who have already suffered and lost out, the Bill will not achieve what it needs to achieve.

The employees at Kalamazoo, and many of the others that we are talking about, had no option but to join those pension schemes. In many cases, it was a condition of their employment. The schemes were created and operated without any health warnings. No one said to the people involved, "Remember, the value of these schemes can go down as well as up." They were meant to be safe and secure. I recognise that there are problems regarding retrospection, and that if we were able to do something about these cases, the limits would have to be carefully drawn. There cannot be an open-ended commitment. However, we have to do something. My hon. Friend the Member for Ellesmere Port and Neston (Mr. Miller) talked about the importance of getting accurate estimates of those involved, and that is certainly true, but when we have made those estimates something must be done. Some kind of fund must be put into effect; some kind of protection must be put in place. This must happen for two reasons. First, the credibility of the Bill—and there is a lot of credibility to it—will be undermined in the public eye unless we do something. The standing of the Bill will be affected if we do nothing. Secondly, and more importantly, it is the right thing to do.

I would like to say a few words about the pensions regulator. In the majority of schemes that we have talked about in relation to the pension protection fund

and the losses incurred so far, there has been no suggestion of bad governance, as in the Maxwell pension scheme, or of sharp practice. Of course, there are and have been schemes about which there are real questions to be asked about governance, about the way in which they were administered, and about how that led to a shortfall in the pension funds. In my constituency in the early 1990s, there was the case of the Teampace pension scheme. Then there were the Warwick group, the Debenholt and the Cheney pension schemes. Legal proceedings are still going on in the Cheney case, so I shall not go into any detail about it.

I hope that the creation in the Bill of a proactive pensions regulator will not only build on the good work that the Occupational Pensions Regulatory Authority has done, but allow the regulator to do some of the things that OPRA was unable to do. That will be very important in the future. I would ask my hon. Friend the Minister to tell me three things in this regard. First, will he provide updates on what is happening to the Teampace, Cheney, Debenholt and Warwick pension schemes? Those issues are still there, and information on them is in short supply at the moment.

Secondly, will my right hon. and hon. Friends consider the fact that when we look at such schemes, what strikes us time after time is that a shortfall in a pension scheme gets compounded and recompounded by the fees that are charged by independent trustees and several of the other firms dealing with that scheme? I know that there is no easy answer to that, and that some of the provisions in the Bill will help in that, but I ask them to think a bit more about how we deal with the issue of fees, as it means that workers who are already losing end up losing even more.

Thirdly, will my right hon. and hon. Friends consider the fact that although the Teampace, Cheney, Warwick and Debenholt schemes are not in the same situation as Kalamazoo or ASW—and as my right hon. Friend the Member for Birkenhead rightly says, we need to draw lines in relation to what is appropriate for which kind of loss—they have still faced losses? We need to ensure that the protections that I hope will be available, for instance, under the pension protection fund, operate effectively. In those and other schemes, real people also stand to lose very large amounts of money that they can ill afford. It is up to our Government to stand by them.

5.11 pm

Paul Holmes (Chesterfield) (LD): I want to concentrate most of my comments on the need to restore confidence in the pensions system, which was referred to earlier by for example, the hon. Member for Cardiff, West (Kevin Brennan). In large part, this Bill is trying to restore that shattered confidence by plugging loopholes and rectifying mistakes that stem from the Pensions Act 1995, which in turn was trying to deal with the shattered confidence after the Maxwell scandal.

The position for pensions is predicated on an insufficient state pension, which for some is topped up by the complex means-testing of the pension credit. For a growing number, however, the Government hope that it will be supplemented by private pensions. The Government make a virtue of the fact that the state pension is insufficient—the Chancellor recently eulogised abut the fact that pensions will take about 5 per cent. of our gross national product in future compared with 15 per cent. in some western European countries. Having such a low state pension means that people must save for private pensions. If they are to do so, they must have confidence in the system—confidence that a lifetime's savings and investment in a pension fund will not be wiped out at the drop of a hat.

With the pension protection fund, the Bill proposes some measures to try to restore that confidence. Issues have been mentioned, which will be pored over in detail in Committee, such as the relationship between a flat-rate levy and the introduction of a risk-related levy, and whether that will be underwritten by the Government. In the USA, a similar scheme has run well for nearly 30 years. It was introduced initially in the mid-1970s to restore confidence after a major company in the American economy—Studebaker, I believe—went bust. Recently, after nearly 30 years of successful running, it has hit a crisis owing to the state of the stock market. As one hon. Member suggested, it may well have to be or already has been underwritten by the Government. Inevitably, that issue will need to be considered for the UK system. If the pension protection fund, either in its first year or 30 years down the line, hits similar problems to the American one, why crisis-manage at that stage rather than plan for it in the Bill in Committee?

The other area in which confidence must be restored is with regard to those who in good faith accepted the Government's urgings and promises over the years and saved for an occupational pension, but have found that they have lost most or all that money. That was first brought home to me just a few weeks after I was elected in 2001, because United Engineering Forgings put its six companies across the country into administration. Chesterfield Cylinders, in my constituency, was one of those companies. It is now trading profitably and successfully under new ownership, with the same excellent work force and local management, but without its pension.

As a result of meeting Chesterfield Cylinders pensioners in Chesterfield, and another company that shortly afterwards arrived at the same process—Dema Glass in Chesterfield—I first wrote on this issue to the Minister for Pensions on 26 November 2001. I have been raising the issue since then, both in oral questions and in debates in the Chamber. Incidentally, looking back over that letter, I note that one of the four points I asked him to consider was whether actuaries should be required to provide annual rather than triennial reviews and forecasts. I made that request specifically because workers at both Dema Glass and Chesterfield Cylinders had been persuaded by their employers to keep paying into the pension fund when the firm was beginning to hit problems. Moreover, in the case of Chesterfield Cylinders they had been asked to increase their contributions. Had they had the benefit of annual projections from the actuary they might well have chosen not to go down that route, because in a fairly short time those companies went bust and they lost most of their pension. I am interested to see in the Bill a suggestion that actuaries will be required to report annually rather than triennially.

Following Dema Glass and Chesterfield Cylinders, the issues continued to develop around the country. Most recently, late last year Coalite, a very large company just outside Chesterfield employing many

[Paul Holmes]

people in my constituency, went the same way. The workers in those three companies form just part of the estimated 60,000 pensioners across the country who have lost all or most of their pensions in that way. About 90 per cent. of the companies affected, including those in my constituency, have been in manufacturing—in the ex-coal industry, the steel industry and the glass manufacturing industry—but that is a side issue, a debate for another time.

My hon. Friend the Member for Northavon (Mr. Webb) rightly said that we should not become too lost in the statistics, however we look at them. Whether 60,000 people have lost their pensions or whether the £100 million a year it might cost to compensate them is a huge sum that the Government cannot possibly meet or, as the hon. Member for Sittingbourne and Sheppey (Mr. Wyatt) described it, is small change, should not dominate too much. We should remember the individuals involved and their anger. The hon. Member for Ayr (Sandra Osborne) gave eloquent examples of constituents who have gone through the process.

I should like to add examples from my constituents, real individuals from Chesterfield, who illustrate the points that have already been made about broken promises and the need to restore confidence in the system. The first, whom I met in 2001, was a Labour councillor in Chesterfield—this is a cross-party issue, not a partisan issue. He still works for Chesterfield Cylinders. He told me that he had worked in the steel industry for his entire working life. When he began work, membership of the works pension scheme was compulsory, as we have heard from a number of hon. Members relating to firms in their constituencies. Over the years, Governments of various political complexions promised that such schemes were safe, especially after the Pensions Act 1995 and the Maxwell scandal. However, my constituent found in 2001 that he had lost between 60 per cent. and 80 per cent. of the money he had saved for 40 years. Approaching the end of his working life, he was too old and it was too late even to contemplate starting to save any worthwhile sum to replace the money of which he rightly felt he had been legally robbed. He had done all the right things, he had made all the provision that had been asked of him, and he feels bitter and angry that he has lost his private pension.

Later that year I visited a constituent on her 60th birthday. When her children were very young, she had become a single parent, but she had not sat back and said, "The state will look after me and my children." She had done all the things that various Governments over the years had urged her to do. She had gone out to full-time work, for Dema Glass, and successfully raised two teenage daughters single-handedly. She had saved and managed to pay off her mortgage. In the last 10 years of her working life, she had even saved towards an occupational pension, only to receive two days before her 60th birthday a letter explaining that all or most of her pension had disappeared and she would not receive the money for which she had worked so hard.

Those are two examples of people who lost their money. I have an interesting third example: the daughter of the lady I have just mentioned. She was aged 26 at the time in question. She works for a well-known large national and international retail company, which is nearly 100 years old. It seems an absolutely rock solid, safe bet. She was about to start paying into the works pension scheme, but then she witnessed what had happened to her mother and heard what had happened at Chesterfield Cylinders. She asked me, "Why bother? What is the point at my age, in my 20s, starting to save for a lifetime for a private pension, even with a firm that seems absolutely rock solid?" As I have said, 30 years earlier, when her mother started working for her pension, Dema Glass had seemed rock solid too. It was one of the major employers in Chesterfield—a really safe company that dominated the market. "Who knows?" she said. "Twenty or 30 years down the line, this might happen to me."

We must provide justice for those who have lost their pensions in that way, and we must restore confidence to the younger generation. Were these people acting in good faith when they felt that they had been promised—guaranteed—that their pensions would be safe? The pensions action groups, which have received many tributes, have proved very good at unearthing documents to illustrate the way in which people feel they were misled.

One action group member sent some quotations. The modern version of the document produced for trustees of pension schemes by the Occupational Pensions Regulatory Authority states on page 39:

"The purpose of the minimum funding requirement is to try and make sure there are enough funds in the scheme at any one time"

to meet various obligations, which it lists. It continues:

"However", it is not designed to guarantee that the trustees could secure or buy out all benefits . . . if the scheme discontinued."

Let us go back a few years, though, to the version published after the 1995 Act. The introduction says:

"OPRA has been entrusted by Parliament with enforcing some very detailed provision introduced by the Pensions Act 1995 and associated regulations. These provisions are designed to help members have justified confidence in their scheme."

Page 28 says:

"The minimum funding requirement refers to the minimum amount of funds that should be in the scheme at any one time, in order to meet the scheme's liabilities if it were to be discontinued."

Trustees felt that the old version provided a pretty firm assurance that the money was there, and that the 1995 Act would ensure that it was protected. The modern document rather hedges its bets.

Other documents and speeches make interesting comparisons. Someone from the Dexion group, for instance, sent a quotation from a company document which stated:

"All benefits which have been earned in the Dexion Group Pension and Insurance Scheme are protected by the law and by the Trust Deed and Rules."

Speaking here on 3 November 1993, as Secretary of State for Social Security, the right hon. Member for Hitchin and Harpenden (Mr. Lilley) said:

"We aim to create a framework for occupations pensions that is secure, stable and fair, and to encourage people to make provision for their retirement . . . It is a remarkable thing that individuals in this country, through their pension schemes, have such an immense ownership of wealth. It is good for them and the economy, and we want to make sure that that wealth is not only safe but is recognised as part of the rights that people have as a

result of their savings during their working lives . . . we must not trade off security to achieve lower burdens on business."—[*Official Report*, 3 November 1993; Vol. 231, c. 358–64.]

On 13 March 1995, Lord Mackay of Ardbrecknish said that the minimum funding requirement

"will mean that members can be confident that the value of their accrued rights is secure, especially in the event of the scheme or the employer company winding up."

That would apply to Chesterfield Cylinders, Dema Glass, Coalite, ASW or any of the other examples of which we have heard. Lord Mackay continued:

"It is only right that the members' investment, and their accrued pension rights, should be properly protected. Our proposals are designed to provide that protection."—[*Official Report, House of Lords*, 13 March 1995; Vol. 562, c. 684.]

We have statements from Ministers in both Houses at the time of the 1995 Act saying "This will protect and guarantee your funds." We have documents from the Dexion group and from OPRA that seem to imply to people that by saving with such schemes they will be guaranteed safety, and that the financial sacrifice they are making to invest in their future will not be wasted.

In conclusion, I repeat that the Bill needs to do two things. First, it must provide justice for the estimated 60,000 people who have lost out in the past few years. Those people believed that they had a guaranteed and protected pension, for which many of them had saved for 30 or 40 years. Secondly, the Bill must restore the confidence of the younger generation. To ensure a good retirement with an inadequate state pension, young people must save and invest more than any previous generation, but they are telling politicians and parents that the problems of recent years mean that they see no point in doing so.

5.25 pm

Miss Anne Begg (Aberdeen, South) (Lab): I welcome this important Bill, which has been long awaited. I am disappointed, but not surprised, by some of the churlish comments from Conservative Members this afternoon.

Since I came to the House, debate in this Chamber on pensions legislation has predominantly concerned people who are pensioners today. The Government's track record in respect of them is very good, not least with the minimum income guarantee and the pension credit. As my hon. Friend the Member for Ayr (Sandra Osborne) said, the people in all our constituencies who have benefited from the pension credit are delighted with it. They do not want it to be put under threat.

I listened with interest to the proposals made by Conservative Members. They seem to have forgotten that the old age pension is not a universal benefit. About 1.5 million pensioners, mainly women, either have no state pension or only a partial one. They are the ones most threatened by any changes to the pension credit proposed by Conservative Members, and it is they who would have to pay for any spending promises made by the Opposition.

The debate, however, has rightly moved on to the pensioners of tomorrow. We need to address the question of what will happen to them. Pensions should be an issue not for the elderly, but for the young. I agree with the hon. Member for Chesterfield (Paul Holmes) that we must restore the confidence of young people in the value of providing for their old age. The young people who do not do so will inevitably place an extra burden on those who are working when they get older. We must ensure that the pension system is secure, and that people can be guaranteed that the pension that they invest in throughout their working lives is safe.

I serve on the Select Committee on Work and Pensions, which published a report last year on the future of UK pensions. We concluded that there was not a crisis in the pension industry as a whole, but that there certainly was a crisis of confidence. If left to fester, that could be equally damaging. I welcome the Bill because it goes some way towards providing the security needed to make pensions safe in the future. The PPF is getting a lot of attention today, and I believe that it will make things better in the future. I shall return to that matter later in my remarks but, before I do, I want to highlight some of the Bill's other provisions.

I am glad that the Government have adopted some of the Select Committee's recommendations. Some of their solutions are not quite as we proposed, but at least they have paid attention to the matters that needed considering. The Bill has had to reflect the fact that the country's work force is changing. People need to plan for retirement, as the Bill makes clear, but the Government must be able to reconcile people's different desires for their old age.

In the past few months, I was contacted by one of my former teaching colleagues. He is afraid that the Government's proposals mean that he will not be able to retire, and so take advantage of his Scottish teacher's pension, at the age of 60—a possibility that he regarded with some horror. I do not know whether he wants to get out of the classroom because of what the children do to him, or because he feels that he has taught for long enough and deserves to retire at that age. By contrast, when I told the stewardess on the British Airways flight to London earlier this week that I was hoping to speak in this debate, she asked whether the Bill meant that she did not have to retire at 55. How are the Government to reconcile the wishes of someone who desperately wants to retire by 60 with those of someone who does not want to retire at 55, and ensure that the opportunities that their employers present to them, and the occupational pension schemes in which both employees have invested, are flexible enough to allow them to do whatever they choose? That is quite a difficult balancing act for the Government, and I hope that the Bill will address it.

There are different working patterns nowadays, and I was pleased to hear the Secretary of State say in his opening speech that the Government would table an amendment to rationalise accrued rights. That is a problem for people who have moved from job to job, sometimes through short-term contracts, and who have often been forced to invest in occupational schemes that they will not be in for very long. It is important to make such arrangements simple and understandable for people.

The Bill will change the arrangements under the Transfer of Undertakings (Protection of Employment) Regulations 1981. It is important to enable people to transfer their pensions, especially in the private sector, and I know that the trade unions welcome that idea. Another of the Select Committee's recommendations was that the regulator should be more proactive, and

[Miss Anne Begg]

that is crucial. The minimum funding requirement is to undergo radical change, and that can only be for the good.

It is the pension protection fund that has captured most people's imagination, and that is what most Members have spoken about today. Like many other people, I would have liked such a fund to be introduced sooner. However, it is wrong of the Opposition to say that they will vote against the Bill just because the fund did not appear sooner, and did not protect people in the past.

I cannot understand that rationale. It seems peculiarly perverse to cry out for help for those who have already suffered because their pension schemes have gone into liquidation, but at the same time to vote against the measure that will protect people against such threats in the future. The logic escapes me—but logic is often absent from the Opposition's arguments. I listened hard to their speeches because I hoped to hear some admission that they created much of the mess that we see now in private pension provision. Indeed, Dr. Ros Altmann attributes the genesis of many of the problems that we are having to address in the Bill to the Pensions Act 1995, so I would like to hear a bit more honesty from the Opposition, and an admission that those problems originated with them.

I accept the Secretary of State's arguments that the pension protection fund cannot be made retrospective, as it is an insurance scheme. I accept that it is difficult to make legislation retrospective. However, that does not mean that there is not something that we should be doing. When the hon. Member for Havant (Mr. Willetts) was asked to pin down what the Opposition would do, he did not come up with anything; he just said, "We must do something." He has two brains and that is all he can think of; I only have one brain, so my plea to the Government is simply to do something, whether they adopt the suggestion made by my right hon. Friend the Member for Birkenhead (Mr. Field), or what has been suggested by Ros Altmann, or a combination of the two, whereby, rather than the Government having to pay the £100 million a year, the money would come out of the unclaimed funds that my right hon. Friend has identified—or even something else altogether. Like my hon. Friend the Member for Ayr, I do not really care which option the Government choose, but it is important that workers who have lost out as a result of a company going into liquidation should be helped in some way.

I have several constituents in this position. In an intervention on the Secretary of State, my hon. Friend the Member for Aberdeen, Central (Mr. Doran) mentioned Richards, which is in his constituency. A number of the people affected by the collapse of the Richards pension fund are my constituents, and nothing concentrates the mind more than individual constituents coming to tell one about injustice and unfairness. That puts everything in perspective: the situation is unfair, and those people have done everything that the Government wanted them to do, so it behoves the Government to do something about it.

The Bill does the right thing; and the Government are doing the right thing for those who may be affected in the future. My appeal today is for the Government to do the right thing for those who in recent years have suffered from what has happened in the past. It is a good Bill, and we should all support it. I hope that it will be amended in Committee to help those who have suffered in the past as well as protect people in the future.

5.35 pm

Tony Lloyd (Manchester, Central) (Lab): The Minister for Pensions should be delighted that there has not been a serious speech made in opposition to the Bill today. Conservative Front Benchers have not made such a speech, and Conservative Back Benchers have not even tried to pretend that they are opposed to the Bill. The hon. Member for Havant (Mr. Willetts) came up with no sensible or coherent reason for opposition. That might be an expression of a fact that the House should take more seriously—that the impact of pensions on all our lives is so long term that we must build consensus around where we are going with pensions issues.

I certainly hope that Opposition Front Benchers have taken note of the comments of my hon. Friend the Member for Cardiff, West (Kevin Brennan). If any package can be made available to rescue the 60,000 people whose various schemes have been abandoned, we need all political parties to make it clear that they would support movements in that direction. It would be irresponsible to make party politics out of something that is based so centrally around individual human tragedies. I would like to hear something about that when Conservative Members make their wind-up speeches.

In common with many of my hon. Friends, I should like to step back from the immediacies of the Bill to say that the Government have gone a long way towards helping people who are already pensioners. Pension credit actually works: it is not a means test, but it needs identification, which is a very different process. Labour Members are proud of the fact that we are now helping many millions of pensioners. There are many pensioners in my constituency, and pension credit makes a material difference to their lives. I trust that we shall intensify our efforts to find imaginative ways of helping people with particular needs.

I want to tell the Minister that we nevertheless need to examine the basic pension in our society. It is not high enough, even though the Government have made some increases. If we look at the projections for gross domestic product spending on state pensions, we find that they are at a fairly low level—about 5 per cent.—by western European standards. The projections for the next 50 years are worrying. My hon. Friend the Member for Aberdeen, South (Miss Begg) made the point that many people, particularly women, do not benefit from the state pension. About six out of 10 women do not have occupational pensions, and about one in six do not have full access to the state pension. We need to examine access to the state pension more fully: with the continuation of differential incomes in our society, the state pension will remain an important part of many people's basic income in retirement. I therefore hope that we can look into the whole basis of funding the state, as opposed to the occupational, pension in the round.

Like many of my hon. Friends, I hope that one of the consequences of the present review of the pension system will be a commitment to compulsion in pensions.

Without it, the 20-year-olds mentioned by the hon. Member for Chesterfield (Paul Holmes) will take decisions based on short-term gain, when we need to persuade them that it is in their best interest to make contributions to the pensions system.

I want to join the call from hon. Members on both sides of the House for a proper rescue package. My hon. Friend the Member for Cardiff, West made a powerful moral, economic and legal case for providing it. The Government should consider seriously the fact that the law is likely to push them in a particular direction anyway, so it would be far better for them to get there first, long before the lawyers take a large slice.

We must address the question of trust in the private pension system. Hon. Members have talked about restoring trust in the system, but I do not think that there ever was much trust, as the odds have been stacked against employees in pension schemes for many years. Although the Labour Government have changed that balance, the Bill will finally begin to put some sanity into that equation. Even the professional advisers have let down pensioners. In the various schemes that have failed, it was not the professional advisers who made people aware that the situation was becoming dire. I do not want that to sound like an attack on all professional advisers, but those who represent the interests of long-term pensioners were not able to get access to information or to the trust structures that are important if we are properly to change the balance and restore confidence in pension schemes. I welcome the Government's commitment to proper employee consultation.

I hope that the Minister will make it clear in his winding-up speech or as the Bill progresses through the House that, with regard to nominated trustees, there will be a transparent and open process, so that employees are properly represented. I urge him to give proper recognition to the value of trade unions in this area. There should be no conflict between the political parties, as this is not a matter of trade unionists fighting for something that is against the interests of the employer. This is employees' money: deferred wages, as Labour Members have clearly stated. In that situation, the people who can give the best possible advice are from trade unions that have properly trained their trustees, can provide access to an adequate information base and have experience that is invaluable to people serving on boards of trustees.

The pensions regulator must be tough and competent, and will be well served if the regulatory process includes access to trade unions at the highest level to reflect the interests of working people through their representative organisations. This is not an ideological plea: just a commonsense recognition of the profound role that trade unions can play and have played across the pensions debate.

I should like to draw the Minister's attention to particular issues on which I hope we will have a change in the law, or at least a recognition in the Bill of the need for change. I urge him to consider the implications of the Bradstock judgment, which was a court judgment that ruled that when employers significantly change the terms of their debts to the pension fund, they can do so by negotiation with the trustees. I shall refer to two companies that did so, massively to the disadvantage of long-term pensioners.

The pension trustees at Merchant Ferries accepted a £400,000 payment in lieu of a debt of £8 million. The company argued that without agreement it would become insolvent. The trustees agreed—almost with a gun to their heads. Six months later, the company declared itself insolvent anyway, and the trustees lost all entitlement to the other £7.6 million. They were not even considered to be a creditor along with other unsecured creditors. That is not fair and it is not right. That situation could have been improved if the trustees had had to take the matter to the Occupational Pensions Regulatory Authority, as they no longer had to do under the Bradstock judgment.

I urge the Minister to provide that one of the duties of the regulator should be to examine the process of renegotiation by trustees, not because there are no circumstances in which the trustees should agree to such a change—perhaps they should, in the interests of the survival of the company—but because agreement should not be reached by the trustees if the work force whom they represent are in total ignorance of what is going on. I urge my hon. Friend the Minister to re-examine that matter.

Will my hon. Friend the Minister also closely examine the operation of the new TUPE arrangements? Although employee protection is welcome, where there is a transfer of undertakings the Bill will oblige employers to match employees' contributions up to the level of 6 per cent. That is a big improvement, but I urge him to re-examine whether contributions should be equivalent, because otherwise we will build in a financial incentive to companies to take over other companies, when we should simply be making sure that pension funds are economically neutral.

I wish my hon. Friend the Minister the best of luck with the Bill. As I have said, there have been no serious arguments against it, and it is important that the protections that it contains should be available to current and future pensioners.

5.46 pm

Mr. David Crausby (Bolton, North-East) (Lab): There is much to welcome in the Bill, which will protect members of pension schemes. The Bill contains new rights for those who have been let down and suffered badly because of the insolvency of a scheme. To lose a pension after a lifetime of hard work is devastating, especially when it hits those who are close to retirement and who do not have either the energy or the opportunity to pull it back.

We should be doing everything that we can to persuade young people that it is important to make financial provision for their old age. As my hon. Friend the Member for Aberdeen, South (Miss Begg) and the hon. Member for Chesterfield (Paul Holmes) said, there can be nothing more damaging to that case than young people who know a relative or friend who has suffered the fate of losing their pension.

It must be unacceptable in a fair-minded, 21st-century system for employees, through no fault of their own, to find themselves without a pension after a

[Mr. David Crausby]

lifetime of hard work simply because their employer mismanaged or misunderstood their pension or went missing with the money. With that in mind, the new pension protection fund is extremely welcome, but it is long overdue. It will undoubtedly help to restore confidence and protect future generations from a miserable old age. As many hon. Members have said this afternoon, there are tens of thousands of despairing victims who should have been protected before now.

It was as clear as the nose on one's face that, as the stock market boomed and employer after employer took long, luxurious contributions holidays, there would be a day of reckoning. The day of reckoning has come for many, and the Government should have predicted it, because it is not those who encouraged the contributions holidays who will pay the price but long-suffering employees who continued to pay their contributions throughout those years.

Mr. McWalter: Does my hon. Friend accept that many honourable companies took those holidays because they had reached the threshold of 105 per cent. of liabilities and were forced to take a pensions holiday? That is an important component of this debate.

Mr. Crausby: I accept that that is an important point, but such companies had the opportunity to increase benefits.

We should remember that, until the early 1980s, many workers were forced to join pension schemes as a condition of their employment. With that in mind, the Government have a responsibility to backdate the protection that should have been afforded to those who have already suffered so traumatically. The 1980 European insolvency directive placed a clear responsibility on Government to protect workers, and we have both a moral and a legal responsibility to put things right for that relatively small group of people.

Mr. John Taylor (Solihull) (Con): I apologise if I have intervened at a clumsy moment. The hon. Gentleman was rightly and persuasively discussing pensions holidays and the stock market's decline. Does he agree that the Chancellor's £5 billion tax on pensions helped neither pensions nor the stock market?

Mr. Crausby: That is a matter of opinion. It is clear that there was some justice in the measure as employer after employer took the massive benefits of contributions holidays. The question of the effect on the stock market will always be debatable.

I urge Ministers to look to the future and to talk constructively to those groups of pensioners and their trade union representatives to establish the size of the problem, with a view to funding retrospective compensation.

Before I was elected, I was a pension trustee, appointed by my fellow employees in a medium-sized engineering company. I tried to persuade the management of the day that it should not take contributions holidays, but instead improve benefits to bring the funding below 105 per cent. Management defended the non-payment of contributions—reasonably, at the time—saying that, when more difficult days arrived for the equity markets, the company would be forced to carry the liability and top up the fund with higher contributions. The company is now insolvent, and the pension fund has no one to cover excess liabilities. Those who enjoyed the contributions holidays have long gone. Management had no need to take any notice of me, and they did not, because they always had a majority of tame trustees, appointed by the directors, who had little choice but to do as their American owners insisted. Those trustees understood that, if they did not toe the line, their masters would find someone who would. Change will need more than just education and support for trustees. Sometimes it takes courage and independence, and it is easier to say than do when people feel that their jobs depend on how they act.

The 1978 legislation on pensions was a tremendous piece of work. It was a great step forward, but perhaps it was a little naïve, with too much concentration on management-appointed trustees. The Pensions Act 1995 took an important step in the right direction by providing a general requirement for members to have the right to nominate their own trustees. I understood—although I did not agree with it—why the previous Government introduced a constraint that only a third of trustees should be member-nominated. It would probably have been a little early—and possibly too risky—to rush into too much change in a hurry. However, almost a decade has passed now and I would have thought that it was time for members to take control of their own money with at least half the trustees being appointed by pension scheme members themselves. I am disappointed that the Bill does not provide for that.

The people best qualified to protect pension schemes are those who have the most interest in the prudent management of a fund. That group must be the pensioners and prospective pensioners themselves, not people who have no long-term personal interest. Far too many schemes that are now in trouble would have been much better protected out of the hands of unscrupulous employers and under the eye of pensioner-appointed trustees with control.

I welcome the legislation, which offers greater protection to existing scheme members, but I am deeply concerned about the lack of motivation for employers to continue to provide pension benefits. I worry that more Government legislation that introduces protection will mean that employers are less inclined to continue their provision, especially of final earnings schemes. We are forced to leave scheme members unprotected or to watch as the number of occupational pension schemes declines. The third option, which I very much favour, is to introduce a measure of compulsion on employers and employees to provide and join pension schemes. It would be much nicer if we could achieve that by persuasion and education, but it will always be difficult to persuade poorly paid young people that they should contribute to a pension from an early age. In a competitive market, employers will also come under pressure.

The Bill is a good one, but it fails to tackle some important questions, especially on compulsion. I am convinced that we shall have to return to those

questions, and it will be a great shame if we leave it too late and act in panic when there are even fewer schemes and even fewer workers opting to save for their old age.

5.55 pm

Mr. John MacDougall (Central Fife) (Lab): I, too, welcome and support the Bill and recognise the excellent work that the Government have done over the years to improve the quality of life for pensioners, not only in my constituency but throughout the country.

Like my hon. Friend the Member for Ayr (Sandra Osborne), I welcome the pension credit. In my area, it has benefited pensioners by about £40 a week on average. Things do not end there, however. Mention has been made of the possibility of tying the basic state pension to earnings, but we should consider the broader initiatives introduced by the Government. For example, thanks to the winter fuel allowance, we no longer hear of elderly people dying of hypothermia to the same extent. Such initiatives add up to £9 billion of benefits for pensioners. Ironically, that is almost £6 billion more for pensioners than if we had merely linked the basic state pension to earnings—a point worth making.

I am aware of the time and conscious of the fact that other Members want to speak, so I shall be brief, especially as much of what I wanted to say has already been said. Like everyone else, I want to refer to the pension protection fund. In the light of recent events, it is important to take steps to help to protect vulnerable people. Various Members have told us of constituents who have experienced appalling circumstances owing to the lack of pension protection.

In their contributions to the debate, many Conservative Members suggested improvements, yet, sadly, if they were successful in the action that they plan to take this evening, they would not be able to make such improvements. That would mean that the 10 million people who would benefit from the Bill would be left with the status quo, completely unprotected. That is not good enough.

Even with its imperfections, which can be amended and improved during its progress through the House, the Bill will offer something that does not exist at present, and that will be an improvement. Half of something is better than the whole of nothing.

I have little to add to what has already been said, other than to congratulate my right hon. Friend the Secretary of State on his tremendous work and the brave way in which he has tackled a difficult situation. I am grateful, too, that the Liberal Democrats, although they have some concerns, will support the Bill and give it the opportunity to go into Committee, where I hope that it will be improved so that it can benefit people who have been left unprotected.

I fully support the Bill.

5.59 pm

Vera Baird (Redcar) (Lab): May I add my voice of welcome to the Bill, yet also add my voice to those of colleagues who asked the Government to consider options for compensating people who have suffered in recent years by losing out on pension after their firms had gone bust? I am a member of the Iron and Steel Trades Confederation and represent a constituency with a steelworks. My constituents are highly unlikely to find themselves in the position of the Allied Steel and Wire workers, but they and I stand in solidarity with those workers in requiring justice for them.

The Bill is good, but I am a tad disappointed that it does not do more, and especially that it will not tackle the poverty of those with incomplete contribution records and limited opportunities to save—they are usually called women. Women and pensions are a key political issue. Research from just before Christmas showed that three quarters of women aged between 55 and 64 said that they were unhappy with the Government's performance on pensions. The survey also showed that 91 per cent. of women believed that the Government should make a higher and better basic state provision a priority, and that 64 per cent. said that that should be their top priority.

It is not surprising that pensions represent an issue for women. Pensioners' incomes have increased by £7 billion a year since 1997 and, primarily through means-tested benefits, poverty among pensioners has been reduced by one fifth. However, one in four single women pensioners still live in poverty, and only 13 per cent. of women have a full state pension. In a moment I shall suggest a couple of matters that could easily be added to the Bill.

The future to which my hon. Friend the Member for Aberdeen, South (Miss Begg) referred will not be significantly better for women. The Government's approach on improving women's pensions—it is commendable—is to try to get women out into the labour market so that they may make their Beveridge contribution. They rightly point to better and cheaper child care provision, the reconfiguration and improvement of parental rights, increased maternity rights and significant support for one-parent families as having advanced women in the labour market. However, that is a slow way of proceeding toward getting good pension provision for women.

The Fawcett Society calculates that at the current rate of progress, it will take 80 years until women have equal pay. It is quite clear that it will take even longer until women who start their careers on equal pay 80 years hence—they will thus have the opportunity to contribute equally—will receive a pension provision equal to that of men. I must tell my daughter when she is about 20 that she will probably be poorer than her brother in retirement. She will have to tell my granddaughter the same thing, and my granddaughter will have to tell my great granddaughter that she, too, will probably be poorer in retirement than a man. It will be only my great, great granddaughter who will be able, in about 2084—that is not as cathartic or resonant as 1984—to tell my great, great, great granddaughter that she will have a chance of equal pay that would give her the opportunity to contribute to a pension that would be equal to that of men.

May I suggest a couple of small quick steps that could be taken through the Bill to accelerate the process ahead of 2084? The principal reason why women have poorer pensions than men is because they spend more time out of the labour market owing to their caring responsibilities. It is outrageous that there is no clear simple credit for national insurance contributions during that time. Two overlapping systems exist. Credit can be given weekly to people who are paid a carer's

[Vera Baird]

allowance for looking after a disabled person for more than 35 hours a week, but that does not apply to the care of children. However, many women with children work less and reduce their pay below the lower earnings level, so they cannot get a stamp, yet they do not get the 35-hour carer's allowance.

A second way of compensating women for being out of work is home responsibilities protection, but that is not a credit, so it does not give a stamp equivalent. It reduces the number of years that must be worked to qualify for a pension, and applies to parents of children aged up to 16 for the basic state pension and up to the age of six for the state second pension. However, it covers only a full tax year, so if a person goes back to work on 2 March after being at home with her children for the rest of the year, she will lose the entire year's home responsibilities protection and thus be a year light on her pension provision. I have to tell my right hon. and hon. Friends on the Government Front Bench that babies do not arrive on 6 April or whatever date is the commencement of the tax year. Nor do they mature at a rate that happily coincides with those intervals to allow women to comply with the discipline of home responsibilities protection. Is it not long overdue that we recognise that there should be a simple credit for caring of all forms. Surely society values caring at home these days just as much as it values going out to work. Is it not time that a Bill represented that by introducing a simple single credit system?

Could not the Bill easily allow more low-paid people to build up a state pension? The majority of people in low-paid, part-time work are women. Under the current system, anyone who earns less than the lower earnings limit—LEL—makes no national insurance contribution for that week and, therefore, does not build up any right to benefits. They are outside the system. Big changes have been made but 1.4 million women are still prevented from making national insurance contributions because they earn less than £77 a week. It is illogical that people can work an ordinary part-time week as half a normal working week and earn the national minimum wage but still not be within the lower earnings limit to be within the national insurance system.

If we lowered the LEL to £65 a week, 200,000 women and 60,000 men would be brought into the system. If we pulled it down to £60 a week, 570,000 more women and 178,000 more men would be allowed to contribute. There is a further complexity linked to that. Many women have several part-time jobs. For instance, a woman might be a dinner lady at her child's school, or a care assistant at that school, and then, when her partner comes home at night, go out to work in a pub or a late-night shop. If none of those jobs gets her into the LEL, they cannot be aggregated to enable a contribution to be made. Surely it would not be difficult to make a change.

Sir John Butterfill: The hon. and learned Lady is making an interesting speech. I wonder whether it would not be simpler to say that everybody should be entitled to a pension regardless of their working record. We could help to pay for the increased cost by making everybody receive the pension at 65 rather than at 60 or 65.

Vera Baird: I have not considered the issue of age. I would be obliged to the hon. Gentleman if he did not steal my denouement from me.

Those two small steps would speed up the journey to 2084 for women. Even if equal pay occurs then, a woman's pattern of work will still make it extraordinarily difficult for her to accrue full state pension rights on the current contributory basis. Those small steps would be only the start. If the Bill were to try to tackle these issues, a series of more extensive and more sophisticated carer accounting provisions would be required—pseudo contributions of one flexible sort or another would be necessary to try to fit women into what surely is now a redundant contributory mould.

The problem is not confined solely to the 87 per cent. of women who do not pay sufficiently on the Beveridge basis to get a full pension. In fact, 50 per cent. of current pensioners do not have a full state pension because they do not have the necessary contribution record. Complex knock-on effects follow from even the little steps that I have suggested to try to tweak the edges to improve matters for women and the poor, let alone the knock-ons from trying to take a more systematic and sophisticated approach. In addition, as the House of Lords Select Committee on Economic Affairs says, in order to work the system it is necessary to operate a complex accounting system to track national insurance contributions and credits over each person's working life to enable them to qualify for a full or basic state pension, which in any event will be supplemented in retirement by means-tested benefits for between half and three quarters of all retirees.

The Government's success in operating an active labour market policy to extend employment opportunities to all groups and ages means that few people can now shirk their responsibility of contributing positively to the economic welfare of the country.

The House of Lords report adds:

"Virtually all citizens make positive contributions to the economy and society through their paid and unpaid work in the period between the end of their formal education and their retirement."

It concludes:

"We therefore recommend that the basic state pension should be paid on the basis of citizenship rather than contribution record."

I do not expect such a provision to be included in the Bill, but on behalf of all women, including my granddaughters, I agree.

6.10 pm

John Robertson (Glasgow, Anniesland) (Lab): In the 1950s, when Richard Titmuss analysed the post-war welfare state, he drew a distinction between state and occupational welfare—the benefits that people derived from the state in which they are citizens and those that accrue through their employment. The growth of private pensions in recent decades has established that as a false dichotomy. Our population is ageing, and by 2021, about 20 per cent. of the population will be over 65. In my constituency, the figure will be closer to 40 per

cent. More private pensions alleviate some of the projected welfare costs of an ageing population, but they do not reduce the state's responsibility to ensure that all our citizens have the opportunity to have pensions sufficient to maintain their dignity in retirement.

That responsibility requires the state to act, not always as provider, but sometimes as regulator or guarantor. The Bill establishes a framework to meet those changed realities, and right hon. and hon. Members have spoken in considerable detail about the way in which that duty is exercised. Since 1997, the state has done much to tackle pensioner poverty by increasing the basic state pension, and providing winter fuel payments, free television licences and sight tests, and the pension credit. The Bill tackles the other side of the equation, and as Members have said, the pension protection fund is a welcome means of preventing further pension losses.

The hon. Member for Havant (Mr. Willetts) could not accept that in 1995 the Conservative party got it wrong. Once again, we have had not had an apology, and the amendment reveals the politically opportunistic party that the Conservatives have become. They have not provided any help in looking at the problem of pensions, and only wish to attack and cause as much mayhem as possible without trying to solve the nation's problems. They have shown that they care not one jot for poorer pensioners. The hon. Member for Havant cannot even look after his own pensioners. In his constituency, 3,382 pensioners receive pension credit, gaining an average of £40.29 a week extra over and above the minimum income guarantee. In my own constituency, 4,418 pensioners receive an average of £46.46 extra a week. The Conservative party would introduce a blanket increase of between £8 and £10 across the board, so that people most in need would lose £30 to £38 a week. That is what we call politics.

Mr. Waterson *rose—*

John Robertson: I am sorry to disappoint the hon. Gentleman, but I shall not give way, as my hon. Friend the Member for Hamilton, South (Mr. Tynan) wishes to have 10 minutes to make a speech. I am sure that when the hon. Member for Eastbourne (Mr. Waterson) sums up, he will manage to put the record straight.

The hon. Member for Bury St. Edmunds (Mr. Ruffley) said that since 1997 there has been a lack of consultation by the Government. I asked myself what good things happened in the 18 years between 1979 and 1997, then I realised that there were none. The hon. Gentleman is a lawyer and as he knows, ignorance is no excuse. He was happy that his hon. Friend's constituents would lose between £30 and £38 a week. I ask members of his Front-Bench team to give the hon. Gentleman a better brief and a smaller shovel.

The pension protection fund is in many ways the antithesis of the laissez-faire Thatcherism newly reclaimed by the right hon. Member for West Dorset (Mr. Letwin) which, as I witnessed at Defence questions yesterday, caused so much discomfort for the hon. Member for Mid-Sussex (Mr. Soames). The PPF shows the importance of judicious Government intervention to protect those who suffer through no fault of their own. The Government did not become insolvent, the Government did not employ the people concerned, yet the Government will step in to protect their pensions.

The House should deal with pensions as a cross-party issue, but today we have again seen Opposition parties indulge in opportunistic petty point-scoring. The saddest thing about the debate is the fact that the Opposition tabled an amendment. One of the problems discussed earlier by Front-Bench spokesmen was that cost seems to be a sticking point for the Government. Perhaps I could suggest a solution that I have not heard today to cover some of the costs. Why do we not take a windfall tax from the banks, which seem to think nothing of ripping off their customers? The billions of pounds that they have made in profits in the past year would, could and I say should be used to help the people of this country. In that way we would at last see the banks meeting their moral responsibilities, which they have sadly failed to do over a number of years.

There are a few points on which I would appreciate clarification from the Minister. Does the Bill cover measures to protect pensions when trustees compromise a pension fund's debt in an attempt to prevent insolvency? Will the Bill place members of a pension fund higher up the list of priority creditors at insolvency? The other substantive aspect of the Bill on which I would like clarification is the extension of the Transfer of Undertakings (Protection of Employment) Regulations 1981 to private sector transfers. The degree of protection on offer from the Government appears to have been reduced since the launch of the initial consultation document in 2001. What is the Minister's estimate of the sufficiency of the 6 per cent. requirement for a transferee matching an employee's contributions? After all, that could still allow considerable damage to be done to individuals' pension funds. Under such circumstances, my own pension fund with BT would be halved.

Can my hon. Friend clarify whether acquiring employers will have to provide the 6 per cent. maximum contribution, even if the tranferer's contribution was lower? I have said on many occasions that I would support compulsory contributions of about 9 per cent. from employers and of 6 per cent. from employees. Until this or any other Government introduce that, the future financial concerns of an ever-aging population will not be met.

The different ways in which people provide for their retirement and the number of people unable to make such provision require the Government to take a holistic approach to pensions. That has, I believe, been done. First, Labour began tackling pensioner poverty, then we assisted pensioners with modest savings. The Bill addresses many of the concerns of people who have a private pension but lack security. It is the product of considerable thought, it tackles problems of long-term importance and exemplifies the Government's commitment to our pensioners. It may stop short of what I personally would want, but it is a considerable step forward. I am glad the Liberal Democrats will support us in the Lobby tonight, although it is sad that there will be a Division. That says more about the Opposition than about the Government.

[John Robertson]

In conclusion, I congratulate my right hon. and hon. Friends on the Front Bench. They have done an excellent job. They must consider compulsory contributions and retrospective payments, as I am sure they are intelligent enough to recognise.

6.19 pm

Mr. Bill Tynan (Hamilton, South) (Lab): Security and confidence, protection, complexity and increased choice in place as quickly as possible—the Secretary of State for Work and Pensions has made it clear to pensioners that those are his objectives. I certainly support those ideals and ambitions and welcome much that is in the Bill.

This debate should not be a point-scoring exercise because it is too important. Having listened to hon. Members' contributions, I believe that the Bill can be springboard to encourage people to make provision for their retirement. Nevertheless, I hope that the Minister will acknowledge in his response the many fears and concerns that have been expressed.

The issues involved in pension provision are complex, as is the nature of pensions. The Bill is to do with the past, the present and the future. In the past, it is true that many of my constituents lost their pensions through the failure of a pension scheme and that that has created an enormous void in their current situation. It is important, however, to place on the record our congratulations to the workers who have kept this issue in the minds of the people, including trade union representatives and Members of this House. I pay tribute to the contributions made by my hon. Friends the Members for Sittingbourne and Sheppey (Mr. Wyatt), for Cardiff, West (Kevin Brennan) and for Ayr (Sandra Osborne) in ensuring that all. Members recognise the problem.

We need to encourage employees and employers to work together to create a pension for their retirement. The state pension was never designed to make up for an absence of savings when we retire or to be a substitute for what we earn in full-time employment. Various people who have been unable to save have been given the support of the pension credit. I remind hon. Members that the state second pension offers 20 million people—including 2.5 million carers, 2.5 million long-term disabled people and 13 million low and moderate earners—the prospect of building better pension entitlement than previously. That is important in terms of how we move on.

The Opposition decry the pension credit and the minimum income guarantee, but I believe that those initiatives have been invaluable in protecting pensioners. I hope that the Government will continue to increase pension credit in line with average earnings—that is an important factor that must be taken on board. The loudest voice among pensioner organisations calls for the restoration of the link with earnings. The Conservatives scrapped that, but now that it is popular they have decided to reintroduce it. My advice to pensioners would be to beware because those promises might never take effect—they should never trust a Tory.

Is it possible to restore the link and to maintain the pension credit, but to use the taxation system to recover funds from those pensioners who do not need the basic pension to ensure that their standard of living is maintained? Some company directors and MPs have a pension that is way beyond that which some pensioners could ever hope to receive. I ask the Minister seriously to consider that proposal. However, it should not be paid for by condemning young jobless people to a lifetime of unemployment through scrapping hugely successful schemes such as the new deal. If we are to convince young people to involve themselves in pension schemes, we have to create the opportunity for occupational schemes to be re-established and to grow.

There is currently a crisis of confidence in pension schemes. There are many reasons for that, including pensions mis-selling in the 1980s, the problems of Equitable Life and the squandering of pension scheme surpluses by companies. Many companies raided pension schemes in the halcyon days of stock market growth. Indeed, they were aided and abetted by the previous Government, who legislated for any surplus of more than 105 per cent., based on actuarial assessments, to be taxed at 40 per cent. That encouraged companies to become predators, remove surpluses and take contribution holidays irresponsibly, without caring or recognising that stock markets can go down as well as up.

I had practical experience of such matters when I worked at Hoover. When Chicago Pacific bought the company, the first thing it considered was the £200 million surplus in the pension scheme. It attacked that and tried to take it from the scheme. That sum was more than it had paid for the company.

Many current deficits are the product of earlier over-eagerness by pension schemes. Previously, they adopted a balanced investment strategy, but in the 1980s and 1990s there was a dash towards equities. By the mid-1990s, pension schemes held the majority of UK shares—then the bubble burst. My right hon. Friend the Member for Newport, East (Alan Howarth) made the point that we must have a balance between contributions and investment in pension schemes.

There is hope. A survey that Hewitt Bacon and Woodrow published on 9 January showed that pension scheme shortfalls halved in 2003 owing to the increasing value of the stock market. It suggested that if the FTSE 100 reached a level of 5,000,

"then leading companies on average may find that their pension deficits have gone".

It is important to take that on board when pension schemes are wound up in the next few years. We must recognise that if the FTSE 100 reaches the required level, the deficit will be wiped out.

The Minister must consider how best to implement good investment practice. Perhaps we will decide to ensure that pension schemes should hold a more balanced portfolio of bonds and shares, or at least that they should be more transparent in decision making. We must take account of that.

I welcome many of the Bill's proposals. The new regulator, which the Pickering review initially proposed, will focus on issues of greatest concern and have real teeth, which will be an important step forward. However, there are several matters about which I should like reassurance.

I have several concerns about the working of the pension protection fund. The Department for Work and Pensions stated that it expects the cost of the fund to be

offset by savings in administration costs that will be brought about by the range of simplifications in the Bill. Discussions that I have had with representatives of pension schemes suggest that they believe that there will be few, if any, cost savings through the simplifications. I should like reassurances from the Minister that he is convinced that there will be cost savings.

Concerns have been raised that the cost of the fund will be prohibitive, with costs of up to £40 per scheme member a year. Given that Watson Wyatt estimates that the average cost of administering a large pension scheme is currently about £28 per member, I hope that the Minister can reassure us about that.

I also hope that the Minister can reassure me that the fund will protect an adequate level of benefit rather than simply an arbitrary percentage, that safeguards will be established to ensure that the fund is not allowed to slip deeper into the red and that the risk-based levy will not be the straw that breaks the camel's back for the pension schemes of companies that are already struggling to provide final salary schemes. It would be tragic if providing the fund destroyed some occupational pension schemes.

I hope that the Minister will confirm that he would not normally expect the powers to enforce a freeze period on a pension scheme to freeze pensions that were already being paid. Although I welcome the proposals on member-nominated trustees, I hope that the Minister will outline the way in which the Government will encourage ordinary employees to take on that role, educate them about fulfilling it and ensure that individual trustees are adequately protected, for example, through periods of grace, with regard to the requirement for knowledge.

I have one point to make in conclusion. I should like the Minister to instruct his civil servants to conduct a thorough audit of those affected by pension schemes that have wound up in deficit since 1995, the value of the pensions lost and the circumstances in which those schemes have been wound up. Although I understand his point that it would be wrong to give false hope, he must look at what can be done to solve the problem of the people who have lost their pension entitlement. Morally, that is the correct thing to do.

I shall close on that point, because I am sure that the Minister needs time to resolve the problems that we have raised.

6.30 pm

Mr. Nigel Waterson (Eastbourne) (Con): I begin by declaring an interest, in that I have some private pension provision—*[Interruption.]* Well, I had the last time I checked, anyway.

We have heard some interesting debating points today on the wording of our reasoned amendment. The whole point, as the House well knows, is that although we will not vote against the Second Reading of the Bill, we have profound reservations about it. We welcome the new regulator—we hope that he will end up with teeth and that he will use them where appropriate. We also support the principle of the pension protection fund, as my hon. Friend the Member for Havant (Mr. Willetts) said in his opening speech. However, we have many reservations about the Bill, not least based on the many crucial details that are absent from it. Fortunately, the Secretary of State agrees with me on that, because he said in his opening speech, in a slight flurry of embarrassment, that the Government propose to try to amend their own Bill on a whole raft of issues, perhaps even in Committee. We welcome his invitation to a meeting to try to work out how we will get the Government out of that mess.

Mr. Andrew Smith: We will not have one, then.

Mr. Waterson: That invitation seems to have been summarily withdrawn. However, we look forward to hearing at what point the Government amendments will be tabled and, even more importantly, whether the people who actually matter—those who will be affected—will be consulted on any of those amendments, let alone the myriad regulations that I hope we shall see in draft in Committee.

With our reasoned amendment we are saying to the Government, in a nutshell, that they have got six out of 10 and must try harder. It is not just we who have those reservations. In last week's debate, I said that the Bill had been greeted with a chorus of disapproval, and I shall quote just some of the comments made. *The Daily Telegraph* described the Bill as "Half-baked". *The Observer* said:

"In short, it is not facing up to the gravity of the situation and is not framing policy for the long term."

The National Consumer Council said:

"The Bill only tinkers at the edges of occupational pensions".

Mr. David Frost—*[Interruption.]* Hon. Members must have a little patience. Mr. David Frost—not "the" David Frost, but "a" David Frost, who is director general of the British Chambers of Commerce and a very eminent man in his field—said:

"Employers, burdened by ever-increasing costs, will choose either to close their schemes or reduce the size of their contributions."

The Consumers Association said that

"it will take a lot more than this Bill to encourage savers to put their money back into pensions."

Help the Aged said that the Bill

"will do little to stem the tide of pension scheme closures."

Alan Howarth: On employers' contributions, which the hon. Gentleman has mentioned, has he had the opportunity to study the GMB research? It shows the remarkable variation in employers' contributions, rising from 2 per cent. with Kingfisher Trust and Asda, to 8 per cent. with HSBC and John Laing, and to as much as 12 per cent. with CGNU. Does he have any observations on employers who make derisory contributions to their employees' pension funds?

Mr. Waterson: If I may say so, the real concern that we all, including the right hon. Gentleman, should have is with the schemes that are closing to new members and the schemes that will not be opened as a result of the Bill.

Barnett Waddingham, the leading actuary, has said:

"It could take just one company with a large pension scheme to become insolvent for the PPF to become untenable."

The National Association of Pension Funds described the claims of 100 per cent. compensation under the Bill as "a bit of kidology", a point picked up by the

[Mr. Waterson]

Occupational Pensioners Alliance, which points out that because of the indexation proposals there will not be increases for pensioners who retired before 6 April 1997. That could mean in practice that they receive only 70 or 80 per cent. of the value of their pension promise.

Let us remind ourselves of the scale of the problem. A new employee joining a company now will have a less than one in five chance of finding a final salary scheme still open for him to join. Mr. Adair Turner, the chairman of the Government's own Pensions Commission, reckons that 60 to 70 per cent. of private sector defined benefit schemes have closed to new members in the past five years. We have also heard, quite rightly, from a number of hon. Members about the 60,000 people who have lost all or some of their pension rights in the past few years.

We believe that the Bill raises issues of over-bureaucracy and over-regulation. We are to have a pension protection fund with a board, a quite separate fraud compensation fund, a regulator with a determinations panel, a pension protection fund ombudsman and a pensions regulator tribunal. That represents a great deal of new bureaucracy, which will need to be examined very closely in Committee.

We bid a cautious welcome to the proposals to defer state pension in certain circumstances, but we will be keen to examine the small print relating to tax and the interrelation with means-testing. We touched on those issues last week—*[Interruption.]* The Under-Secretary of State for Work and Pensions, the hon. Member for Liverpool, Garston (Maria Eagle), really must contain herself. We wish to ensure that the Bill will contain a cast-iron guarantee that anyone thinking of participating in this particular deal should have all the relevant information made available to them by the Government before taking the plunge. The provision merely underlines the truth that, under this Government, we are all going to have to work longer to be able to afford a decent pension in retirement.

We have had a good debate today, and I apologise to those hon. Members whose comments I cannot deal with in detail. My hon. Friend the Member for Bournemouth, West (Sir John Butterfill) gave his usual magisterial performance, as befits a man who holds the future of our own pensions in his hands. My hon. Friend the Member for Bury St. Edmunds (Mr. Ruffley) also showed a good grasp of the subject, as befits a member of the Treasury Committee. My right hon. Friend the Member for Hitchin and Harpenden (Mr. Lilley), as a former Secretary of State, brought his great expertise and original thinking to the problems that we are facing. He also described in a very helpful way the background to the Maxwell saga and the 1995 legislation.

The right hon. Member for Newport, East (Alan Howarth) made an extremely interesting speech, particularly on the importance of defined contribution rather than defined benefit schemes. He made the point, which I entirely endorse, that the Bill will not reverse the trend of the closure of defined benefit schemes. The hon. Member for Sittingbourne and Sheppey (Mr. Wyatt), who has a distinguished record in pursuing these issues, particularly on behalf of his constituents who have lost out, talked about a Government being morally bankrupt if they did not tackle the problems of those who have lost their pensions.

I was delighted that the hon. Member for Cardiff, West (Kevin Brennan) did not content himself merely with making interventions on this occasion. He had a great deal to say on these issues, much of it very helpful. I am surprised, however, that he feels able to support the Bill in its present form, as it conspicuously fails to deal with the problems of the ASW workers and others. He put forward a convincing moral, legal and public interest case for compensation for that group of workers. I hope to say something of interest on that subject to him in just a minute. Of those three arguments, perhaps the most important for this purpose is the public interest case, relating to the 60,000 ghosts at the banquet who, as the hon. Member for Sittingbourne and Sheppey said, cast a shadow over the Bill. They will continue to do so until the Government grasp this particular nettle.

Typically, the right hon. Member for Birkenhead (Mr. Field) made an excellent contribution, in which he made it clear that the Government have no satisfactory long-term policy for pensions and savings. He again expressed the view—rightly, in my opinion—that means-testing undermines confidence in saving and pensions. We look forward to him being appointed to the Standing Committee.

The central provision of the Bill, of course, is to set up a fund on the model of the American Pension Benefit Guaranty Corporation. That model has been going for 30 years, and now seems to be getting into real trouble—at a time when it is getting into severe difficulties, with an $11.5 billion deficit, the Government are trying to follow a similar model. When I was in Washington recently, I met people such as Steve Kandarian, to discover some of the problems that they have faced and continue to face. Of course, the central theme of all those meetings was, "For goodness' sake, whatever you do make sure you have a totally risk-based levy, not a flat-rate levy." We now hear from the Secretary of State that not only will we have a flat-rate levy for at least the first year, but a period of possibly several years will follow of phasing in the risk-based elements of the levy.

The new fund will be extremely vulnerable, especially at the time of its birth and for some time thereafter: first, because of the question of its funding; and secondly, because of the potential for claims that have been stored up to be made against the fund. When the American model was set up, it waited for four or five years before it started paying out on particular claims. In fairness, the Secretary of State could not have been clearer when he said that there is no basis on which this Government will stand behind the fund. The fund therefore sinks or swims on its own.

We had the news only today that Marks and Spencer is starting a trend of issuing bonds to make up the shortfall in its pension fund. The experts tell us that such large companies, which find it easy and relatively cheap to borrow, will use that mechanism to make up any shortfall in funding. If that happens, it will merely accelerate the trend, when we move to a risk-based levy, of the larger companies being able to deal with their shortfall in that sort of way, leaving the somewhat

dodgier companies—companies that are not in a position to have that kind of bond issue—struggling and paying a higher and higher levy into the fund. In other words, in the pensions Titanic under this Government, the first-class passengers, as in the real Titanic, will have lifeboats, but the steerage passengers—the less strong companies and schemes—will be trapped below decks as the vessel's inherent instability drags it inexorably under the water.

I have some news for Labour Members who have been chiding the official Opposition all afternoon about our proposals. I can tell them—*[Interruption.]* I knew that they have been waiting for this moment, especially the Under-Secretary, who can barely contain herself. At the end of the Divisions this evening, I will be tabling a series of amendments, to which I invite all right hon. and hon. Members who expressed concerns about the 60,000 and derided the official Opposition to append their names tomorrow. If they do not do so, their constituents should ask why. Basically, the proposals are to set up a separate interim pension protection fund, still administered by the pension protection fund, to be endowed with any remaining assets of the schemes in wind-up and drawing on those unclaimed assets that we have debated.

I commend our amendments to the House, and I acknowledge with thanks the partial inspiration of the right hon. Member for Birkenhead. Those amendments are not the last word by any means, however. If the Government accept the principles that underlie them, I will happily withdraw them so that the Government can redraft them. I trust that all those who have expressed sympathy for the cause of the ASW workers and so many others will add their names to those amendments tomorrow.

As I have said, there is much in the Bill that we welcome or on which we believe that we can improve in Committee. As it stands, however, does the Bill pass three acid tests? First, will its central provisions encourage employers to keep open existing schemes, let alone new ones? The answer is a resounding "No". Secondly, can the Bill achieve the Government's stated objective of altering the balance between private and state pension provision from 40/60 to 60/40? Again the answer is a resounding "No". Does the Bill set in place a simplified, clear and overarching pensions vision fit for the challenges of the 21st century? Against a background of a system that is complex, difficult to understand and often contradictory, with the savings culture being fatally undermined by an inadequate state pension and the inexorable growth of means-tested benefits, again the answer can only be "No".

I commend our reasoned amendment to the House.

6.45 pm

The Minister for Pensions (Malcolm Wicks): This has been an interesting and often thoughtful debate, dominated numerically and in other respects by Labour contributions.

Before I say anything else, I should like to acknowledge the contributions of many hon. Members on all sides of the House: my right hon. Friend the Member for Birkenhead (Mr. Field); my hon. Friend the Member for Cardiff, West (Kevin Brennan); the hon. Member for Bury St. Edmunds (Mr. Ruffley); my right hon. Friend the Member for Newport, East (Alan Howarth); the right hon. Member for Hitchin and Harpenden (Mr. Lilley); my hon. Friend the Member for Ayr (Sandra Osborne); the hon. Member for Bournemouth, West (Sir John Butterfill); the hon. Member for East Carmarthen and Dinefwr (Adam Price); my hon. Friend the Member for Birmingham, Northfield (Richard Burden); the hon. Member for Chesterfield (Paul Holmes); my hon. Friend the Member for Aberdeen, South (Miss Begg); my hon. Friend the Member for Manchester, Central (Tony Lloyd); my hon. Friend the Member for Bolton, North-East (Mr. Crausby); my hon. Friend the Member for Central Fife (Mr. MacDougall); my hon. and learned Friend the Member for Redcar (Vera Baird); my hon. Friend the Member for Glasgow, Anniesland (John Robertson); and my hon. Friend the Member for Hamilton, South (Mr. Tynan). There were also notable contributions from the Front Benches, some interesting in what they did not say and others in what they did say.

Let me start in this way. Mr. Johnson is 58. He has been working for the same employer for 30 years and has been contributing to his occupational pension throughout this time. Last year his employer went bankrupt, but Mr. Johnson knew that his pension was safe. So far, so good, but Mr. Johnson is an American. The US Pension Benefit Guaranty Corporation meant that his pension savings had been protected, as had those of others like him, since the mid-1970s. We on this side of the House are saying, as I hope others in the House are, that what is good enough for American workers for over a quarter of a century is certainly good enough for British workers and British company pensions.

I have met people like Mr. Johnson in the United States, and I have seen the difference that this real security makes. The House should be proud today to be offering this protection to the people of Britain. When we vote this evening the House has an opportunity to take the first steps to make the Pension Protection Fund a reality, a major social policy innovation, a consistent piece of pensions architecture, to build confidence that a pension promise made will indeed be a pension promise honoured.

Mrs. Lait *rose—*

Malcolm Wicks: I shall give way, but I shall not do it too often, because I need to respond to the debate.

Mrs. Lait: I am most grateful to the hon. Gentleman for giving way. He talked about the American experience. He will have heard my hon. Friend the Member for Eastbourne (Mr. Waterson) say that the American pension fund is $11.5 billion in deficit. What proposals does the hon. Gentleman have, should the United Kingdom fund go in the same direction?

Malcolm Wicks: This matter has been a feature of the debate, which I think the hon. Lady has mainly missed. I shall come to that later.

When I was in the United States, no one I met on either side of the political spectrum, certainly not Republican politicians, saw the end of the Pension

[Malcolm Wicks]

Benefit Guaranty Corporation. They recognised it for the important institution that it is, as we will in the years to come.

I shall return to the fund in a moment. I should first like to make a few remarks to explain the Bill in the wider context of this Government's overall strategy for meeting the demographic and economic challenges facing all pension systems today. This is touched on in the Opposition's amendment, and several hon. Members have touched on this context. Certainly, the subject of pensions is rising up the agendas that count, in this House, among citizens, among trade unions, which are playing a major role, and among employers.

Our approach is to be fair to the poorest, fair to those who have saved, and fair as between generations, not least by not imposing big tax rises on future generations.

Thanks to the reforms of this Government, from April we shall be spending around £9 billion more in real terms compared with the 1997 system. This includes around an extra £4 billion on the poorest and most hard-pressed pensioners.

My hon. and learned Friend the Member for Redcar talked importantly about the position of women. Pension credit, which now benefits 2.4 million people—and the number is increasing every week—will mainly benefit women, who constitute two out of three pension credit beneficiaries. The state second pension is also particularly important to women. About 20 million people have gained from its introduction in April 2002, including 5 million carers and people with long-term disabilities.

Pension credit is rewarding those who have made a major contribution. It is already helping the attack on pensioner poverty. By 2001–02 absolute poverty was down 60 per cent. on the 1997 figure, with 1.6 million pensioners lifted above the poverty line. We have banished the past—the Tory days of 2.7 million pensioners in poverty, and pound-for-pound withdrawal undermining the whole system by showing that it sometimes paid not to have saved. Conservative Members talk about savings. We have not talked about them; we have acted.

We have more to do, however. Simplicity, security and choice underlie the Government's approach to moving from present to future. We have already taken significant steps. We are tackling complexity across the pensions agenda. Older people can now make a single telephone call to the pension credit hotline, rather than having to fill in a 40-page form. We have drawn up tax simplification proposals to sweep away the existing eight different tax regimes and replace them with a single lifetime allowance. We have bolstered security. Last week we presented full buy-out regulations enabling trustees to require a solvent employer who wants to wind up a pension scheme to buy out members' rights in full. Our Command Paper on informed choice set out the action we are taking to empower individuals to take more control of their retirement futures.

The Bill is the cornerstone of our whole approach. It is about bolstering security, strengthening member confidence, minimising burdens, cutting red tape and expanding choice. We have heard some notable speeches today. My hon. Friend the Member for North-East Derbyshire (Mr. Barnes), for instance, asked about the implications for Northern Ireland. In general the Bill extends only to Great Britain, but there are exceptions, including the pensions regulator—most importantly—and the protection fund. Northern Ireland legislation will bring those provisions into effect in Northern Ireland.

It is worth reminding the House of just what an opportunity the new fund offers. For the first time ever, individuals in defined benefit pension schemes, commonly known as final salary schemes, can rest assured that they will always receive a meaningful pension, even if their company goes bust and leaves the pension scheme underfunded. A risk-related levy will mean that those who pose the greatest risk to the fund pay the lion's share of the levy. There is a benefit cap of £25,000 a year, which will be simple to operate and which is a change in policy from a salary cap. That is a direct result of advice from key players in the pensions world, not least the employer taskforce established by the Secretary of State.

We have developed our policy in conjunction with expertise across industry, learning lessons from the United States and other countries in the process of building a pension protection fund that can bring security and peace of mind to those in defined benefit schemes. How many people like America's Mr. Johnson could benefit in this country? We know that there are about 10 million active and deferred members of private sector defined benefit pension schemes. In addition, about 5 million pensioners could benefit. That comes to 15 million. Inevitably, there is some double counting: an individual may be a member or beneficiary of several schemes. That is why we have always talked of at least 10 million individuals. Of course, not only individuals but their families stand to gain, so the number of people who could benefit from the security and peace of mind that the fund will bring is much greater than 10 million, and probably much greater than 15 million.

Mr. Waterson: Does the Minister agree with Mr. Adair Turner, the Government's pensions tsar, that in 20 years the number of workers in final salary schemes will have fallen from 10 million to 1.5 million, at most?

Malcolm Wicks: All we are trying to do is bring security to pension schemes of different kinds. I believe that the Bill will bring security to people in final salary schemes.

There has been much talk today about the levy, so I shall clarify what members will pay for pension security. The figures that I give are by way of illustration. In practice, they may vary to a small extent, but I hope that my examples will help the House.

We estimate that each member will pay about £10 for the first year, assuming that the £150 million estimated cost of the initial levy was spread evenly across all members. It is expected that each member will pay an average of only £20 per year thereafter, assuming that the £300 million estimated cost was spread evenly across all members. However, different schemes will pay different amounts because of the introduction of the risk-based levy from the second year.

Those costs pale into insignificance when compared with the typical cost of household insurance of about £350 per year, or even with the cost of holiday insurance

for a family of four for a two-week trip to Spain. I am advised that that insurance might cost double the £20 per year figure that I quoted.

The amounts involved are relatively small, when compared with the degree of assurance that they will afford to members.

Sir John Butterfill: Does the Minister accept that other estimates, such as those made by the firm Watson Wyatt and the chairman of Boots, suggest that the figure will be about four times what the Government have quoted?

Malcolm Wicks: I am giving the House the Government's estimates, which I hoped would be helpful even though I acknowledged that they might be subject to some variation. The arithmetic on which they are based means that they carry a certain authority.

Understandably, much of the debate has centred on the circumstances of those workers who are in very great difficulties at present. Notable among the speeches on this subject were the ones made by my hon. Friends the Members for Cardiff, West and for Sittingbourne and Sheppey (Mr. Wyatt). Both contributions offered well informed and passionate arguments in favour of the Government's proposals. However, the House will understand that I am not in a position to add to what my right hon. Friend the Secretary of State said earlier about this very important matter.

In Standing Committee, we will need to talk about the pensions regulator, which in many respects will be as important as the PPF. The regulator will be flexible and proactive. It will have a light touch with schemes that are in good shape, but real teeth for schemes that are not. There will be simplification, and I look forward to talking about that, and our proposals on limited price indexation, in Committee.

I am pleased that Liberal Democrat Members support the Bill, and I am sure that their reasoned amendments will be discussed in Committee. However, I simply do not understand the position adopted by Her Majesty's loyal Opposition. In an extraordinary statement, they have just told the House that they will not vote against the Bill, even though they have tabled a so-called reasoned amendment that begins by stating that

"this House declines to give a Second Reading to the Pensions Bill".

The Opposition have brought to the House proposals that they have sketched on the back of an envelope. They pretend that they are working up a scheme to help today's workers, but decline to give a Second Reading to a Bill that will set up a pension protection fund that will help more than 10 million people in the future. We estimate that that total will include 15,000 to 16,000 people in the average parliamentary constituency.

That is simply not credible. Opposition Front-Bench Members tell their colleagues to vote for their reasoned amendment, which would decline to give the Bill a Second Reading, and the shadow Secretary of State—which is what he will remain—will lead his confused troops into the appropriate Lobby. However, Opposition Members will be told later to support the Bill.

The Government have the proposals for the future. Her Majesty's Opposition are in a total shambles. They are an example of opportunism at its very worst.

Question put, That the amendment be made:—

The House proceeded to a Division.

Madam Deputy Speaker (Sylvia Heal): Order. Will the Serjeant at Arms investigate the delay?

The House having divided: Ayes 154, Noes 388.

Division No. 68] **[7 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burt, Alistair
Butterfill, Sir John
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Collins, Tim
Cormack, Sir Patrick
Cran, James *(Beverley)*
Curry, rh David
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Duncan, Alan *(Rutland)*
Duncan, Peter *(Galloway)*
Duncan Smith, rh Iain
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Flight, Howard
Flook, Adrian
Forth, rh Eric
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Maude, rh Francis
Mawhinney, rh Sir Brian
May, Mrs Theresa
Mercer, Patrick
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paisley, Rev. Ian
Paterson, Owen
Pickles, Eric
Prisk, Mark *(Hertford)*
Randall, John
Redwood, rh John
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Mrs Iris *(Strangford)*
Robinson, Peter *(Belfast E)*
Roe, Mrs Marion
Rosindell, Andrew

Ruffley, David
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Tredinnick, David
Trend, Michael
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Ayes:
Mr. Mark Field and Angela Watkinson

NOES

Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allan, Richard
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blizzard, Bob
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Breed, Colin
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnett, John
Burnham, Andy
Burstow, Paul
Byers, rh Stephen
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Chidgey, David
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Connarty, Michael
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Corbyn, Jeremy
Corston, Jean
Cotter, Brian
Cox, Tom *(Tooting)*
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Dunwoody, Mrs Gwyneth
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Ewing, Annabelle
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, rh Derek
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Godsiff, Roger
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Harvey, Nick
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hinchliffe, David
Hoey, Kate *(Vauxhall)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jones, Nigel *(Cheltenham)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, David
Lawrence, Mrs Jackie
Laws, David *(Yeovil)*
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marshall, David *(Glasgow Shettleston)*
Marshall, Jim *(Leicester S)*

Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
Oaten, Mark *(Winchester)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Opik, Lembit
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Price, Adam *(E Carmarthen & Dinefwr)*
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salmond, Alex
Salter, Martin
Sanders, Adrian
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Thurso, John
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
Webb, Steve *(Northavon)*
Weir, Michael
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Noes:
Mr. Fraser Kemp and
Vernon Coaker

Question accordingly negatived.

Main Question put forthwith, pursuant to Standing Order No. 62 (Amendment on second or third reading), and agreed to.

Bill accordingly read a Second time.

PENSIONS BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Orders [28 June 2001 and 6 November 2003],

That the following provisions shall apply to the Pensions Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on 22nd April 2004.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on the day on which proceedings on consideration are commenced.

6. Sessional Order B (programming committees) made by the House on 28th June 2001 shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further message from the Lords) may be programmed.—*[Ms Bridget Prentice.]*

The House divided: Ayes 378, Noes 153.

Division No. 69] **[7:18 pm**

AYES

Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allan, Richard
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blizzard, Bob
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Breed, Colin
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burstow, Paul
Byers, rh Stephen
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*

Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Chidgey, David
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Connarty, Michael
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Corbyn, Jeremy
Corston, Jean
Cotter, Brian
Cox, Tom *(Tooting)*
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Ewing, Annabelle
Farrelly, Paul
Fisher, Mark
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Godsiff, Roger
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Harvey, Nick
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hinchliffe, David
Hoey, Kate *(Vauxhall)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Hughes, Simon *(Southwark N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jones, Nigel *(Cheltenham)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr Stephen
Lamb, Norman
Lammy, David
Lawrence, Mrs Jackie
Laws, David *(Yeovil)*
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marshall, David *(Glasgow Shettleston)*
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
Oaten, Mark *(Winchester)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Price, Adam *(E Carmarthen & Dinefwr)*
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salmond, Alex
Salter, Martin
Sanders, Adrian
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*

Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(CIwyd W)*
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Thurso, John
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
Webb, Steve *(Northavon)*
Weir, Michael
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Fraser Kemp and Vernon Coaker

NOES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burt, Alistair
Butterfill, Sir John
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Collins, Tim
Cormack, Sir Patrick
Curry, rh David
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Duncan, Peter *(Galloway)*
Duncan Smith, rh Iain
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Flook, Adrian
Forth, rh Eric
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hogg, rh Douglas
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Maude, rh Francis
Mawhinney, rh Sir Brian
May, Mrs Theresa
Mercer, Patrick
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paisley, Rev. Ian
Paterson, Owen
Pickles, Eric
Prisk, Mark *(Hertford)*
Randall, John
Redwood, rh John
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Mrs Iris *(Strangford)*
Robinson, Peter *(Belfast E)*
Roe, Mrs Marion
Rosindell, Andrew
Ruffley, David
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Tredinnick, David
Trend, Michael
Trimble, rh David
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Noes:
Angela Watkinson and Mr. Mark Field

Question accordingly agreed to.

PENSIONS BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and way and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Pensions Bill, it is expedient to authorise the payment out of money provided by Parliament of—

(a) any expenditure of the Secretary of State or the Lord Chancellor under the Act, and

(b) any increase attributable to the Act in the sums payable under any other Act out of money so provided.—*[Ms Bridget Prentice.]*

Question agreed to.

PENSIONS BILL *[WAYS AND MEANS]*

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and way and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Pensions Bill, it is expedient to authorise—

(1) the levying of charges under the Act—

(a) for the purpose of meeting expenditure of the Secretary of State relating to the establishment or expenses of the Board of the Pension Protection Fund;

(b) for the purposes of the Pension Protection Fund maintained under the Act;

(c) for the purpose of meeting expenditure payable out of the Fraud Compensation Fund maintained under the Act;

(2) the levying of charges under the Pension Schemes Act 1993 for the purpose of meeting—

(a) the expenses of the Pensions Regulator (including the expenses of establishing it);

(b) the costs of the legal assistance scheme established in connection with proceedings before the Pensions Regulator Tribunal;

(c) the expenses of the Pensions Compensation Board;

(3) the making of payments into the Consolidated Fund.—*[Ms Bridget Prentice.]*

The House divided: Ayes 326, Noes 20.

Division No. 70] **[7:33 pm**

AYES

Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blizzard, Bob
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnett, John
Burstow, Paul
Byers, rh Stephen
Cairns, David
Campbell, Mrs Anne *(C'bridge)*
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Chidgey, David
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Cohen, Harry
Colman, Tony
Connarty, Michael
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Corbyn, Jeremy
Cotter, Brian
Cox, Tom *(Tooting)*
Cranston, Ross
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Ewing, Annabelle
Farrelly, Paul
Fisher, Mark
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, Don *(Bath)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Harvey, Nick
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hinchliffe, David
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Lamb, Norman
Lammy, David
Lawrence, Mrs Jackie
Laws, David *(Yeovil)*
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
Mackinlay, Andrew
McNamara, Kevin
Mactaggart, Fiona
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Miliband, David
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Price, Adam *(E Carmarthen & Dinefwr)*
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salmond, Alex
Salter, Martin
Sanders, Adrian
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim

Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
Webb, Steve *(Northavon)*
Weir, Michael
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Fraser Kemp and Vernon Coaker

NOES

Beggs, Roy *(E Antrim)*
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Dodds, Nigel
Hermon, Lady
Hogg, rh Douglas
Mackay, rh Andrew
Paisley, Rev. Ian
Robinson, Mrs Iris *(Strangford)*
Robinson, Peter *(Belfast E)*
Shepherd, Richard
Spink, Bob *(Castle Point)*
Steen, Anthony
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Trimble, rh David
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Wilkinson, John
Winterton, Ann *(Congleton)*

Tellers for the Noes:
Mr. Eric Forth and Mr. Nigel Evans

Question accordingly agreed to.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

NORTHERN IRELAND

That the draft Rates (Amendment) (Northern Ireland) Order 2004, which was laid before this House on 10th February, be approved.—*[Ms Bridget Prentice.]*

Question agreed to.

EU Citizens (Freedom of Movement)

Motion made, and Question proposed, That this House do now adjourn.—*[Ms Bridget Prentice.]*

7.43 pm

Keith Vaz (Leicester, East): I am grateful for the opportunity to raise in the House the issue of the freedom of movement of citizens of EU states. The matter has suddenly become unnecessarily controversial, and I hope that tonight we have an opportunity for a far more balanced debate. On 1 May—in fact, in 61 days' time—the EU is set to embark on an historic journey by considerably extending its size and capability. The European Union has been a success story from the very beginning. It has secured peace on the European continent, given member states the benefit of free trade and economic prosperity and set an example of co-operation to the rest of the world.

It is now time to welcome 10 new members We have planned long and hard to prepare Poland, Hungary, Slovakia, Slovenia, the Czech Republic, Malta, Cyprus, Estonia, Latvia and Lithuania to enter as full and equal members of the Union. While in Government, I had the great pleasure of visiting each of those states and seeing for myself, despite the pain of the negotiation process, the enthusiasm that Governments and citizens alike have for full and equal membership of the EU.

Over the past couple of weeks, a number of short-term solutions have been suggested as a remedy to a number of thought-up scenarios, and the longer-term benefits to the whole of the EU have, sadly, been completely forgotten. It has been predicted that on 1 May masses of people from the eastern European countries will come to Britain to take advantage of our benefits system. The truth is that all the anecdotal evidence suggests that we will not see a mass migration to the UK, and therefore it would be foolish to expect the worst of countries and citizens that are to live and develop side by side with us.

I believe that the people who are coming to the UK are coming to work, not to go on benefits. The accession countries have a troubled past and have not always had the benefit of freedom of movement and speech. Being members of the European Union means that countries as well as citizens should be treated equally. That is the fundamental basis on which the EU has been built. I ask the Minister tonight why we should treat a citizen from Poland any differently from a citizen from Sweden or Portugal when both come here to work, pay tax and make their living. What gives a German or a Spaniard more right of access than a Pole or a Latvian?

The Home Secretary's statement on 23 February was welcome in that he did not pander to the worst prejudices of those who in reality do not support enlargement or the EU, but it was disappointing because he chose to create an unnecessary new piece of bureaucracy—the workers registration scheme. The scheme can only be a deterrent to anybody wanting to come to Britain. I take this opportunity to ask the Minister exactly how the registration scheme will work.

[Keith Vaz]

The immigration and nationality directorate of the Home Office—the organisation that supposedly would have to deal with the policy and its implementation—cannot be described as a Rolls-Royce service. The backlog of asylum and immigration cases has become something of a cliché. The Minister knows that herself because, before she became a Minister, she was among the fiercest critics of delay. Is it seriously suggested that the public inquiry office at Lunar house will be able to cope with the introduction of regulations to vary leave, when it takes the public inquiry office months to answer letters from MPs and sometimes years to reply to solicitors' cases?

Can the Minister tell us the answers to the following questions? When people arrive in the UK, where and when will they register for work? Will they be put on parole until they have stated the purpose of the visit and produced employment documentation? Will the police handle the inquiries or will that fall on the already overburdened and overstretched Home Office or will it be handled by a jobcentre? Will people then require a certificate? If an accession national should change employer within the time frame of the scheme, will he or she have to re-register? What burden will fall on the relevant post abroad, and what guidance have staff there received? What are the possibilities of reviewing the scheme, and will it be abolished if implementation proves impossible? Will there be a registration fee? If so, how much will it be? If not, what will be the final cost for taxpayers in this country of implementing a scheme that has clearly not been thought through? What sanctions will there be for those who do not register to work?

In the past few weeks, the UK, Ireland, Sweden, Denmark and the Netherlands have changed their minds and imposed restrictions, although they had promised that there would be no transitional arrangements. Ireland has followed the British example and is set to implement rules, despite the fact that until 23 February its position was to wait and see. Germany and Austria are the only countries that may have reasons to impose transition arrangements of some kind, as 80 per cent. of eastern European migrants currently live in those two countries. For the rest of us, there are no legitimate reasons to blow the issue out of proportion, as has been done.

Politicians and commentators from Vilnius to Bratislava have been more saddened than stunned by the way in which the UK has appeared to dance to the tune of the right-wing agendas of the tabloid newspapers and of the Leader of the Opposition. Sadly, the Government have drawn back from their very clear position on the freedom of movement of labour. It is a surprise that the tabloids have not suggested that we lock up our daughters in case of the predatory actions of Roger from Riga. But it is no surprise that the Leader of the Opposition jumped on the bandwagon. The Conservatives cannot talk seriously about Europe because it tears them apart. That is why they have to reach for the box marked "race and immigration": it gives them headlines without having to stake out an intellectual case. Only a few months ago, they were calling for a referendum on the Nice treaty—that was their way of blocking enlargement—yet our country was not given a referendum on Maastricht.

We have to remember that the enlargement process owes its momentum to Britain. The enlargement accession negotiations began under the UK's presidency of the EU in 1998. In October 2000, in Warsaw, the Prime Minister was the first Head of Government to call for the new member states to participate as full members in the 2004 European Parliament elections. In December 2002, the Foreign Secretary wrote to the Foreign Ministers of the applicant countries confirming that the UK would open its borders to free movement of workers from all new member states as of the date of accession. The Prime Minster and the Foreign Secretary played an enormous part in ensuring that enlargement was on track. Indeed, I observed for myself the pivotal role that the Prime Minister played in the process. Without him, I do not believe that enlargement would be taking place on 1 May. I also pay tribute to the work of Günter Verheugen, the EU Enlargement Commissioner, for all the good work that he has done.

Successive UK Ministers have highlighted Britain's laudable position as the only big country to accept all as full EU citizens. We staked out a clear position, and that delighted our future EU partners. Our policy was different from, and better than, that of the others. It confirmed the UK as the champion of enlargement and gave the Prime Minster huge moral and political authority. A new Europe was emerging. British companies were warmly welcomed in the capital cities of the applicant states. Since 1990, the UK's trade with future member states has increased nearly 10 times as fast as with the rest of the world. Freedom of movement of labour is crucial for British business. New labour from eastern Europe will boost British gross domestic product, fill vacancies and, most importantly, contribute to the welfare system by allowing those people to pay tax on earned income. That is why it is so irrational to place obstacles in the way of freedom of movement of labour to Britain.

It is a myth that in 61 days' time millions of citizens from the new member states will start up their caravans and head for Dover. A few cases involving asylum seekers have been blown up into major tabloid soap operas. If one speaks to any Pole or Czech in this country working or studying, they will say that their ambition is to get full-time work, not to go on benefits. There is clear evidence of an influx of professional labour into this country, and very little evidence to suggest that Britain's shores will be invaded by benefit tourists. That is simply scaremongering.

A study prepared for the European Commission in 2000 estimated that 850,000 people living in the EU—0.2 per cent. of the total population—were from the 10 accession countries. A second study in 2002 shows that those who declared a firm intention to migrate constitute approximately only 1 per cent. of the working-age population of all 10 countries. That is hardly an overwhelming figure or a threat.

Those shrieking to protect the benefit system from abuse should consider why the system, after all the reforms and reviews, should remain open to abuse in 2004. If there is something wrong with the benefit system, we should change it.

The recent debate also ignores the fact that new member states will receive £26 billion from the EU between 2004 and 2006. That will boost their economies, with a consequent pull on their domestic work force to stay in those countries rather than seek work elsewhere. The desire to work rather than seek benefits will take advantage of chronic skills shortages in Britain and allow our eastern European partners to contribute to the economy and, through returning remittances, to their countries of origin. The new member states mostly fear the brain drain from their countries to western Europe.

Our skills shortages will be soaked up by the highly trained doctors and nurses coming from anywhere between Prague and Cracow. The workers registration scheme should not be used to undermine the fundamental principles that underpin the values of the EU. That should also apply to the solution that is currently being trailed that the scheme should be monitored, with perhaps further changes, if the numbers arriving are greater than expected.

Britain needs the good will of the new member states if it is to move Europe towards the reform agenda. From the breath of fresh air that the Prime Minister and the new Government provided on European issues in June 1997, we have reached a stalemate. To modernise Europe, we need not only to harness the enthusiasm of the new members but to earn their votes around the summit table. Reforming Europe will not be achieved with the support of only France and Germany because their interest is to keep running Europe the way that it is currently run.

I shall go from the debate to join the ninth birthday party of my son Luke. In four weeks, my daughter Anjali will be seven. The Europe in which my children will be citizens will be very different from Europe now. In 10 years, when Luke and Anjali are 19 and 17 respectively, Romania, Bulgaria and Turkey, and probably even some of the Balkan countries, will have joined as full members. Perhaps even Russia will be applying for membership.

Europe is work in progress, and that is one of its great strengths. It is constantly developing and the countries are moulded by giving and taking and learning from each other. It is a melting pot of ideas and cultures. I am proud to represent part of the great city of Leicester. It is a microcosm of Europe, with many cultures and languages. We already have a Polish centre in my constituency. The people are proudly British but also proud of their heritage.

Leicester is a truly European city with a majestic past and a bright and ambitious future. The city uses all the talents of all its citizens. That is what we must do with Europe: use all the talents of all its peoples. There is so much left to do in reforming Europe, and the new member states are our natural allies in that process. The reform agenda is Britain's agenda. That is why the commitment made to the applicant countries for freedom of movement of labour is so important.

The best thing that the Government can do is stand by what the Foreign Secretary said in December 2002 and what the Prime Minister has said on numerous visits to the new member states, where he is genuinely and rightly treated as the only pan-European political superstar. Writing in June 2003, the Prime Minster said:

"It is right and fair that the new Member States should enjoy the same rights to work in the UK as existing EU citizens."

In closing, I urge the Minister, whom I consider one of the best Ministers in the Government, to reconsider the decision and to stand firm on Britain's commitments to the accession countries. Only if freedom of movement is encouraged will the success of Europe be secured. The basis of that success is equality and freedom. Those are the fundamental cornerstones of the EU and they must never be compromised.

7.59 pm

The Parliamentary Under-Secretary of State for the Home Department (Fiona Mactaggart): I am grateful to my hon. Friend the Member for Leicester, East (Keith Vaz) for providing us with an opportunity to debate these important issues. I appreciate his passionate commitment to the enlargement of the European Union, which no one listening to him could have missed. The Government share his commitment and vision. EU enlargement is extremely welcome to our country, which is why, as my hon. Friend acknowledged, our Prime Minister was at the forefront in calling for early accession for the 10 countries and is widely acknowledged as the pre-eminent European leader. After 1 May, citizens of the accession states will be free to travel across all EU borders. As my right hon. Friend the Foreign and Commonwealth Secretary made clear in December 2002, we believe that the United Kingdom will benefit from new EU citizens coming to this country, working legally, and paying taxes and national insurance.

The United Kingdom has one of the most dynamic and successful economies in the world. While America, Japan, and much of the euro area have suffered from recession, the British economy has grown uninterrupted for every quarter and every year since 1997. At the same time, unemployment in Britain is now significantly lower than in all other major European states, at 5 per cent., compared to an EU average of 8 per cent. and a rate of 9 per cent. in Germany and France. Migration both contributes to and has been driven by this success. By increasing labour supply and reducing domestic skills shortages, migration helps to raise productivity and boost economic growth.

In the United Kingdom, migrants make up just 8 per cent. of the total population, yet they generate 10 per cent. of our overall wealth. Similarly, 15 per cent. of trend UK growth stems from predicted migration flows. We currently have more than 500,000 vacancies in our labour market, and we will benefit from the skills, flexibility and willingness to work of these new migrant workers, as we have in the past. That is why my right hon. Friend the Home Secretary confirmed on 23 February in the House that we are allowing workers from the eight central and eastern European accession states access to our labour markets, subject only to a straightforward registration scheme.

When we first set out our position, back in 2002, only those countries with high levels of unemployment were planning to introduce restrictions on work for accession

[Fiona Mactaggart]

state nationals. Since then, other countries have changed their stance. That must influence the way in which we implement our commitment, but let me be clear: our commitment remains. It clearly makes sense for us to ensure that our approach does not leave us exposed.

My hon. Friend is concerned that the workers' registration scheme can only be a deterrent to anyone wanting to come here. I do not believe that this one will be. Under the scheme, accession country nationals will be free to enter the United Kingdom and to take up any employment here without restriction. When they find and start a job, they will need to apply immediately to the Home Office to be registered as a worker. There is no parole period; they will just apply, having found a job. They will do this by post, to our offices in Sheffield. They will need to provide information about what job they are doing, at what wage, and where in the country it is. They will be issued with a registration certificate, as evidence that they have registered. The registration will last for 12 months, provided that they stay in that employment. If they change jobs, they will need to apply to renew their registration.

I am aware that my hon. Friend is concerned about backlogs in processing applications by the immigration and nationality directorate and he referred to some of my past concerns about these matters. He will know, however, that steps are in hand to reduce those backlogs, and I am sure that he will be reassured by the fact that, for this new scheme, the Department is gearing up to provide an efficient and responsive service. We want to encourage maximum compliance with the scheme, and there is no reason why any worker from the accession countries should not comply with the registration requirement, as it will be in their interests to do so. We therefore need to ensure that the scheme works well.

The scheme will be administered within the framework operated by Work Permits (UK), whose performance standards I should like to draw to the attention of my hon. Friend. It turns round more than 80 per cent. of applications for work permits within 24 hours. "Ah", my hon. Friend will think. "What about the other 20 per cent?" Nearly all of those, however, are done within a week. Only 2 to 3 per cent. of applications take more than a week, and none takes more than a month. We can aim to achieve the same standards in the workers registration scheme, and I hope that he will find that reassuring, as I do.

We are looking to recover at least some of the costs of the scheme, so there will be a modest fee to cover administrative charges. The cost should be outweighed, however, by the benefit to the workers of access to our labour market. We do not expect the costs to the taxpayer to be significant. Obviously, my hon. Friend is concerned about the details of the scheme and how it will work in practice. Further details will be made available shortly, along with detailed guidance, which he rightly expects, for nationals of accession countries and employers. I will ensure that he is kept in touch with how those are developed.

Keith Vaz: I thank my hon. Friend for all the information that she has given so far. What is the position of someone who makes an application but does not get the certificate back for a certain period? Can they carry on working while they are awaiting the certificate, or must they cease working until they get the certificate?

Fiona Mactaggart: In the scenario that I have just described, such a person would be working before they had applied—they would have found and taken a job. Therefore, this process does not prevent people from working; it is merely a monitoring mechanism.

The purpose of the scheme is to allow us to track properly our commitment. It will give good information to the authorities and the Home Office about how, in practice, the right to work of people from accession countries is operating. They will be able to join our legal labour market in an open way, enjoying equal rights as well as contributing to our economy and society. That will allow us to monitor what is happening to our labour market, and where in the country and in what sectors accession country nationals are finding work. It will tell us where those paediatricians, dentists, dustmen and plumbers from Poland, to whom the Home Secretary referred in his statement, are working. Are they filling that gap in the dentistry market in Scarborough, evident from the long queue that we saw reported in many of our newspapers? We have a good pattern of what is happening, and if, against all expectations, there were adverse impacts on our labour markets—let me reiterate that we do not expect that—we could act immediately to re-impose restrictions.

My hon. Friend may make a reasonable point when he says that a better arrangement for administering our benefits system might have dealt better with these issues. That is not what happened, however. We need to take steps to safeguard our benefits system and ensure that it is not exploited. Accession state nationals who are not working will be expected to support themselves. If they cannot do so, they will not have a right of residence here and will have to return to their own country. My right hon. Friend the Secretary of State for Work and Pensions will bring forward regulations to prevent access to benefits by those not working, and my right hon. Friend the Paymaster General will bring forward regulations to prevent them from claiming child benefit. Access to other benefits, such as social housing, will also be restricted. That is clearly the right course of action. It would not be fair for accession country nationals to come to this country purely to access benefits to which they had not contributed.

I hope that my hon. Friend and the House will agree that, overall, the package announced last week is fair and balanced. It will send a clear message to the Polish community centres in my constituency and in his constituency, which, like us, will be welcoming these new migrants, that they are welcome, that they have absolute access to our labour markets, that we welcome their skills, that we recognise what they have to offer Britain, and that we are providing a sensible and balanced package within which they can offer those skills.

They will be welcome to Britain, to work openly and honestly, and to support themselves. Those who wish to find a job can do so. Those who wish to come for short periods will have to have the means to do so. So the UK will enjoy the benefits of enlargement and the accession

countries' citizens will enjoy the benefits of enlargement, but we shall still maintain the ability to control its impact on our labour markets, if necessary.

I believe that that is the wise and practical way to proceed. I do not think that there is any diminution of our commitment to free access to labour. There is merely a sensible process for managing it.

I am glad that my hon. Friend has given me the opportunity to describe further how that will work in practice.

Question put and agreed to.

Adjourned accordingly at ten minutes past Eight o'clock.

House of Commons

Wednesday 3 March 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

INTERNATIONAL DEVELOPMENT

The Secretary of State was asked—

Animal Quarantine

1. **Mr. Elfyn Llwyd** (Meirionnydd Nant Conwy) (PC): What representations he has received on the problems caused to international rescue dog teams by the operation of the animal quarantine rules. [157871]

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): On 21 January, my right hon. Friend met representatives of the British search and rescue teams that were deployed in response to the devastating earthquake in Iran. Those met included a team who use dogs in their relief effort. They reported a concern that the necessity to put the dogs into quarantine on return to the United Kingdom had an impact on the immediate availability of trained dogs for future search and rescue responses. As a consequence, some dogs are kennelled overseas rather than returned to the UK.

Mr. Llwyd: While I fully accept the need for strict quarantine laws, I do not follow the logic of the argument, which apparently is that when dogs are used outside the European Union there is a risk of rabies and so on. Rabies is prevalent in France, but there is free movement across the channel of hundreds of dogs each day, so I do not see the logic. The problem with the search and rescue team in north Wales is that there are six highly trained specialist dogs and handlers and, at any given time, two or three dogs may be in quarantine for up to six months. It is a long time out of the life of an intelligent animal, and it is a waste of time.

Mr. Thomas: I place on the record my appreciation of the work of search and rescue teams, such as the one to which the hon. Gentleman referred, in both the Bam earthquake and more recently in Algeria. However, it is worth remembering that in both Iran and Algeria there is a high prevalence of rabies. Our strict quarantine laws have served the UK well over the past 30 years. Under the quarantine regulations dogs can be taken out of quarantine for deployment overseas, even though they have to come back into quarantine on their return to the UK. My hon. Friend the Minister with responsibility for animal health has recently informed search and rescue organisations that they will be permitted to set up their own quarantine facilities, where training of the dogs can continue in quarantine. I hope that that is helpful and encouraging to the team about which the hon. Gentleman spoke.

Mrs. Betty Williams (Conwy) (Lab): The search and rescue team to which the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) referred is based in my constituency. I welcome my hon. Friend's answer to the hon. Gentleman's supplementary question. Will my hon. Friend undertake to consider, with my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs and the Home Office Minister responsible, reopening discussions on this very important topic?

Mr. Thomas: I am grateful to my hon. Friend for her question. My hon. Friend the Minister with responsibility for animal health has only recently informed the search and rescue organisations that they will be permitted to set up their own quarantine facilities, where training can continue. We need time to see how that change is received and settles down before we consider further discussions, but I shall certainly bear my hon. Friend's point in mind.

Michael Fabricant (Lichfield) (Con): Is it not the case that, as the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) said, the main concern is rabies, and is it not also the case that anti-rabies vaccinations for dogs exist in the United States and elsewhere? To what extent has the Minister investigated the use of such vaccinations in order to enable rescue dogs to travel freely across different countries?

Mr. Thomas: There have been extensive discussions across Government, with the lead being taken by the responsible DEFRA Minister. We have found a way forward that will help search and rescue organisations, while maintaining the strict rabies policy that has served us so well over the years. I hope that the hon. Gentleman will allow the new proposal by that Minister to settle down before he considers continuing to press for further relaxation in this area.

Belize

2. **Chris Ruane** (Vale of Clwyd) (Lab): What aid his Department has given to Belize in the past 10 years. [157872]

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): The Department has provided more than £37 million to Belize in the past 10 years, supporting, for example, education programmes, public sector reform work and the police.

We have also provided debt relief of almost £3 million under the Commonwealth debt initiative, supporting conflict prevention work through the global conflict prevention pool in relation to the Belize-Guatemala border dispute, and have contributed further to Belize through our funding of multilateral organisations such as the United Nations and the European Commission.

Chris Ruane: I thank my hon. Friend for that positive response. He will be aware that we are currently in

Fairtrade fortnight. What actions can he and his Department take to ensure that we can link the burgeoning fair trade movement in this country to primary producers in Belize?

Mr. Thomas: My hon. Friend will be pleased to know that we have provided £225,000 to support cocoa farmers from the Toledo region of Belize, through the Toledo Cocoa Growers Association, to expand the production of their cocoa products and increase their exports overseas. Toledo being one of the poorest areas of Belize, I hope that my hon. Friend will agree that that is step in the right direction for the very poorest people in Belize.

More generally, I would like to place on the record my appreciation, and I am sure the appreciation of the whole House, of the work of the Fairtrade Foundation, and celebrate collectively the fact that the turnover of Fairtrade products in the UK is now about £100 million.

Mr. Robert Walter (North Dorset) (Con): Four years ago, the Government blocked more than £12.5 million of debt relief to Belize. I am pleased to hear from the Minister that some £3 million has been paid to date, but will he tell us when, under the Commonwealth debt initiative, Belize will receive the rest of the relief that it is due?

Mr. Thomas: The hon. Gentleman may like to know that the most recent tranche of debt relief that I signed off in January this year—for next year and a further two years—was as a result of the reform programme taking place in Belize. I have had good discussions with Prime Minister Musa about the reform programme and I hope that he is satisfied with the progress made on debt relief write-off.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): After my questions on Monday and Tuesday, I am tempted to aim for a hat trick of toadying, self-serving sycophancy by saying what a wonderful job the Minister is doing! No doubt, however, I would be accused by the sketchwriters of wanting to become Governor of Bermuda—*[Interruption.]* What a good idea. Instead, I ask the Minister if he will talk to the Foreign and Commonwealth Office about speeding up resolution of the border dispute between Belize and Guatemala, which is limiting the sort of development that is vital for the people of Belize.

Mr. Thomas: I am grateful to my right hon. Friend for his searching and robust questioning of the work of my Department. He will know that the new President of Guatemala has recently been confirmed in office, and that we are putting in £1.5 million of global conflict prevention money to help with the resolution of the Belize-Guatemala border dispute. We continue to work closely with the Foreign Office to help promote such resolution, but it is a matter that the two countries ultimately will have to resolve themselves. We will continue to support them in that process.

Tony Baldry (Banbury) (Con): It was from Belize 10 years ago that the first fair trade product, Maya Gold chocolate, came into the UK. Although it is good news that shoppers spend some £2 million on Fairtrade products each week, there is still some way to go. For example, only about 4 or 5 per cent. of bananas purchased are Fairtrade ones. Is not Fairtrade fortnight a good opportunity to make it clear that there is a modest way for every consumer to help farmers in developing countries by buying Fairtrade products such as cocoa, chocolate and bananas, whenever possible?

Mr. Thomas: The hon. Gentleman is absolutely right that Fairtrade fortnight provides an excellent opportunity for us, as individual consumers, to do our individual bit to help promote fairer trade. I am sure that the hon. Gentleman would not be upset by my taking this opportunity to confirm that, by the end of 2003, shoppers were spending more than £2 million per week at the checkout on products with the Fairtrade mark. Furthermore, on Monday the Co-op, which has always been the leading supplier of Fairtrade products, pledged to double the size of its own brand range of such products by the end of this year. If other suppliers follow the Co-op's lead, we can expect the fair trade market to continue to grow, which is good news.

Millennium Development Goals

3. **Chris McCafferty** (Calder Valley) (Lab): Whether reproductive health supplies security is a key requirement for the attainment of the millennium development goals. [157873]

The Secretary of State for International Development (Hilary Benn): The millennium development goals will not be achieved without further progress on reproductive health and rights. An essential part of that is ensuring that women and men, including young people, have access both to condoms, contraceptives, medicines and other products, and to the services, information and education that they need to protect their reproductive and sexual health. DFID's bilateral programmes focus on strengthening the capacity of health systems to deliver those services and supplies effectively, and we also support organisations such as the United Nations Population Fund and the global fund.

Chris McCafferty: I thank my right hon. Friend for his reply, but can he tell the House what role the Government intend to play in bringing to the attention of the international community the very serious issue of reproductive health supplies security; and what are they going to do to encourage recipient countries to prioritise the same issue?

Hilary Benn: First, I pay tribute to my hon. Friend for her work on issues of reproductive health, in which she has taken a great interest for a very long time. I share her concern about the availability of reproductive health commodities. One thing that we are doing is to take every opportunity within the international community to draw attention to the problem. Secondly, we are providing finance and support to the United Nations Population Fund, which works hard in that field. Thirdly, and most importantly, we are ourselves funding a large number of supply programmes, including many

social marketing programmes in many of the countries in which we work, to provide condoms and other reproductive health supplies.

Dr. Jenny Tonge (Richmond Park) (LD): The Secretary of State will know that wherever he goes in the third world villages always seem to have access to Coca Cola and other such products. What is he doing to ensure that reproductive health supplies, especially condoms, are as available as Coca Cola?

Hilary Benn: I am not sure that the Department for International Development can hope to match Coca Cola—

Mr. John Bercow (Buckingham) (Con): Be bold.

Hilary Benn: May I give a practical example in answer to the hon. Lady's question? When I was in Pakistan just after Christmas, I met a group of lady health workers in Peshawar, where we are helping to fund a programme. Part of our increased aid programme in Pakistan is to allow more lady health workers to be employed in poor communities in that country. They work with families and mums on family planning, ensuring that supplies are available, and on child health and maternal mortality. That is a practical contribution and is one of the many examples, of which I am sure the hon. Lady is aware, of ways in which we are trying to address the question she raised.

Tony Worthington (Clydebank and Milngavie) (Lab): I was delighted to hear the Secretary of State say that many of the millennium development goals cannot be achieved without good reproductive health services, but the fact is that in Africa, supply of those services falls behind demand year by year. What are the international reasons for that and what can be done to give African women the same right to choose the size of their families as we have?

Hilary Benn: Partly, we need to ensure that in the development programmes that we undertake we give particular priority to precisely the point raised by my hon. Friend—enabling women to have more control over what happens to them. That is one of the most effective ways to ensure that right. The second thing we can do is to increase the size of our international development budget, including the budget for Africa, and by 2005–06 we shall be spending a billion pounds a year bilaterally. That is the expression of a practical commitment to support all that work.

Sir Patrick Cormack (South Staffordshire) (Con): What are the Government doing to encourage emulation of the example set by the Ugandan Government, who seek to teach young people that promiscuity is not necessary to adult life?

Hilary Benn: I take this opportunity to pay tribute to the leadership that the Government of Uganda and President Museveni have provided, especially on HIV/AIDS. In that country, we can see the benefit of strong political leadership in telling people, "This is the virus, this is how you catch it" and, crucially, "These are the steps that you can take in order to prevent yourself from being infected". We have seen the prevalence rate in Uganda fall—as it has done in Senegal, too. That is one of the most important things that Governments can do to enable their peoples to protect themselves.

Iraq

4. **Mr. David Stewart** (Inverness, East, Nairn and Lochaber) (Lab): If he will make a statement on aid to Iraq. [157874]

The Secretary of State for International Development (Hilary Benn): May I first express the House's deepest sympathy to the victims of the appalling bomb attacks that took place in Karbala and Baghdad yesterday? Those responsible clearly chose the Ashura festival as their target and cynically intended to cause the deaths of as many people as possible in an effort to disrupt Iraq's progress towards reconstruction and democracy. That cannot be allowed to succeed.

In my written statement of 23 February, I announced the publication of DFID's country assistance plan for Iraq. It sets out how the Government will help the reconstruction of Iraq over the next two years by supporting rapid, sustainable and equitable economic growth; effective and accountable governance; and social and political cohesion and stability. At the same time, I announced an initial UK contribution of £65 million to the United Nations and World Bank's international reconstruction fund facility for Iraq.

Mr. Stewart: Does my right hon. Friend share my view that debt relief is a vital ingredient in the rebuilding of the Iraqi economy? Iraq owes about $200 billion in debt and reparations payments, while ordinary Iraqis exist on about $2 per day. Of course, aid is a vital ingredient, but does my right hon. Friend share my view that we must break the millstone of that crippling Iraqi debt?

Hilary Benn: I do indeed agree with my hon. Friend on this subject. A lot of work is going on to try to achieve that. It will need to be dealt with through the Paris Club. I think that most major creditors now recognise the need for substantial debt reduction and restructuring.

Mr. Julian Brazier (Canterbury) (Con): May I on behalf of the official Opposition express total support for the Minister's comments on the ghastly events of the last 24 hours and make it clear that, as the House knows, the official Opposition support the Government in their determination to see this through? Nevertheless, does not the Secretary of State now regret saying,

"never mind the planning when we can see the product of the improvement that results from the work that has been done".—[*Official Report*, 12 November 2003; Vol. 413, c. 292.]?

Does he also regret saying that

"the security situation is improving throughout the country as a whole. The majority of insurgency attacks remain largely confined to a limited area to the north and north-west of Baghdad"—[*Official Report*, 19 January 2004; Vol. 416, c. 944W.]?

Is not the truth that the Iraqis and our armed forces are suffering from the lack of post-conflict planning?

Hilary Benn: I do not accept that and I do not regret a word that I uttered on either of those two occasions,

because it is self-evidently the case that reconstruction in Iraq is progressing and is succeeding, despite attacks such as the awful one yesterday. Of course our forces, the Iraqi forces, the police officers and the emerging Iraqi army are particularly in the firing line because the people who are planting these bombs do not want the reconstruction to succeed; they do not want the Iraqi people to have the chance of a better life.

However, it is important that the House recognise that those two things are happening in parallel, and that the process of reconstruction is taking place. Schools and hospitals are being rebuilt. The economy is growing. The increasing freedom of expression is evidenced by the growth of newspapers. Only last weekend the governing council attained the great achievement of agreeing a transitional law, which shows what can be done when the Iraqi people work together to carve out a better future for their own country.

Mr. Tam Dalyell (Linlithgow) (Lab): In his answer to my hon. Friend the Member for Inverness, East, Nairn and Lochaber (Mr. Stewart), the Secretary of State said that the intent of those responsible for the attacks could not be allowed to succeed. Will he take it from one who was shown round his mosque by the imam in Karbala that it is not a simple question of Sunni versus Shi'a? That is over-simplistic, and such things should not be said by people in the west who should know better. But how are we going to stop it succeeding?

Hilary Benn: I agree with my hon. Friend that this is not a simple matter, and nobody said that the reconstruction of Iraq after the 30 years of trauma and suffering that its people had experienced was going to be easy. This is a process, which we have to be determined to see through. What is necessary to maximise the chances of its success? First, it is necessary for the ordinary Iraqis to see that life is getting better as a result of the reconstruction work; that work is happening and people can see that.

Secondly, and most importantly, there must be a clear political process, which shows the Iraqi people that this is about enabling them to take their own decisions about their own future—something that has been denied them for the last 30 years. With the appointment of the governing council, the appointment of the Ministers, the agreement on the transfer of authority to take place on 1 July this year and, most recently, the agreement on the transitional administrative law, the process demonstrates that the Iraqi people, when they work together, are perfectly capable of charting that path towards a better future. We need to get on with it, because that is the best way in the end for us to undermine those people who are trying to disrupt that process.

Tom Brake (Carshalton and Wallington) (LD): Yesterday's cold-blooded terrorist outrage makes it even more important that funding for aid in Iraq is guaranteed. Can the Secretary of State confirm what financial arrangements are in place to ensure that the work that, for instance, the Salvation Army is doing can continue beyond the 30 June cut-off point? Does he expect aid to Iraq to increase as a result of yesterday's incident, and if so, where would he expect that additional funding to come from?

Hilary Benn: On the first point, I do not anticipate that there will be any difficulty in the continuation of the programme that the hon. Gentleman mentioned after 1 July. If there is a specific problem that he wishes to draw to my attention, I readily undertake to look into it. On the second issue, we have already made clear the extent of our financial commitment up to March 2006. Yesterday's events demonstrate the importance of the whole international community coming together to provide the support now, to further support the reconstruction and to back the political process, because that is the best way in the end of ensuring that Iraq has the better future that it desperately deserves after the nightmare that the people of that country have experienced in the past 30 years.

Africa

5. **Mr. Nigel Evans** (Ribble Valley) (Con): What discussions he has had on ensuring that aid is targeted towards the poorest areas of Africa. [157875]

The Secretary of State for International Development (Hilary Benn): I have regular discussions with African Governments, officials and a wide range of organisations and individuals on where best to target aid. Decisions on where to allocate resources are informed by an analysis of poverty levels, a commitment to poverty reduction and institutional capacity. United Kingdom bilateral assistance to Africa will rise to £1 billion a year by 2005–06.

Mr. Evans: Prince Harry has recognised that there is a real role for volunteers who want to give up some of their time to go to some of the poorest parts of Africa. It has been announced that he is spending some of his gap year in Lesotho, helping the victims of AIDS. As the Secretary of State will know, there is a skills shortage. A lot of young people are dying of AIDS, and they are the very people who could help out in the epidemic there. I welcome the amount of aid that the British Government are giving to help to combat the epidemic that is ravaging Africa, but can he suggest any practical ways in which we can assist with the effective spending of that money by ensuring that the skills needed to help those who are suffering from AIDS are gained?

Hilary Benn: I welcome all the efforts that many voluntary organisations are making to try to contribute to the fight against HIV/AIDS, but the hon. Gentleman raises a fundamental question about capacity. In Malawi, for example, teachers are dying of HIV/AIDS faster than they can be trained, creating a fundamental problem that impacts on the achievement of the millennium development goal of getting kids into primary schools. I recognise that we need, as an international community working with developing country Governments, to think more about how we can bolster and support that capacity, perhaps in ways that we have not been using recently. Work that I have

commissioned on this very issue is already under way in the Department. The hon. Gentleman puts his finger on a very big concern, to which we will have to respond.

Mr. Tony McWalter (Hemel Hempstead) (Lab/Co-op): My right hon. Friend will know that the Science and Technology Committee is conducting an inquiry into how we can translate the wealth and financial resources that he is making available into scientific and engineering expertise, so that those countries can trade and invest their way out of current poverty levels. Will he welcome that inquiry and assure the House that he will give every assistance in promoting it to reach a satisfactory conclusion in those investigations?

Hilary Benn: I indeed welcome the inquiry, and we have already given evidence. We are seeking to apply our scientific research in a way that makes the biggest difference in helping the people of Africa to have a better future, not least in encouraging ideas and proposals—for example, new ways to plant and care for crops. We have to ensure that the ideas that are the product of that research are disseminated as effectively as possible, so that farmers on the ground know that they can do things differently to increase, for example, their agricultural productivity.

Mr. John Bercow (Buckingham) (Con): The motivation behind the establishment of the UN Economic Commission for Africa is to be applauded, and I congratulate the right hon. Gentleman on his appointment to it. Does the commission intend to consider the reform of the heavily indebted poor countries initiative? Can he confirm whether it will also consider how to address the $300 million funding gap in relief for southern Africa? Will he tell the House what is the yardstick for measuring the commission's success in 12 months' time?

Hilary Benn: I am grateful to the hon. Gentleman for welcoming the Commission for Africa, although I have to say that the fact that the Opposition have decided that they would not protect spending on international development would not help in achieving that objective. The Commission for Africa will consider all the things that he mentions and others, as we search for what more we can do to help Africa—but the worst thing that we could do is reduce the aid that we are giving.

Mr. Bercow: We have decided no such thing, and the right hon. Gentleman ought to be explicitly clear on that point. Given that there is an AIDS levy in Zimbabwe, but that on my recent visit there I encountered people who are getting no benefit whatsoever from the resources raised by domestic taxpayers, will the commission consider the crisis of governance that is killing people, not only in judicial killings but by neglecting the terminally ill?

Hilary Benn: On the first point, I simply say that the hon. Gentleman ought to talk to his colleagues about what others have decided for his portfolio. On the second issue, yes, the commission will need to consider good governance because everyone recognises that good governance is absolutely fundamental to the future of Africa.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [157886] **Mr. Michael Weir (Angus)** (SNP): If he will list his official engagements for Wednesday 3 March.

The Prime Minister (Mr. Tony Blair): Before stating my engagements for the day, may I say that I am sure that the whole House will join me in sending our deepest sympathy to the people of Iraq, where 150 or more innocent men, women and children were killed yesterday by terrorism, and to Pakistan where, in a similar attack, more than 40 innocent people died? Both were calculated acts of evil. Both were attacks designed to foment religious strife. The attack in Iraq was plainly designed to stop the progress that Iraq is making toward a stable democratic state under the sovereignty of the Iraqi people, and it has been condemned by Muslim leaders—Sunni and Shi'a alike. Our pledge to the people of Iraq and Pakistan is to work with them to ensure that this evil barbarism is eliminated from all parts of our world.

This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I have further such meetings later today.

Mr. Weir: Does the Prime Minister agree with Fred Eckhard, the official spokesman for Kofi Annan, that anyone bugging the Secretary-General of the United Nations is in clear breach of the 1946 UN convention and, indeed, has committed an illegal act?

The Prime Minister: I have nothing to add to what I said last Thursday on that except to say, yet again, that our security services of course abide by all our legal obligations.

Mrs. Claire Curtis-Thomas (Crosby) (Lab): Now that we have successfully negotiated a peaceful outcome for the people of Iraq, what are we going to do in terms of securing a better solution for those in poverty throughout the world and improving settlements and progress on issues of third world debt?

The Prime Minister: There has of course been a very important agreement in Iraq, which I hope will be ratified later this week, on a new constitution and a way forward. It is worth pointing out, as my hon. Friend implies, that that will allow people of all religious persuasions in Iraq freedom of worship and the ability to do what they wish to do in accordance with proper human rights. It is a remarkable political achievement by the people in Iraq, which is why whatever the terrorists may try to do, we have to carry on working to establish a peaceful, democratic, stable and prosperous Iraq for the future.

Mr. Michael Howard (Folkestone and Hythe) (Con): May I first join the Prime Minister in expressing the sympathy of those of us on these Benches to the families of those who lost their lives and those who were injured

in yesterday's horrific attacks in Iraq and Pakistan? Can the Prime Minister confirm that police in Basra, backed by British troops, captured four suspected bombers who might have caused even more carnage? I also join him in congratulating the Iraqi National Congress on the progress made in agreeing the constitution. Does the Prime Minister agree that we have a continuing duty to the people of Iraq to do everything that we can to help them to build a stable and peaceful country?

The Prime Minister: In relation to people who may have been arrested by British troops, I cannot give any further information at this stage, but I will tell the House as soon as I am able to do so. It is worth pointing out that British troops and, indeed, those working with them down in the south of Iraq have done a quite magnificent job on behalf of this country and the people of Iraq. Of course I agree with the sentiments in the other part of what the right hon. and learned Gentleman said.

It is worth pointing something out to people who are in any doubt about the importance of what is going on in Iraq today and the struggle there of Iraqi people who are trying to make their country better. Although they are helped by the Americans, the British and 30 other countries, the Iraqi people are taking responsibility for their own affairs and trying to strive forward. These brutal, evil terrorists are prepared to kill any number of people to stop that progress being made. It literally is a fight between the forces of good and the forces of evil, and we should be immensely proud of the part that this country and our troops are playing in that struggle.

Mr. Howard: Of course I join unreservedly with the Prime Minister in his tribute to British troops. Does he agree that it is the prospect of a stable and peaceful Iraq that represents the greatest threat to the terrorists of al-Qaeda and their associates, and is not that the reason why Iraq has now become the front line in the war against terror? What implications do yesterday's events have for the plans to hold elections in Iraq? Does he agree with the UN special advisor, Lakhdar Brahimi, who says that organising elections by 30 June in the current security climate would be difficult, and that it is unlikely that the necessary mechanisms can be put in place in time?

The Prime Minister: It will be difficult, for the reasons that the UN representative gives. On the other hand, it is important that we keep to the timetable to bring democracy to Iraq as swiftly as possible. I agree with the right hon. and learned Gentleman on the first part of his question—of course it is important. There is a clear reason why terrorists from every extremist group in the middle east are pouring into Iraq to try to do as much damage as they can to innocent people there: it is because they know that if Iraq becomes a stable, democratic and prosperous country, a Muslim country where there is tolerance of worship and sovereignty is vested in the Iraqi people, that will not only be a huge signal of hope across the middle east, but it will deal a tremendous blow to the propaganda of the extremists and fanatics who would say that the purpose of any conflict in Iraq was to seize the oil or subjugate the Iraqi people. That is why they are doing it—they know what is at stake. I just hope that we do as well.

Mr. Gerald Kaufman (Manchester, Gorton) (Lab): Does my right hon. Friend recall that when he and I sat together in the shadow Cabinet during the Gulf crisis and war of 1990–91, we—the Labour party—gave full, unwavering and undeviating support to the policies of the Government of which the leader of the Conservative party was a member? We never wavered at any time—it was a matter of principle to us—nor did we ask for the publication of the legal justification for the war. Is not that a contrast—*[Interruption.]*

Mr. Speaker: Order.

Mr. Kaufman: Is not that a contrast with the wriggling, squirming mess of opportunist hypocrisy we see on the Opposition Benches?

The Prime Minister: I only hope that, since we have had an exchange today that was based on consensus, we can continue in that spirit. It is important for our country, our troops and the security of the world that on big issues, in so far as possible, the main parties come to agreement. I hope that we can maintain that position. I honestly believe that that is in the interests of Britain.

Mr. Charles Kennedy (Ross, Skye and Inverness, West) (LD): Following on from the question put by the right hon. Member for Manchester, Gorton (Mr. Kaufman), will the Prime Minister acknowledge that, now that one former Prime Minister and two former Foreign Secretaries have said that the Attorney-General's legal advice should be published in full, he should not continue to resist doing so?

The Prime Minister: No, I am afraid that I do not agree. Actually, I pay rather more attention to what those people did when in government.

Mr. Kennedy: Where public trust is concerned, the absence of publication of the Attorney-General's full legal advice will only encourage the atmosphere out there of people not believing what they are being told. Publication must be in the interests of the Prime Minister and of the Government. Is not the real danger of the absence of publication the growing perception that perhaps the Attorney-General's advice was itself sexed up?

The Prime Minister: For some people who have been opposed to the war, it really does not matter what happens. Whether there is another inquiry, whatever is published, and whatever is said, they simply cannot get over the fact that there is a legitimate disagreement about whether the judgment to go to war was right or not. It does not require a conspiracy theory to mount that argument; it simply requires an acceptance of the fact that there was a difference between us—between him and me and between those who were in favour of the war and those who were against it. However, I am frankly surprised that the right hon. Gentleman has risen to his feet today and not at least condemned what happened in Iraq yesterday. When we examine what is

at stake in Iraq today, whatever we thought about the war—whether we agreed with it or not—surely we can agree that the most important thing now is to rebuild Iraq in the interests of that country and of the wider world.

Mr. Colin Challen (Morley and Rothwell) (Lab): Will my right hon. Friend join me in welcoming the publication last week of the report by the International Labour Organisation's World Commission on the Social Dimension of Globalisation, which, among other recommendations, proposes that the ILO should have much stronger powers to carry out its duties? Unlike the International Monetary Fund, the World Bank and other bodies, the ILO does not have the power to enforce sanctions to ensure that labour rights are recognised around the globe. In particular, the right to join a free and fair trade union is denied to millions of Chinese workers. Will my right hon. Friend join me in expressing those sentiments?

The Prime Minister: The ILO report is wide ranging. It talks about the millennium development goals in Africa, which we are committed to meeting. Aid given by this country has significantly increased in the past few years, which is important. On labour standards, obviously I strongly support proper minimum labour standards across the world, as does the ILO. Indeed, we introduced the right, which was denied for many years, to join a trade union in this country. At the same time, it is important that minimum labour standards do not become a means of protectionism, and that balance must be struck.

Q2. [157887] **Tom Brake** (Carshalton and Wallington) (LD): The Prime Minister says that the UK has some of the toughest arms controls in Europe. If that is the case, can he explain why in 2002 the UK exported arms or weapons components to 12 African countries, many of which are involved in violent regional conflicts? Should the Economic Commission for Africa, which he established last week, investigate that matter; and where do those exports leave his claim that we prevent the sale of small arms to Africa?

The Prime Minister: Perhaps I will set out in writing for the hon. Gentleman exactly what was sold to each of the 12 countries. We should not assume that selling arms to a country is necessarily wrong. The defence industry is an important part of British industry, and many thousands of jobs depend on it. It is not necessarily the case that selling arms to countries is wrong, especially if countries use them to defend themselves.

Q3. [157888] **Mr. Gordon Marsden** (Blackpool, South) (Lab): Will the Prime Minister join me in congratulating all those who have campaigned for and are now involved in the construction of the new £45 million specialist cardiac unit at Blackpool Victoria hospital, which I saw my right hon. Friend the Secretary of State for Health officially launch yesterday? Does he agree that Governments must demonstrate not only economic competence and a commitment to the core values of the NHS but actual, real, sustained improvements for patients, such as those that that unit will deliver?

The Prime Minister: The unit is part of a series of centres located across the country that will cut waiting lists and waiting times. There is massive additional investment in the health service. Alongside other investments, there are new hospital buildings—I opened one recently—with magnificent, state-of-the-art facilities. They form part of the investment and reform programme in the national health service that is daily improving the lives of people in this country and bringing the national health service back to where it should be—the pride of Britain.

Mr. Michael Howard (Folkestone and Hythe) (Con): Following the question from the hon. Member for Blackpool, South (Mr. Marsden) on the national health service, the Prime Minister will be aware that there is a statutory, three-month implementation period for guidance from the National Institute for Clinical Excellence. In the case of photodynamic therapy for those suffering from wet, age-related macular degeneration, the Secretary of State for Health has extended that period to nine months. As a result, the Royal National Institute of the Blind estimates that 2,800 people will go blind unnecessarily. Can the Prime Minister explain why the Secretary of State took that action?

The Prime Minister: I am afraid that I am not aware of the particular issue to which the right hon. and learned Gentleman refers, but I will certainly look into it. I am sure that there are good reasons for extending the consultation period—there are often important reasons—in order to make sure that whatever we do is most effective for the patients concerned. However, I am not in a position to respond on the detail of the point today.

Mr. Howard: Let me see if I can help the Prime Minister a bit. It is not a consultation period that was extended—*[Interruption.]* The Secretary of State for Health should restrain himself. It is not a consultation period that was extended but an implementation period. The Secretary of State said in the House last week that the reason for extending that period was a "lack of trained personnel", but the RNIB has said that there are at least 50 centres across the country that could provide that treatment today. Will the Prime Minister now instruct the Secretary of State to deliver that important sight-saving service as a matter of urgency?

The Prime Minister: I will look into the points that the right hon. and learned Gentleman is making. I understand from the Secretary of State that NICE agreed to the extension of the period, but I will obviously have to look into that very carefully to make sure that what the right hon. and learned Gentleman said is right. I cannot answer the particular point because I simply do not know the details at the moment, but I can say that it has been part of the Government's investment programme in the health service massively to increase the number of training places throughout the national health service. I would point out to the right hon. and learned Gentleman that on each occasion that we have made that additional investment, he opposed it.

Mr. Howard: I am afraid that the Prime Minister is still missing the point. The people who could provide that treatment, according to the RNIB, are there now.

The treatment could be provided now—people are going blind because they are not allowed to provide that treatment now. Will the Prime Minister instruct the Secretary of State to make that treatment available now?

The Prime Minister: I am not going to give him any such instructions until I have investigated whether the right hon. and learned Gentleman is being entirely accurate with the facts. If he does not mind my saying so, on previous occasions on which he has put such points of detail to me they have turned out to be not exactly as they were when he put them to me. I shall therefore have to look into the matter, but of course we will do whatever we can. It is important, however, that we do so in consultation with NICE. After all, we are the Government who established NICE, and did so to make sure that we can end the postcode lottery in the national health service. It has worked extremely well, and I am quite sure that the Secretary of State took action on proper advice. Following our exchange today, however, I will make sure that I acquaint myself fully with the facts, and will write to the right hon. and learned Gentleman, so that we can see exactly what those facts are.

Mr. Robert Marshall-Andrews (Medway) (Lab) *rose—*

Hon. Members: Ah!

Mr. Marshall-Andrews: I plead guilty.

The Attorney-General has provided three written replies to the effect that he did not rely on any facts in Government dossiers when reaching his opinion that Iraq had failed to disarm. In those circumstances, what factual material was he given by the Government from which he could draw that conclusion?

The Prime Minister: The Attorney-General was given whatever material he required to make his decision, but the basis of the decision was that Iraq continued in material breach of UN resolutions. I must tell my hon. and learned Friend that in respect of resolution 1441 there was a whole series of things that Iraq was supposed to do under Saddam Hussein. Before he shakes his head, perhaps he would like to listen to what those were—that is what a lawyer should do, after all. The point, surely, is that the Iraq survey group has already found that there was a failure to disclose proper information to the United Nations inspectors and that there was a series of activities and programmes in breach of UN resolutions, so it is completely obvious that Iraq was in material breach of resolution 1441.

Q4. [157889] **Sandra Gidley** (Romsey) (LD): Will the Prime Minister fly me to the moon? Failing that, will he accompany me to Lunar house in Croydon, which has been described as a human cattle shed. Staff and the public are under huge pressure, and my constituents are waiting months, if not years, for their cases to be determined. Is the Prime Minister proud of the service that his Government are providing in that area?

The Prime Minister: It is extremely unfair to say that about staff at Lunar house. Actually, an immense amount of work has been done there. For example, 80 per cent. of asylum claims that used to take an average of 18 months to process now take only two months and, as the hon. Lady knows, the number of asylum seekers has been halved. The staff do an excellent job in very difficult circumstances. We try to ensure that we process claims as quickly as possible.

As for sending the hon. Lady to the moon, I fear that it is too much peopled with Liberal Democrats as it is.

Mr. Kevin McNamara (Hull, North) (Lab): My right hon. Friend will recall that in the course of the Weston Park agreement Judge Corry was asked to look into the killings in Northern Ireland and in the Republic. He has already had his report published in the Republic, but not yet in this country. Furthermore, he has told the families that he has come down in favour of a public inquiry to ascertain how those people were killed and whether there was any collusion with the security forces of the Crown. Can my right hon. Friend give the House an undertaking that after the report has been published, public inquiries will be established, as recommended by Mr. Justice Corry, and that there will be no attempt to subsume or absorb those inquiries into any future truth and reconciliation commission, in order to ensure that those responsible for these hideous crimes can properly be held to account?

The Prime Minister: My hon. Friend will know that no decisions have been taken in relation to any truth and reconciliation commission. Obviously, that could not subsume any such inquiries. I stand by the commitments of Weston Park, but there are particular legal reasons that we have to go through and ensure are in order before we are able to publish the Corry report. We will do so as soon as we can.

Q5. [157890] **Dr. Jenny Tonge** (Richmond Park) (LD): Will the Prime Minister confirm that a limit of 480,000 air traffic movements a year at Heathrow was accepted by his Government after the terminal 5 inquiry, and that the Government White Paper is now calling for runway alternation so that 560,000 air traffic movements a year can take place? That will make noise pollution unbearable and could cause catastrophe in the skies over Heathrow. If that happens, will the Prime Minister take responsibility or will he blame somebody else?

The Prime Minister: I understand the hon. Lady's constituency preoccupation. It is of course important that she represent the views of her constituents, and I am sure that they are opposed to any extension at Heathrow. It is in the nature of such developments that it is very difficult to find people who are in favour of them.

On the other hand, we have to try to take a strategic view in the interests of the country as a whole, in view of the fact that air travel has increased dramatically and will increase dramatically again over the next few years. A whole series of issues, including environmental issues, must be resolved. That is why we said what we did in the aviation White Paper. The hon. Lady will have to understand—it is difficult to say, but none the less true—that in the end we will have to take a decision

based on what we believe to be in the long-term interests of the country; and Heathrow as an airport is of massive strategic importance to the whole of the UK.

Q6. [157891] **Mr. Peter Pike** (Burnley) (Lab): My right hon. Friend will know that the biggest single problem in Burnley is not the British National party and racism, which he has always condemned, but the 4,500 empty houses there. Later this month, the results of the bid for the housing renewal pathfinder project—Elevate—will be announced. While we are waiting for that, a series of houses that are not included in phase 1 are deteriorating rapidly. Can my right hon. Friend assure me and people in east Lancashire that we will get an early decision to enable us to tackle the problem quickly?

The Prime Minister: My right hon. Friend the Deputy Prime Minister will make an announcement on that shortly. We have set aside a £500 million package for housing market renewal, which is a major issue in east Lancashire and in places such as my hon. Friend's constituency, and the obverse of some of the issues down in the south of the country. That is why we thought it so important to establish the pathfinder renewal fund.

Q7. [157892] **Mr. Richard Bacon** (South Norfolk) (Con): Why does the Prime Minister take part in only 5 per cent. of Divisions, according to the Library? I know that he is busy, but does he understand that, while he asks his colleagues to come here to vote for things about which many of them have severe doubts, he can hardly be bothered to vote himself?

The Prime Minister: We have rather a large majority, and often I do not come here for Divisions. However, the most important thing when holding a Prime Minister to account is questions at the Dispatch Box. In the past six and a half years, I have answered more questions at the Dispatch Box—[HON. MEMBERS: "Answered?"] Let us say that I have given answers to my satisfaction if not the wholehearted satisfaction of others. I have made more statements—the whole Government have made more statements—and I believe that that is a more effective way in which to hold the Prime Minister to account.

Q8. [157893] **Mrs. Betty Williams** (Conwy) (Lab): Following my right hon. Friend's welcome announcement last week of an Economic Commission for Africa, does he agree that many major issues, such as AIDS, poverty, civil war and civil unrest, remain to be faced in Africa? Does he further agree that poverty is the key issue? What steps does he believe the international community should take to increase income levels so that the challenges can be taken on?

The Prime Minister: The increase in our bilateral aid to Africa will take it to £1 billion a year in the next couple of years. That is an increase of 50 per cent. in three years. Indeed, we have trebled the amount of money that we were contributing in 1997. It is therefore important to continue with the aid and development budget and not subject it to the cuts with which the Conservative party is apparently intent on proceeding. They would do immense damage to our whole development case.

Q9. [157894] **Mr. James Clappison** (Hertsmere) (Con): Does the Prime Minister appreciate how fed up people are with unneeded name changes such as those proposed to the criminal justice system? Is not that one more example of the Government's propensity to waste money and overlook the pride that ordinary people take in their connection with the Crown?

The Prime Minister: Something will be said about that later. Surely we can take pride in, for example, a 30 per cent. rise in guilty pleas now that the prosecutors have an active role in charging, a fall in the number of ineffective trials, and conviction rates of 90 per cent. in Crown and magistrates courts. Whatever the service's change of name, it will make no difference to the fact that the Crown mounts the prosecutions. Surely it is far more important to concentrate on the excellent work of many in the Crown Prosecution Service.

Dr. Brian Iddon (Bolton, South-East) (Lab): The latest victim of death by dangerous driving in my constituency was eight-year-old Billy Joe Dean. Of greatest concern to me are the drivers who receive short sentences, which are not unusually reduced on appeal, despite the fact that the drivers have been driving under the influence of alcohol, often without licences or insurance, and have usually been involved in previous incidents. Does my right hon. Friend agree that we have been far too lenient with those drivers in the past?

The Prime Minister: I can totally understand and, indeed, share the anger of my hon. Friend and his constituents about such situations. Obviously, I cannot comment on the individual court case. We have given the courts the power to increase the penalty. Under the Criminal Justice Act 2003, the penalty for causing death by dangerous driving has been increased from 10 to 14 years. I hope that the new sentencing guidelines, which we shall discuss later, will allow us to make sentences more consistent and make it clear that those who cause death by dangerous driving, especially when under the influence of drink, take lives wholly unnecessarily and appallingly, with terrible, tragic consequences for individuals and their families.

Q10. [157895] **Sir Nicholas Winterton** (Macclesfield) (Con): Does the Prime Minister accept that one of the responsibilities of Members of Parliament is to represent the interests of those who sent them here? Does he therefore accept that I am deeply concerned about the position of my borough council of Macclesfield, which, despite an increase in resources from central Government to take account of inflation, is in grave difficulty because of additional responsibilities that central Government have placed on local government for which additional resources have not been provided? Is he prepared to meet me or to ask the relevant Minister to meet me to discuss the problems of my council, which is doing its best and is a debt-free borough council? The withdrawal of capital receipts means that it is in grave difficulty.

The Prime Minister: I am always happy to meet the hon. Gentleman, but I have to say to him, in relation to councils, that they all—including Macclesfield—have had an above-inflation rise in central Government grant. Of course there will always be difficult decisions for councils, but if we look back over the past few years,

we see that most councils in the country have had a double-digit real terms increase in their funding. Yes, it is true that they have also had additional responsibilities, but the funding increase has been massive. I have to point out to the hon. Gentleman that the position of his own Front Benchers is to cut, in real terms, the amount of money going to local authorities, not to increase it as we are doing.

Crown Prosecution Service

12.30 pm

Mr. Dominic Grieve (Beaconsfield) (Con) (*urgent question*): To ask the Home Secretary if he will make a statement on his role in relation to the Crown Prosecution Service and on its renaming to delete reference to the Crown.

The Solicitor-General (Ms Harriet Harman): With permission, Mr. Speaker, I shall answer this question.

As Minister responsible for the Crown Prosecution Service, the Attorney-General has initiated and is leading a substantial programme of development and reform of the CPS. The Home Secretary fully supports that programme, particularly the closer working between the CPS and the police that it involves. Some months ago, the Attorney-General first raised the question of whether, to reflect that programme of change and reform, the name of the Crown Prosecution Service should be changed. Further discussions are under way. The Attorney-General is making a statement on that in another place this afternoon.

Mr. Grieve: I thank the Solicitor-General for that extremely brief statement, but frankly, I am sorry to see her at the Dispatch Box. The question was specifically put to the Home Secretary, because it is what he said yesterday that requires scrutiny by, and an answer to be given to, this House. It was the Home Secretary who made the comment on the Crown Prosecution Service. In the same speech, he referred to ensuring that magistrates and district judges hold public meetings to be influenced in their decisions as judges.

The Secretary of State for the Home Department (Mr. David Blunkett) *indicated assent.*

Mr. Grieve: I note that the Home Secretary nods with approval.

Will the Solicitor-General confirm that neither matter to which I have referred is the Home Secretary's departmental responsibility? Or are we to understand, from yesterday's comments, that there has in fact been a substantial change of policy on this matter? Were the Home Secretary's remarks approved by the Attorney-General and, for that matter—in relation to the judiciary—by the Lord Chancellor prior to being made?

Does the Solicitor-General agree with me that the Home Secretary and the Home Office should have no departmental role in the operation of the Crown Prosecution Service or the judiciary because of the risk of political interference? Is it not for the Attorney-General, through his oversight, to protect the independence of the CPS and for the Lord Chancellor to do so in relation to the judiciary? If so, what are the Solicitor-General and the Attorney-General doing about that, in relation to what they have said to the Home Secretary on this matter?

What is the background to the proposal on the CPS? The principle in this country is that the Crown is the font of all justice, independent of politics. Prosecutions are brought in the name of the Crown precisely to emphasise that point. A prosecutor, as I well remember, is reminded at the outset that his role is not partisan, but is that of a minister of justice. How does that square with the Home Secretary's comments that he wants the prosecutors to be on the side of the public? The Solicitor-General might have no difficulty agreeing with me that the public interest and the interest of a neighbourhood might not be one and the same.

Why has there been neither an announcement nor any consultation whatever with Parliament on the proposals? Why was the Queen not informed of what the Government have proposed on such an important change?

We learn today that, in response, the Government's spokesman to the Lobby gave the impression that the Government were now retreating on their proposal on the Crown Prosecution Service, emphasising that it was only an idea at the earliest stages of consultation. Will the Solicitor-General please tell the House who is right: the Home Secretary in his utterances yesterday or the Government's spokesman this morning? The House is entitled to know how the matter stands.

The diminution of the role of the Crown is all of a piece with other Government proposals relating to the Prison Service, where officers who derive from the Crown their power to detain are going to lose their—

Mr. Blunkett: No they are not. The hon. Gentleman should not read the *Express*.

Mr. Grieve: The Home Secretary intervenes from a sedentary position. If he were answering this question—*[Interruption.]*

Mr. Speaker: Order. The Home Secretary will have to be quiet. The shadow Solicitor-General is asking a question.

Mr. Grieve: Thank you, Mr. Speaker. I am sorry that the Home Secretary has not taken the opportunity to answer this question. We shall not have the benefit of his words.

Does the Solicitor-General agree that the problem with all these proposals is that they risk undermining the independence of the judicial system and the administration of justice? They will also undermine the Crown in its central role of ensuring the non-politicisation of the system of justice and, in the process, they will undermine our freedoms. Is it not significant that these comments come at a time when the Home Secretary is seeking vastly to extend his powers into the judicial system by a number of means? They include the removal of judicial scrutiny of asylum cases and the substitution of an administrative system, the desire that judges should conform to his ideas, and the removal of the ability of the Lords of Appeal and the Lord Chief Justice to speak in Parliament. Is it not the case that what is now happening—

Mr. Speaker: Order.

Mr. Grieve: I am asking a question.

Mr. Speaker: I know that the hon. Gentleman is asking a question, and I am listening. What I am trying to say is that the question is too long—*[Interruption.]* Order. An urgent question should be an extension of

[Mr. Speaker]

Question Time. The hon. Gentleman is putting such a long series of questions that I must now stop him. I call the Solicitor-General.

The Solicitor-General: I have sought to answer this question because the hon. Gentleman asked about the Crown Prosecution Service. I therefore thought that it would be helpful to him and to the House for me to answer it, as the Attorney-General is responsible for superintending the Crown Prosecution Service. That is why I am here at the Dispatch Box.

I should like to make it clear that there is no risk of politicisation of the Crown Prosecution Service. I would say to the hon. Gentleman that he is no more committed than the Attorney-General or me to the independence of the Crown Prosecution Service or to its carrying out its work in the public interest according to the code of Crown prosecutors. We stand by that and defend it, as the hon. Gentleman would expect us to. I think he knows that. The question then is whether it is right for Ministers responsible for the police to work together with Ministers responsible for the Crown Prosecution Service, and for them in turn to work together with the Ministers responsible for the courts. Of course it makes sense for there to be a partnership. We have argued, as has the hon. Gentleman, for good partnership at local level between the police, the Crown Prosecution Service and the courts, in the public interest and the interest of justice. The hon. Gentleman has been a supporter of that principle, which I welcome.

It is right, too, that this principle should be embodied at area level, through the local criminal justice boards, which we have often discussed in the House. That involves a partnership between chief constables, chief Crown prosecutors and those responsible for the magistrates courts and Crown courts. That, too, is part of the partnership in the public interest and the interest of justice. Of course, people have their own independent responsibilities within that. Nothing changes that, but it is right that they should work in partnership. Just as we are asking people to work in partnership at local and area level, so it must be right that the Ministers responsible for those different agencies work together. That is what has happened.

The hon. Gentleman made a great many other points. He asked why the Home Secretary said what he did. The answer is that he was asked a question. If the Home Secretary is asked a question, it is right that he should answer it. I would point out—*[Interruption.]* He was asked a question when he was engaged in a consultation. He was making a wide-ranging speech and he was asked a question that relates to an issue on which the Attorney-General has the lead. He was quite right to answer; it would have been very odd if he had not done so, so he answered.

Conservative Members are in danger of getting ahead of themselves, so perhaps I might remind them that there has been discussion of this matter for some time. There is a broad-ranging programme of reform, with which the House has been involved, such as proposals for the criminal justice system under which the Crown Prosecution Service should take over from the police the responsibility of charging. That involves prosecutors working with the police in police stations. That was in the Criminal Justice Act 2003.

The House was involved in discussing that as well as in discussing the opportunity for prosecutors to be able to appeal against terminal rulings. *[Interruption.]* Conservative Members wonder why I am raising these points, but I am trying to explain that those are the building blocks of a programme of improvement and change in the Crown Prosecution Service that will make it a self-confident prosecutor in the public interest in all areas. [HON. MEMBERS: "Make a statement about it."] Conservative Members say that we should make a statement, but this has been discussed at Solicitor-General's questions. Such issues have been discussed in Committee and in the House.

Mr. Alan Duncan (Rutland and Melton) (Con): What about the name change?

The Solicitor-General: I will come back to the name change. Conservative Members should bear with me, because the hon. Member for Beaconsfield (Mr. Grieve) raised many more questions in addition to the name change. I think it right that I should try to answer those. I am not trying to avoid the issue of the name change, but I have been asked many other questions.

I understand that prisons will remain known as Her Majesty's prisons, but, as a means to bring together the probation service and the Prison Service, the overall service that employs those who work in probation and in prisons will be called the National Offender Management Service.

Mr. Duncan: Name change?

Mr. Speaker: Order. The hon. Gentleman should not shout across the Chamber. I call David Heath.

Mr. Duncan: But what about the name change?

Mr. Speaker: Order. I tell you, Mr. Duncan, that you are defying the Chair. You will not do that. I call David Heath.

Mr. David Heath (Somerton and Frome) (LD): I also regret the fact that the Home Secretary is not apparently accountable for his words when he interferes with the business of another Department of State.

I believe that there is a case for the name change proposed for the Crown Prosecution Service, if not least to bring it in line with the nomenclature of the Director of Public Prosecutions, a post that, after all, we have had for 124 years. Indeed, there is a case to be made for increased transparency and effectiveness on behalf of the service. However, is it not important to differentiate between the activities of the prosecution and the judiciary and those of the Executive and the state? Is that not an important differentiation, which is made by the use of the term "Crown" and which needs to be maintained in the dealings of the Crown Prosecution Service?

Will the Solicitor-General confirm that there is no question of changing the practice of mounting prosecutions in the name of the Crown? Will she confirm that for any name change to take place there would need to be primary legislation, not least the amendment of the Prosecution of Offences Act 1985?

Whatever merits there may be for the case, it is simply not a matter in which the Home Secretary, of all Secretaries of State, should be involved because of that separation of the judiciary and the prosecution from the executive arm of the Home Office. Is this not, yet again, an argument for having a fully effective Department of Justice, which would take away such judicial matters from the province of the Home Secretary?

Lastly, does not this episode smack of the confusion over the removal of the title "Lord Chancellor" and the proposals introduced last year? Is it not time for considered reform of the judicial system, not the disintegration of our systems by press release, Cabinet reshuffle or ministerial asides?

The Solicitor-General: Of course, the Home Secretary is accountable for his words, but the shadow Attorney-General tabled this question, and the Attorney-General, to whom I am the deputy, is responsible for superintending the Crown Prosecution Service. Sometimes, during Solicitor-General's questions, you will appreciate, Mr. Speaker, that I get asked questions about the police. I do not say, "That is not a matter for me, I am not going to answer that question." If I think that I know the answer, I seek to give the House the information for which it asks and I say, "This is a matter for the Home Secretary, but I understand . . . " Similarly, if a Member asks a question that relates to issues that are the responsibility of the Department for Constitutional Affairs, I do not say, "Nothing to do with me, go and ask somebody else." I seek to answer such questions. Similarly, if the Home Secretary is asked at a public engagement a question related to the wider criminal justice system, which finds its centre of gravity within the Crown Prosecution Service, it is perfectly fair for him to answer the question, and he is accountable for his words.

Hon. Members cannot have it both ways. We cannot have joined-up government, joined-up agencies and partnership in the interests of justice, and at the same time a kind of narrow, paranoid departmentalism. I am not in any doubt of the independence of the Crown Prosecution Service, nor do I fear for it. I stand here to defend that, as does the Attorney-General in the other place. All Crown prosecutors know that they have that backing from the Attorney-General and they implement the code accordingly. I therefore urge Members not to read something into the proposal when, on reflection, they know that it is an important programme of reform, of which partnership is an important part, that the Attorney-General is in no doubt about the importance of having an independent prosecution service, and that that is the situation.

Mr. Tam Dalyell (Linlithgow) (Lab): As one who pestered Sir Reginald Manningham-Buller, before my right hon. and learned Friend was born, with pertinent questions, may I ask whether this does not show that the Attorney-General should be in the House of Commons? Given the quality of the question asked earlier by my hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews), might not he be an admirable candidate?

The Solicitor-General: It is a matter for the Prime Minister to appoint the Attorney-General and Solicitor-General, and I take seriously my responsibility to account to this House for the work of the Attorney-General. I do not therefore think that there is less accountability to this House, as I am absolutely clear and open with the House and speak on behalf of the Attorney-General in this House.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): May I ask Her Majesty's Solicitor-General what prior consultation there has been with Her Majesty's judges, those who command the Royal Navy and the Royal Air Force or officers of regiments with the prefix "Royal"? Does she not understand that this country has a long and proud history, and that the title "Royal" reminds us of that? Does she not understand, too, that few people who are not zealous republicans have any sympathy for the type of policy now being described?

The Solicitor-General: The right hon. and learned Gentleman will recognise that too few people know what the Crown Prosecution Service is, and what it does. We want to make sure that people have confidence in the criminal justice system as a whole. They understand what the police do, and they understand what the courts do, but many of them are baffled about what the Crown Prosecution Service does. One of the things that the Crown Prosecution Service has been doing is seeking to engage with local communities to ensure that people understand what it does in the public interest. The question is whether, as part of a whole range of reforms—which I have already set out to the House, and which I do not want to rehearse again—changing the name would contribute to people's understanding of the enhanced and reformed role of the Crown Prosecution Service. Hon. Members should not therefore get too concerned about this.

The right hon. and learned Gentleman asked whether judges had been consulted—

Mr. Hogg: Her Majesty's judges.

The Solicitor-General: Her Majesty's judges, or her Majesty's regiments.

There has been discussion within the Crown Prosecution Service, with the Director of Public Prosecutions. When the Attorney-General first mentioned the idea as a possibility, it was reported in the newspapers. It would not be true to say that no substantive change is being made, but I know that the whole House supports that change, and that it will be in the interests of everyone in the country.

Harry Cohen (Leyton and Wanstead) (Lab): Having removed the word "Crown" from the title of the Crown Prosecution Service, will the Government proceed to get rid of Crown immunity, especially in health and safety matters?

The Solicitor-General: Having said that government is joined up, I do not think it would be right for me to answer a question about Crown immunity. What I will do is draw my hon. Friend's question to the attention of my colleague who is responsible for such matters.

Mr. John Redwood (Wokingham) (Con): Are the Government backing off from the idea of a name change, and how much would it cost if it went ahead?

The Solicitor-General: No, there is no backing off. There is sensible discussion. It would be premature to discuss the cost, but I would say "As cheap as possible".

Chris Bryant (Rhondda) (Lab): Will my right hon. and learned Friend come to the Rhondda to discuss with my constituents the changes to the Crown Prosecution Service and to its name? I think she would find that they would say, almost universally, "Hear, hear" to what the Home Secretary said yesterday. They would like a Crown Prosecution Service that is on the side of the public, because their experience so far has been, on the whole, that it only makes itself known to them when it is saying no to a prosecution and they are victims of crime.

The Solicitor-General: I think that people have welcomed the changes undertaken by the Crown Prosecution Service on the Attorney-General's initiative. I think they want the service to be strengthened, reformed and improved. It will be a good thing if that can be made more visible by means of a name change that will enable the public to understand the process better. People understand the concept of Her Majesty's judges and are familiar with judges, but they are not familiar with the concept of the Crown Prosecution Service. Given that it is a public service that is responsible for prosecutions, it is important for people to know how it works, and how the criminal justice system works to protect their interests.

Lady Hermon (North Down) (UUP): The Solicitor-General will know that the title of the Crown Prosecution Service in Northern Ireland was changed to "Public Prosecution Service" two years ago by the Justice (Northern Ireland) Act 2002. Would the Solicitor-General have a quiet word with her colleagues in the Northern Ireland Office to establish whether the sun, the moon and the stars fell out as a consequence?

The Solicitor-General: I congratulate the Public Prosecution Service in Northern Ireland on the extensive changes it has undertaken, and congratulate the Northern Ireland Director of Public Prosecutions in particular. As the hon. Member for Somerton and Frome (Mr. Heath) pointed out earlier, the Director of Public Prosecutions in England and Wales is called simply that, and does not have "Crown" in his title.

I urge Members not to run away with themselves, but to focus on the substance. If a name change can assist in terms of the substance, it should be considered and implemented; but the objective is reform and improvement in the Crown Prosecution Service. We are certainly not backing off from the proposal that, as part of that, a name change should be considered.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): As you will understand, Mr. Speaker, I hesitate to ask a question lest I be accused again of toadying, self-serving sycophancy—but does my right hon. and learned Friend agree that the original question of the hon. Member for Beaconsfield (Mr. Grieve) was based on synthetic anger, inaccurate newspaper reports, pedantry and semantics? Will she confirm that in Scotland the procurators fiscal are quite capable of conducting prosecutions on behalf of the Crown without having the word "Crown" in their title?

The Solicitor-General: That is true.

I have mixed feelings. On the one hand, I feel that the hon. Member for Beaconsfield is reading rather too much into the proposal; on the other—without wanting to give him too much encouragement—I commend him for taking the accountability of his position seriously enough to present such issues to the House.

Mr. William Cash (Stone) (Con): Does the Solicitor-General accept that the proposed name change gives the impression of an increasing tendency towards touchy-feely republicanism? It is felt that implicit in the new title is a degree of movement towards state control. This is not just a matter of semantics. As the Solicitor-General knows, I tabled a written question to her on the nolle prosequi issue vis-à-vis the Katharine Gun prosecution—a serious matter, in respect of which she replied to me yesterday. Does she not accept that the role of the Attorney-General as holder of a prerogative right of the Crown to drop prosecutions is one of the most important constitutional issues before us today? Does she not agree that changing the name of the Crown Prosecution Service is actually a retrograde step, at a time when we should be emphasising the importance of the integrity and impartiality of the judicial process?

The Solicitor-General: I do not see any contradiction between the independence of the Crown Prosecution Service and a change in its name. The two are not polar opposites.

The hon. Gentleman says he has gained the impression that this is something to do with touchy-feely republicanism. Perhaps I can put his mind at rest. There is no intention of making the Crown Prosecution Service touchy-feely—[HON. MEMBERS: "What about republicanism?"] I shall come to the point about republicanism. Let me deal with "touchy-feely" first. That is nonsense. We are talking about a serious programme of improvement and reform, involving many more prosecutors who will be able to bring offenders to justice swiftly, look after victims and witnesses properly, and make sure the system works. That is not touchy-feely; it is practical work in the public interest.

As for republicanism, the name change was intended to give the public a better understanding of the new, reformed role of the Crown Prosecution Service. It is about moving closer to the idea that the public can understand the public interest.

The hon. Gentleman did indeed ask me a question about the Katharine Gun case, and I have answered it. The answer to his further question about whether the Attorney-General's ability to issue a nolle prosequi was

important is yes, it is. Is it going to be changed? No, it is not. As the hon. Gentleman will know, in the Katharine Gun case it was not appropriate or necessary even to consider a nolle prosequi, because it was a question of evidence.

Several hon. Members *rose—*

Mr. Speaker: Order. I remind the House that Back Benchers are allowed only one supplementary question, not four. The hon. Member for Stone (Mr. Cash) might remember that next time.

Jon Trickett (Hemsworth) (Lab): Does my right hon. and learned Friend agree that there is a real danger of loss of public confidence in the criminal justice system, much of it focused on the Crown Prosecution Service? There is confusion over its role and timidity in prosecutions, a turf war breaks out between the CPS and the police from time to time, and there is a failure to liaise with victims of crime. For all those reasons, should we not proceed rapidly with reform of the CPS?

The Solicitor-General: I welcome my hon. Friend's question. He is absolutely right about the importance of public confidence in the criminal justice system; he is absolutely right about the confusion and misunderstanding surrounding the important role of the criminal justice system; he is absolutely right in saying that improving the way in which the system works must mean greater partnership; and he is absolutely right about the need for the Crown Prosecution Service, during the process of prosecutions, to give victims more support and information. It is on those issues that the House should focus.

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): Have Ministers learned nothing from the mishandling of the announcement of the abolition of the Lord Chancellor? The Prime Minister admitted that it was not handled as well as it should have been, and it created anxieties about the independence of the judiciary from government. Given that there is no evidence that replacing the term "Crown" with the term "Public" will in some way enhance public confidence in the CPS—in fact, that it is determined by the factors that Members have referred to today, such as the extent to which account is taken of the concerns of victims of crime—why does the Solicitor-General believe that it is a significant factor in what is otherwise an important process of reform?

The Solicitor-General: A name change for the Crown Prosecution Service will not by itself establish public confidence, but as part of a wide range of reforms it may well contribute to it. The right hon. Gentleman asks whether we have learned nothing from matters relating to the Lord Chancellor, but I should remind Members that the Attorney-General has been leading reforms of, and improvements to, the CPS since 2001. This is a long and ongoing programme of reform and change, and there is nothing sudden about it. What is sudden is the shadow Attorney-General's raising in this House the question of the name change, which I am attempting to answer. But there is no sudden programme of reform; indeed, we have discussed this issue continuously in the House.

Mr. John Taylor (Solihull) (Con): Is not the prospect of magistrates' public meetings somewhat reminiscent of Bucharest under Ceausescu?

The Solicitor-General: No, but the question of the judiciary's engagement with the public, in whose interests they do justice, is a difficult and sensitive one, and it is obviously important to get the balance right. However, in respect of the more effective prosecution of domestic violence, for example, I have welcomed seeing the magistracy and occasionally Crown court judges at conferences on such violence. There is nothing wrong with that; in fact, it is to be welcomed. We can trust the magistracy and the judiciary to know where to draw the line, and they do not need the hon. Gentleman to point out to them that they have to be independent. They know that, and they guard that independence jealously.

Mr. Edward Garnier (Harborough) (Con): May I assure the Solicitor-General that in the courts in which I sit as a recorder, nobody is in any doubt as to what the Crown Prosecution Service means and what it does? Is she not in danger of becoming involved in an utterly fatuous desire to "modernise" the name of the prosecution service simply because the Government think it a more trendy thing to do? What is important is that the name be maintained, but that the functions of the CPS be improved through all sorts of methods. Changing the name is a simple waste of time and money.

The Solicitor-General: I question whether everyone in the hon. and learned Gentleman's court is in no doubt about the role of the Crown Prosecution Service. I would hope that that is so, but I wonder whether all jurors really understand that role, and I suspect that many do not. I wonder whether all victims really understand that role, but I suspect that many do not. The same goes for witnesses and for those who might have the great opportunity to be in the public gallery when he is sitting as a recorder.

The hon. and learned Gentleman says that the change is a waste of money, but as I said, there will be no waste of money. He also asks whether the change is "trendy", and the answer is no.

Mr. Henry Bellingham (North-West Norfolk) (Con): The right hon. and learned Solicitor-General, for whom I have a lot of respect, talked about synthetic anger, but surely she must agree that her Government are obsessed with name-changing, political correctness and dumbing down the Crown. As my hon. and learned Friend the Member for Harborough (Mr. Garnier) said, surely every single penny should be concentrated on the front line.

The Solicitor-General: There is no question that this is part of some obsession with name changing for its own sake, and I absolutely deny that suggestion. The hon. Gentleman asks whether the change is part of dumbing down, but ensuring that the public understand the services that are so important to them is not dumbing down; it is legitimate and in the public interest.

[The Solicitor-General]

I get the sense that half the Opposition Members do not actually agree with what they are saying; in fact, many of them are more sensible than they are making out. Many agree with what we are doing, support the Crown Prosecution Service and understand its work. I ask them not to go off on a political tangent and make this a political issue. As Members will understand, the Attorney-General and I have never sought to use the CPS politically in any way, shape or form. This is not a dumbing down, trendy initiative, and if Members think hard about it, on reflection they will agree.

Mr. Mark Francois (Rayleigh) (Con): Is the logical follow-on from this proposed change replacing Crown courts with people's courts within a few years? Does the Solicitor-General not realise that we in the United Kingdom are deeply proud of our royal traditions and that we wish to maintain them, instead of having the "people's this" and the "people's that" and becoming some kind of ersatz North Korea?

The Solicitor-General: These thin end of the wedge arguments are wrong. For many years, the Director of Public Prosecutions has led the Crown Prosecution Service, and the fact that he is the DPP has not necessitated any other change anywhere else in the system. So I urge Members to step back, think a bit more calmly about this issue, consider whether they support the process that the CPS is going through—I know that they support the building blocks of the reform led by the Attorney-General—and not to lose sight of the important substance of reform and get themselves into a whirl about the name change.

House Building (Targets)

1.7 pm

Bob Spink (Castle Point) (Con): I beg to move,

That leave be given to bring in a Bill to enable local planning authorities to determine the number of houses built in their areas.

As Sebastian O'Kelly, editor of *Property on Sunday*, says,

"Like distant thunder, war is coming to England's peaceful shires . . .

Battle is soon to be joined between Government and those who want to save something of the villages and countryside in the South East. It is a clash that will pitch all the power of central government, and the artful pleading of self-interested builders, against local democracy."

Sebastian O'Kelly exposed a Treasury report that urged the building of 2.5 million more houses. As he said:

"To build them, the Government needs to overturn the planning process that has existed for 50 years: a process that has spared us again and again from the most appalling excesses of ill-thought-out, speculative development."

National recognition of the Government's planning changes now extends to local communities. For instance, on 5 January, Castle Point wildlife action group wrote as follows:

"Like a lot of local people, we are very concerned about excessive development in the Borough, which is destroying much wildlife habitat and our quality of life . . . The Government's massive building programme will hugely exacerbate the problem."

I congratulate the group on its care of our environment and wildlife, and I seek to legislate to reverse the Government's rapid move towards more building and less democratic local control over it. I should point out, of course, that not all new development is bad. We need more social housing in my constituency—perhaps 100 units or so—and more affordable housing for our children and for public sector workers, but we do not need the thousands of extra houses that the Government are trying to force on us.

Let me illustrate the change in numbers. Castle Point borough council had a target of 2,400 new houses, and although we are well over half way through the planning period, only 700 have been identified and built. That shows how extravagant the target was. Yet the Government now want to impose a massively ramped-up target of 4,000 on Castle Point, to be built by 2021.

Amazingly, though, Castle Point has got off lightly. Thurrock must build an astounding 18,500 new houses, Basildon 10,700 and Southend-on-Sea 6,000; and so it goes on. The Government are further increasing the target for Essex's house building to an outrageous 6,500 extra houses every year right up to 2021.

The villain of the piece is, of course, the Deputy Prime Minister, who identified four growth areas: the fast-becoming-discredited Thames Gateway; Milton Keynes; Ashford and London; and Stansted and Cambridge. As the campaigning Steve Neale of the *Yellow Advertiser* put it, "Green belt loss looms" with 43,800 more houses earmarked for south Essex alone in the near future, threatening hundreds of acres of green belt. The Government seek to achieve that massive building by increasing density, packing them in and creating potential ghettos in a planning orgy like that of the 1960s, which created so many sink communities.

But the Deputy Prime Minister has a problem. Decent local councillors, who are responsible for making planning decisions, refuse to go along with the Government's plans to build over our beautiful green belt and destroy our quality of life. They do so for very good reason. Local councillors are directly accountable to local people. They live in their local communities and therefore have a vested interest in protecting their environment. They also want sustainable development, which means new jobs, new infrastructure and new investment in public services.

The editor of the *Basildon Evening Echo* hit the nail on the head on 28 January, writing:

"Without a new integrated system of roads and public transport, the Gateway is just a dead duck in the Essex mud. The cash required to establish the necessary transport development is... £1.6 billion. Yet the Govt's road-finance plan fails to acknowledge the existence of the Thames Gateway. Or, for that matter, South Essex."

Even now, we need improved infrastructure, particularly roads and public transport. We need public service improvements and investment in schools, doctors, dentists, sewage treatment plants and waste disposal. And we need to build up flood defences and stop building on flood plains. We need police stations that are open and offer access to the public, and more policemen on the beat to tackle thuggery and street crime levels that are entirely out of control and threatening to spawn dangerous vigilante responses, as I stated in the House last month.

Faced with the local difficulty of councillors and editors protecting their local communities, as they should, the Government are removing planning powers from democratic control in those communities and imposing Big Brother controls from above. The Government's Planning and Compulsory Purchase Bill changes the system from one in which there is considerable democratic input with local councils making decisions within local plans that comply with county council structure plans, which in turn reflect Government planning guidance, into one in which the Government will impose a regional "SS"—spatial strategies—abolishing local control and structure plans completely.

Regional housing gestapos called regional housing boards will ensure delivery of the Government's massive increase in building, with cram-them-in densities and green belt destruction, whether communities like it or not. These "SSs" or gestapos, like all gestapos, are unelected, unaccountable, remote and faceless. Yet the Government present this new Labour policy as

"neighbourhood renewal and neighbourhood renaissance".

They use facile language to cover their dubious intent. They refuse to listen to the people as they bulldoze through our local democracy and our environment.

The Minister for Housing and Planning visited my constituency a month ago on his Thames Gateway tour. He told the local papers that he wanted to

"protect and improve the environment"

on Canvey Island, which he described as having a "unique diversity". He went on to say:

"I am confident we can develop it."

He did not seem to understand the irony and contradiction in his statement, which was reminiscent of the Deputy Prime Minister's exhortation that Labour's green belt policy was a great achievement and that they intended to build on it. The people of Castle Point did not need the Minister to tell them that they have a wonderful environment, nor that it needs protecting. They do need him to stop increasing the building targets that will destroy it. Sebastian O'Kelly made the argument against the increased building targets very well when he said that

"nothing much needs to be done to redress the alleged housing shortage in the South East. The housing market itself is already offering a solution.

Thanks to high property prices in the South, for the first time since the Sixties the great cities of the North are coming back to life. Residents are flooding back to the centres of Manchester, Newcastle, Leeds and, now, even Liverpool.

The whole of Britain's economy, that has been dangerously tilted towards the South East, is at last beginning to right itself and wealth is spreading through to the distant regions far more evenly. Do we really want to endanger this laudable trend by building masses of cheap houses for uncertain demand in the South East?"

We all know that when politicians stop listening, the public will vote them out. That is Labour's destiny.

In short, my Bill draws attention to the Government's increase in building targets, removal of local democracy and lack of sustainable infrastructure investment. My Bill would enable local planning authorities to determine the number of houses built in their areas. It would lead, therefore, to the protection of local democracy, a reduction in the number of new houses, higher quality development that is in touch with local needs, environmental protection and improved infrastructure. My Bill would truly safeguard communities. It simply puts trust where it should be—in the people—as opposed to Labour's Big Brother approach of imposing inappropriate targets and destroying democracy. I commend the Bill to the House.

Question put and agreed to.

Bill ordered to be brought in by Bob Spink, Mr. Peter Lilley, Mr. Eric Pickles, Mr. Simon Burns, Mr. David Amess, Mr. Mark Francois, Sir Teddy Taylor, Mr. Andrew Rosindell, Angela Watkinson, Mr. John Baron, Ann Winterton and Mr. John Redwood.

HOUSE BUILDING (TARGETS)

Bob Spink accordingly presented a Bill to enabe local planning authorities to determine the number of houses built in their area: And the same was read the First time; and ordered to be read a Second time on Friday 18 June, and to be printed [Bill 65].

Opposition Day

[6TH ALLOTTED DAY]

Trade Justice for the Developing World

Mr. Speaker: Before I call the hon. Gentleman to move the motion, I inform the House that I have selected the amendment standing in the name of the Prime Minister.

1.18 pm

Mr. John Bercow (Buckingham) (Con): I beg to move,

That this House shares the concern of the Trade Justice Movement about the plight of the poorest people in the world, and congratulates the Movement on bringing their conditions to the attention of the public; notes with concern the fact that more than one billion people live on less than one dollar a day, that life expectancy in many African countries is declining, that 28 million people in Africa have HIV/AIDS, and that the poorest countries' share of world trade has fallen sharply in the last two decades; recognises that the combination of trade distorting subsidies by rich countries and barriers to products from poor countries have gravely damaged the latter; believes that trade liberalisation and increased international trade offer the best hope of alleviating poverty in the developing world; regrets the breakdown of the WTO talks in Cancún; and urges the Government both to press for the talks to restart and to publish its proposals for the reform of agricultural subsidies and the reduction of trade barriers to give poor countries the fair deal on international trade that will allow them to compete and grow.

It is a particular pleasure and privilege to move this motion in Fairtrade fortnight and, at least in part, in recognition of the invaluable contribution to development work and political debate that has been made by the Trade Justice Movement.

I begin by simultaneously pleasing and displeasing. I am not here this afternoon, in valuable Opposition time, on a crucial issue of national and international importance, to pick a fight with the Government; I have no desire to do that. Indeed, I would almost go so far—although perhaps not quite, Mr. Speaker—as to offer to do a deal with the Secretary of State. That would be to say to him that if he would accept what he knows to be true—that there is real merit in the Opposition motion—I would be prepared similarly to concede that there is real merit in the Government's amendment. My purpose this afternoon is not to cavil and not to play political ping-pong. It is to highlight an evil, to describe as best I can the incidence of that evil and to suggest how that evil might best be tackled by people in all political parties who share good will on this matter.

The subject that we are debating—I know this is often said, but it happens to be true in this case—is equal to, and probably almost greater than, any other in its importance for the future of our world. We are debating the plight of the poor, and the features and manifestations of the plight of the poor are palpable, sometimes endemic, always serious.

There are currently on our planet 1.2 billion people who have to exist—I will not say that they live—on less than a dollar a day. There are 50 countries in this world that are poorer now than they were a decade ago. Every minute of the day one woman dies in pregnancy or in labour; in the process of trying to give birth, her life ends. There are 28 million people around the world suffering from HIV/AIDS. And, as the Secretary of State knows, the poorest countries in the world have suffered a cut of approximately half in their share of world trade in the last two decades. That is the scale and those are the dimensions of the crisis and—I use the word advisedly—the evil that we are this afternoon considering.

Chris Grayling (Epsom and Ewell) (Con): My hon. Friend rightly mentioned HIV/AIDS. Is he aware that the threat goes far beyond the humanitarian issue? I have had feedback from people working on the ground in East Africa to the effect that the prevalence and growth of HIV/AIDS are being exploited by militants, particularly Islamic militants, to try to establish footholds in those countries. Therefore, not only do we have a humanitarian obligation, but it is in our self-interest to make sure that these issues are addressed properly.

Mr. Bercow: My hon. Friend makes a powerful point, and I agree with every word that he has just said.

We must not be simplistic about this. There is no one cause of poverty in the third world. The problems that the people of the developing countries endure are multi-faceted and do not lend themselves to the administration of a simple cure. But upon one point I hope all of us in the Chamber can agree: we have an obligation to do nothing to exacerbate the plight of the poor, and, by contrast, to do everything we reasonably can to tackle and alleviate that plight.

Mr. Colin Challen (Morley and Rothwell) (Lab) *rose—*

Tony Baldry (Banbury) (Con) *rose—*

Mr. Bercow: I give way to my hon. Friend, the Chairman of the International Development Committee.

Tony Baldry: My hon. Friend will be conscious that there was rather a lot of joshing during questions to the Secretary of State for International Development about the 0.7 per cent. target and commitments to international development aid. Can my hon. Friend confirm that the commitment of the Conservative party and its aspiration to meet that 0.7 per cent target is no less than the aspiration of the Government to meet the 0.7 per cent. target? It is a recognition of the difficulty of reaching that target that the Chancellor has moved to the international finance facility, which I understand the Conservative party fully supports.

Mr. Bercow: My hon. Friend is absolutely right in what he has just suggested about the explicit and long stated support of my right hon. and learned Friend the Leader of the Opposition for the international finance facility. My hon. Friend knows me well; we are constituency neighbours. He is aware that I have a number of aspirations. One aspiration that I have this afternoon is to make the position of the official Opposition on this subject clear beyond peradventure.

Mr. Challen *rose—*

Mr. Bercow: I shall give way in a moment.

My right hon. Friend the shadow Chancellor has set out our plans to contain the overall level of departmental expenditure. Individual allocations remain to be decided. We are looking closely at the scope for savings and efficiency in the use of public expenditure. We are also considering the better use of money currently spent on a multilateral basis. Yet make no mistake: a future Conservative Government would be committed to Britain's overseas aid programme, for well directed bilateral Government aid has to remain a significant component of our aid strategy. I hope that the House will agree that that is a crystal-clear statement of the policy intent of the Conservative party.

Mr. Challen *rose—*

Mr. Bercow: I give way to the hon. Gentleman, who has been waiting so patiently,

Mr. Challen: I am grateful to the hon. Gentleman for giving way. I absolutely agree with him that there is great deal of agreement between the motion and the amendment before us. I do not think that that is in contention. But the hon. Gentleman referred to an evil. Might he be referring to the last 20 years of trade liberalisation, which his own motion makes clear has probably contributed to increased poverty? I sometimes wonder whether people have really grasped the fact that trade liberalisation has not yet produced the goods.

Mr. Bercow: I respect the hon. Gentleman's sincerity—*[Interruption.]* The hon. Member for Rhondda (Chris Bryant) should endeavour to exercise what self-restraint he is very occasionally able to muster. If he wishes to be patient, I may give way. If he does not, I will not. The position is clear, and the choice is his.

Let me say to the hon. Member for Morley and Rothwell (Mr. Challen) that I greatly respect his sincerity. I do not agree with him where there is a genuine difference of opinion between us. He thinks that liberalisation of trade has been damaging. I believe that it has been beneficial, though there is much more to be done. He will not be surprised to know that I have a great deal more to say on that important subject. Perhaps we can joust in a friendly way, in recognition that we both want a decent end, but we differ about how to achieve it.

Mr. John Gummer (Suffolk, Coastal) (Con) *rose—*

Mr. Bercow: I should like at this stage to make some progress, but of course I give way to my right hon. Friend.

Mr. Gummer: Before my hon. Friend returns, as I hope he will, to the point that he was talking about, would he not agree that in the world in which we live our interdependence is such in solving such problems as the challenge of climate change or the destruction of the ozone layer, or indeed of world trade, that we have to work together with countries, however poor and however restricted, and that our aid programme is a very important part of that?

Mr. Bercow: My right hon. Friend is absolutely right. There would not be a cigarette paper, or anything less noxious than that, between us on the point.

I said that we had an obligation not to worsen the situation, and that we should instead do all we could to improve the plight of the poor. I want to develop this theme. I said that although that was our obligation, it was not, sadly, reflected in public policy on an international scale at present.

The reality is that the plight of the poor is not a misfortune. It is in very substantial measure an injustice. That trade injustice from which the developing world suffers is not the result of bad weather, defective infrastructure or a natural disaster. Indeed, I go so far as to say that it is not an accident at all. It is the knowing, deliberate and calculated policy of the most powerful Governments on earth. Trade discrimination on a grotesque scale is substantially to blame for the poverty of people in the developing world. It is shameful and shameless, and we have a responsibility to address it.

I think that I am right in saying that there are three principal components of the problem. First, there is a mismatch between aid policy and trade policy. In 2002 the countries of the Organisation for Economic Co-operation and Development gave $58 billion to the poorest countries in development assistance. But there was a chronic contradiction between aid policy and trade policy.

That leads me to the second point, which is that simultaneously the developed world, the rich countries, the most prosperous on earth, were stinging the developing countries to the tune of approximately $100 billion in trade barriers.

The third feature of the equation is the impact of massive, wholly disproportionate, trade-distorting domestic agricultural subsidies. Those subsidies are on a scale of $300 billion. That is the extent of it—a sum of money that exceeds the entire national income of the whole of sub-Saharan Africa. The contradiction between aid policy and trade policy; the impact of tariff and non-tariff barriers; the impact of export subsidies and domestic protection; the effect of tariff peaks on the one hand and tariff escalation on the other—in real measure deliberately targeted on the products and capacity of the poorest people on the planet: all that is truly devastating for those whose condition we wish to improve.

Mr. John Redwood (Wokingham) (Con): My hon. Friend is making a powerful and passionate speech against a gross injustice. I entirely agree that there is a great moral blight on the west and on the European Union for its agricultural policies and protectionism. What advice does my hon. Friend have for the new Secretary of State on how he can get some action out of this lame, weak and feeble Government, who will not stand up to the EU and demand justice for the poor of the world by demanding abolition of the disgraceful policy of agricultural protectionism, which disfigures us all?

Mr. Bercow: I am grateful to my right hon. Friend for his intervention, and the short answer is that I want the Secretary of State to put on record this afternoon—I am hopeful that he will—exactly how he intends to advance the process of trade liberalisation.

Huw Irranca-Davies (Ogmore) (Lab) *rose—*

Mr. Bercow: I have referred to the overall components of the problem, but it is worthy of a brief illustration. If

[Mr. Bercow]

we examine what is happening to cotton, for example, we can see the damage inflicted by the incredibly selfish and destructive trade policies of one of the most powerful—if not the most powerful—nations on earth. I am talking about the impact of US trade policy on west and central African cotton-dependent economies. The truth of the matter is that Benin and Burkina Faso depend on cotton for 40 per cent., and Mali and Chad for 30 per cent., of their export earnings. Those countries are efficient and cost-effective producers of cotton; they need it; it is crucial to their chances of survival and development.

The United States is one of the highest-cost, least efficient and most trade-distorting producers of cotton to be found anywhere in the world. Frankly, it is a damnable indictment—I use the expression advisedly—of the US Government that they currently spend more than $3 billion a year subsidising inefficient cotton manufacture. That costs the developing world about $250 million a year and throws people out of work. The US is spending and subsidising its own inefficient cotton production, and feather-bedding 10 rather large US corporations with three times the country's budget contribution to the whole of Africa. That is the scale of what is happening.

Bob Spink (Castle Point) (Con): May I bring my hon. Friend back to Europe? We are, of course, a member of the EU and have a crucial responsibility in Europe. Is it not disgraceful that European protectionism damages the developing world so dramatically?

Mr. Bercow: My hon. Friend is right. He will be aware, and the rest of the House should be reminded, that in 2002 the EU spent $113 billion on domestic agricultural protection. That is wrong; it inflicts harm; and I regret it.

My hon. Friend has helpfully brought me on to my second example—dairy policy. It is a serious problem. Currently, the EU subsidises every cow to the tune of about $2.40, when there are 2 billion people in the world who live—or exist—on less than $2 a day. Britain spends approximately £4 billion on the common agricultural policy, while many countries—Kenya, India, the Dominican Republic and many others besides—have had their domestic markets, their prospects of advance and their capacity to improve their condition enormously undermined through the selfish application of that policy over a long period. It has been hugely damaging.

I am conscious—if I do not make the point, others will remind me—that there is a CAP reform package, aspects of which are welcome. However, the Secretary of State, many right hon. and hon. Members and I would agree that there is still a great deal to do and much further to go. It is not surprising that there is a pervasive cynicism about the likely efficacy of the reform package, for the simple reason that one does not need to look into the crystal ball when one can read the book. We have been there before; there have been earlier reform packages; we have seen changes made. There have been prospective alterations in, and even reductions of, the trade-distorting support, but they have not always worked.

The reality is that, in its operation over a lengthy period, the CAP has clobbered the consumer. It has clobbered the taxpayer and the small-scale farmer. It has also clobbered businesses that are dependent on agricultural products. Above all, and most central to our debate today, it has clobbered the developing world, which deserves a better deal, a chance to compete and grow, a chance to raise its expectations and to improve living standards. It should have a realistic prospect that public policy will not stop it from doing so. That is the seriousness of the issue that we are debating.

Mr. Mark Francois (Rayleigh) (Con): I am listening to my hon. Friend's speech with great interest. Before he makes further progress, does he agree that, although he is an Atlanticist by instinct—as am I—the US bears a particular responsibility on this one issue and that it must make some concessions with its Farm Bill if the rest of the world is to make progress?

Mr. Bercow: I entirely agree with my hon. Friend. He and I have been Atlanticists together since we stood against each other for the chairmanship of the Federation of Conservative Students in April 1986. He was a fan of the US then and he is now. I was a fan of the US then and I am now, but that does not stop me criticising the US Government when what they do is wrong. We must address the question of what can be done to improve the prospects of destitute people by way of trade reform.

Huw Irranca-Davies *rose—*

Mr. Bercow: I shall give way for the last time—and I mean it.

Huw Irranca-Davies: I am grateful. To return to the hon. Gentleman's previous discussion about clarity—I applaud his reasonable approach in the debate and agree with many of his points—he expressed a commitment towards many of the Government's measures, but many people would want to know whether that commitment extends to protecting or enhancing the aid budget. I agree that there must be a multi-faceted approach—there has to be, and trade liberalisation is part of it—but the international aid budget is paramount.

Mr. Bercow: The aid budget is extremely important, so the hon. Gentleman makes a fair point. I would say in response, however, that I have given the most explicit statement of the current thinking of the Conservative party and I quoted my right hon. and learned Friend the Member for Folkestone and Hythe in the process. As far as I am aware, the hon. Member for Ogmore (Huw Irranca-Davies) is not a doctor. If he were, and if he were in the habit of offering his prescription before he had conducted his diagnosis, he would not be a very effective practitioner. It seems reasonable to study the budget, to examine what is and is not working well, to assess what measures are most effective at bilateral level and least effective at multilateral level, to reach a conclusion, to produce a policy, to outline it to the

House, to put it to the country and to await the verdict. That is the eminently reasonable position that the Conservative and Unionist party has taken—

Chris Bryant (Rhondda) (Lab) *rose—*

Mr. Bercow: I am probably doing the House a disservice, but I suppose I had better give way to the hon. Gentleman.

Chris Bryant: The hon. Gentleman's generosity is unbounded. He was trying to make out earlier that he was being extremely clear, but his clarity is not very clear. He is trying to suggest that he aspires somewhere towards the 0.7 per cent. figure, but he offers no guarantee that he will move up towards that percentage at all—unless he expects that, under a Conservative Government, gross domestic product would fall, so he might get closer to the 0.7 per cent. but the amount of money would remain the same.

Mr. Bercow: The disadvantage of the hon. Gentleman talking about clarity that is unclear is that it serves only to remind the House that he is in danger of confusing not only it but himself. That seems a regrettable state of affairs and I am not sure that I have done the House a great service by giving way to him—*[Interruption.]* He has had one go and made a mess of it, and I can assure him that he will not get another opportunity during this debate.

We have a responsibility to take matters forward. We need to establish freer trade and to go for liberalisation. We know what the estimates are: they range from an increase of $150 billion in world trade, as the consequence of a 50 per cent. cut in tariffs, to the prognosis of the International Monetary Fund, the World Bank and the OECD whereby a figure that ranges from $250 billion to $620 billion will be added to world trade if we go for liberalisation.

That, of course, is the theory—the prognosis—but again we should be guided by the evidence and consider the example set by countries that have themselves gone for free trade. We can see in China, India, Mexico, Vietnam and Uganda a common thread in their policy and performance: increased productivity, a greater share of world trade, a capacity to bolster their export performance and a demonstrable improvement in living standards. That is obviously good sense.

Cancun—the breakdown of the trade talks thereat—was very sad. I do not share the view of those who think it was beneficial to the world; it was extremely damaging. It is important that we get those talks back on track and I appeal to the Secretary of State to set out the Government's position explicitly and in detail, because my right hon. and hon. Friends and I are convinced that we need to remind ourselves of the objectives of the Doha development round. We need to remember the negotiating mandate agreed in November 2001; it is about improving market access, reducing export subsidies, cutting and, in many cases, phasing out those subsidies and reducing the level of domestic agricultural trade-distorting subsidy. Those critical tasks must be undertaken, and my submission to the House is that that is all about free enterprise and the practice of capitalism.

Capitalism is not a panacea; it is not perfect. The Secretary of State's distinguished father spent nearly 50 years in the House eloquently inveighing against capitalism, but in my view it is the best we have. Capitalism has three distinctive advantages. First, it is the greatest wealth-creating mechanism known to mankind; secondly, it has tended to improve living standards in every country in which it has applied; and, thirdly, it is the economic system most compatible with personal liberty. For those reasons, it is in a free-market, trade-encouraging, capitalist-oriented direction that we need to go.

Ann McKechin (Glasgow, Maryhill) (Lab): Will the hon. Gentleman give way?

Mr. Bercow: No, not at this stage.

As we go in that direction, however, those of us in the rich western world have to examine our attitudes; we need to consider how we behave, because we require a wholly different mindset from that which has been deployed hitherto. We need an end to brinkmanship and a start to statesmanship.

I do not want to dwell excessively on the past, but it was desperately unfortunate that, at Cancun, the European Union made the major mistake of pressing ahead so insistently, for so long and to such disadvantage with the Singapore issues of trade facilitation, transparency in Government procurement, and investment and competition, when the whole purpose and raison d'être of the conference was to achieve a development round. Previously, development rounds had been principally for the benefit of the richer countries—they had focused on manufactured goods and the needs and preferences of the industrialised countries. The task now is to do something for those who have very little, yet what we have witnessed is the exertion of massive power by those who have against those who have not. That seems wrong.

Present trade policies of which the United States, the EU, sometimes Japan and China, and many others besides are guilty are morally wrong. They are economically counter-productive and politically dangerous. One-nation Tories, of whom there is a plentiful supply on the Opposition Benches today, know that Governments cannot do everything—but they can do something to help. One-nation Tories know that if one is confronted with the choice of giving people $10 a day or enabling them to earn $10 day, the latter is infinitely preferable. One-nation Tories know that it is in our attitude, and that of all democratic politicians, to the liberalisation of agriculture that the sincerity and credibility of our claims to be fighting world poverty will ultimately be tested; for 70 per cent. upwards of the world's poor live in rural areas and depend on agriculture.

I believe that we must go for free trade, and that we must open markets and liberalise. I believe that the Secretary of State should tell us more about that today, because liberalisation and free trade would be good for poor countries, good for consumers in rich countries, good for the generation of prosperity and good for the state of international relations.

Members of the House, of whatever party, presumably aspire to bequeath to our children and our children's children a world in which the blemish and scar

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of global poverty have gone. It disfigures the world and, in a very real sense, shames and discredits us. We need to change that. We need to reform and make progress. We need to achieve liberalisation. Let us work together and achieve something for our constituents, but above all, let us achieve something for the most destitute people on the planet. They have suffered too much for too long as a result of too selfish policies. It is time that that was changed.

1.46 pm

The Secretary of State for International Development (Hilary Benn): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"welcomes this debate and congratulates the Trade Justice Movement on its efforts to raise public awareness of this vital issue; reiterates the commitment made in the White Paper Eliminating World Poverty: Making Globalisation Work for the Poor to improve international trade rules; urges the European Union to make further progress on reforming the Common Agriculture Policy regimes for cotton, sugar, tobacco and olive oil; welcomes the UK's call for action on HIV/AIDS; congratulates the Government on the £160 million it has allocated to trade-related capacity building in developing countries since 1998; welcomes the fact that the UK's aid budget for Africa will rise to over £1 billion by 2005; welcomes the launch of a new initiative, the Commission for Africa, to take a fresh look at the challenges Africa faces; notes that a successful Doha Round could contribute substantially to the achievement of the Millennium Development Goals; congratulates the Government on the lead it has taken within the EU and the WTO to promote free and fair trade; believes that significant progress must be made to improve access for developing country exports to both developed and developing country markets, including through substantial reductions in trade distorting agricultural subsidies; calls on all WTO members to continue to demonstrate their commitment to the Doha Development Agenda; and underlines this House's commitment to ensuring the Doha Round produces real benefits for the poor."

I very much welcome the opportunity to hold this debate. I also welcome much of what the hon. Member for Buckingham (Mr. Bercow) said and the passion and characteristic eloquence with which he said it, which got us off to an extremely good start.

I listened with particular interest to the words that the hon. Gentleman read out about Conservative spending commitments, but I have to tell him in all honesty that I am not much the wiser. It sounded as though the words had been drafted by a lawyer, so although we shall try to appreciate exactly what the Conservative party's aspiration is on the figure of 0.7 per cent., I hope that he and other colleagues will forgive us if we look at the record. When the Labour Government left office in 1979, we were spending 0.52 per cent. of our gross national income on overseas aid, but when we returned to office in 1997, spending was 0.26 per cent. That was the legacy bequeathed us by the Conservatives, so I am afraid that the record of the hon. Gentleman's party hangs like an albatross around his neck. He will have to grapple with that, although I am sure he will do so ably.

I, too, welcome the fact that the debate is taking place at the beginning of Fairtrade fortnight, which is all about the things that we can do personally to try to remedy the inequities of the current trade system. The fair trade movement is all about consumers trying to ensure that poor producers get a fairer return. The idea is simple: it reaches out across the globe and connects buyer and seller, and does not depend on the world trade talks for something to happen. That is what makes it so powerful. We can see the results in the sharply growing market for Fairtrade products—tea, coffee, orange juice, flowers, footballs, bananas—which are increasingly available on the shelves of leading supermarkets. It is estimated that fair trade is worth £100 million a year. We support the Fairtrade Foundation and I take this opportunity to thank it for its work.

Ethically sourced and fairly traded products are only part of the solution to what the hon. Gentleman rightly described as a series of complex challenges facing poor producers and developing countries. I agree with him that what we really need to do is to help developing countries gain access to the global marketplace and to create fairer trade rules in the World Trade Organisation.

The first thing for the House to acknowledge, however, is how far, in one sense, we have already come. From the earliest times, the history of human relationships has, in part, been the history of trade and, as trade has grown and become global, we have established systems to try to manage it. For some, trade has brought enormous wealth; for others—especially those denied access to the markets of the world—it has not, and the hon. Gentleman spoke clearly about the consequences of that.

For almost half a century, the general agreement on tariffs and trade was primarily concerned with tariffs on industrial products and was dominated by the developed countries. Agriculture, which is the issue for developing countries, was included in the multilateral negotiations at the Uruguay round, concluded a decade ago—about the time that the WTO itself was created.

Today, we are talking seriously in Geneva about an end date for export subsidies. With last summer's historic breakthrough on CAP reform, we are committed to making significant reductions in trade-distorting domestic subsidies. This is a very substantial change compared with a generation ago, and over that same period the link between development and trade has become central to the multilateral trade negotiations. Never mind a decade ago—40 years ago it would have been inconceivable for the Chancellor of the Exchequer and the Secretary of State for Trade and Industry to be such passionate advocates of the interests of developing countries in trade talks.

In the same way, it is inconceivable that 40 years ago we would have seen something like last summer's record-breaking mass constituency lobby organised by the Trade Justice Movement, in which I know many hon. Members took part. That lobby showed the extent of the groundswell of public opinion in support of freer and fairer trade. I take the opportunity, as the original motion and the Prime Minister's amendment do, to pay tribute to the Trade Justice Movement for the work it has done to make this happen and for keeping the issue at the forefront of the public's mind. All that passion, and all that commitment, which is shared by many

people across the world, helped the UK to play its part in bringing trade and development issues to the fore, including in the result of the Doha round.

Mr. Patrick McLoughlin (West Derbyshire) (Con): What did the Secretary of State find so objectionable in the motion tabled by the Leader of the Opposition that the Government felt they had to amend it?

Hilary Benn: There is much in the motion with which I agree, but the amendment includes things that it did not cover, and I invite the House to support the amendment at the appropriate moment.

Mr. Gummer: The Secretary of State could have agreed with the motion, and we could all have begun Fairtrade fortnight with a united motion. Would it not have been better if he had been a little less churlish and had said that the motion might not go as far as he would like but that he would accept it to show that both sides agree on these matters?

Hilary Benn: I think that the debate has already demonstrated that there is a shared analysis and a lot of common ground—one or two things divide us—but I would return the request to the right hon. Gentleman and simply say, in that same spirit, that I look forward to seeing him in the Lobby in support of the Prime Minister's amendment when that moment arrives.

Mr. Robert Walter (North Dorset) (Con): Will the right hon. Gentleman give way on that point?

Hilary Benn: It is a third go but I am a generous soul, so of course I give way.

Mr. Walter: I have studied the Prime Minister's amendment closely and it uses the words,

"urges the European Union to make further progress on reforming the Common Agriculture Policy regimes for cotton, sugar, tobacco and olive oil".

Does that mean that the Government have given up on any further reforms to the common agricultural policy and that we are going to be stuck with European farmers being subsidised to the tune of nearly €50 billion a year?

Hilary Benn: No, it does not mean that because the Government have clearly set out their view on the need for reform, but the amendment also makes specific reference to the products that the hon. Gentleman has just read out.

Mr. Jim Cunningham (Coventry, South) (Lab): Does my hon. Friend recall that successive Conservative Governments promised to reform the common agricultural policy but singularly failed to do so?

Hilary Benn: I do indeed, and if the House were being honest with itself it would recognise that reform of the CAP has been a consistent theme running through our political debates in the House for 30 years, which is what makes the agreement that was reached last summer, with the tireless efforts of my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs, such an achievement.

If the current round is to succeed, it must address the unfairness of the world trade system, whereby, for example, developing country cocoa producers receive only a fraction of the retail price of products such as chocolate. Developing countries have 90 per cent. of the world market in cocoa beans but just 4 per cent. of global chocolate production. That is just one example of how little of the final value is captured by developing countries.

Why does all this matter? First, it matters because three quarters of the world's poor live in rural areas and 96 per cent. of the world's farmers live in developing countries. As the Chancellor of the Exchequer said recently, when 900 million farmers in poor countries struggle to survive on less than a dollar a day while rich people in rich countries spend millions a day on subsidising agriculture, something is very wrong and it has to change.

Secondly, it matters because there is a great deal of evidence that the opening up of trade contributes to higher economic growth, which is just what developing countries need. For example, in the 1990s, while average income fell by 1 per cent. a year in developing countries with high trade barriers, it rose by 5 per cent. a year in those with fewer barriers to trade. The World Bank estimates that up to half the gains from eliminating barriers to merchandise trade would accrue to developing countries, which could lift more than 300 million people out of poverty by 2015.

Ann McKechin: My right hon. Friend has made a very correct point about the need to reduce barriers, but does he agree that the least developed countries are not likely to gain as much from trade liberalisation as countries such as China and India, and that the aid budget and the amount of aid that we give in debt relief therefore still remain the most vital elements?

Hilary Benn: I do agree with my hon. Friend. That is why a rising aid budget—rising support—is so important, and it is also why the way in which countries are asked to open up their trade is so important. I intend to come to that point later.

Mr. Bercow: Will the right hon. Gentleman give way?

Hilary Benn: I will give way, although I want to make progress; I know that many other hon. Members want to speak.

Mr. Bercow: I am sorry to interrupt the flow of the right hon. Gentleman's eloquence—or even the eloquence of his flow—but it seems to me that in recognising that over decades the common agricultural policy has been the most protectionist racket known to mankind, we need to know in some reasonable measure of detail how the Government intend to proceed. Could the right hon. Gentleman give some indication of what stance the British Government are taking within the European Union, in respect of the CAP as a whole at the development negotiations, and in respect of a number of the commodities to which his amendment refers?

Hilary Benn: Indeed, I will. If the hon. Gentleman will contain himself a little while longer, I intend to come to those important points.

[Hilary Benn]

The third reason why all this matters is that it is through economic development that we stand the best chance of enabling poor people in poor countries to earn and trade their way out of poverty. Africa is the only continent that has actually got poorer in the last generation; its share of world trade has halved. It cannot even hang on to just under half of the savings that it generates each year, and yet we know it needs to grow at 7 per cent. a year if we are to have any prospect of meeting the millennium development goals.

Fourthly, all this matters because the longer the multilateral trade system fails to deliver for the world's poor, the longer poverty will persist and basic services such as health care and education will be denied. I saw one of the consequences of that during my recent visit to Ethiopia. I shall never forget visiting the health centre in Mekane Salam, which serves a community of 180,000 people but has no doctor. One consequence of the lack of a doctor is that when women come in with complications of pregnancy, and the people who work very hard to run the centre realise that they cannot assist, the women are referred on to the hospital 100 miles away. When I asked what happened to those women, the staff said, "To tell you the truth we have no idea how many of those women make it, because there is no transport to take them to the hospital. There is a bus once a week, but they have to be able to afford the fare, and they might well die of the complications of pregnancy before the bus arrives." That is really all the illustration that the House needs, and it comes from a recent experience of mine, which demonstrates why this matters, because this is about the daily lives of fellow human beings of ours, who do not benefit from the things that we take for granted. That is one reason why 2005 will be a year both of opportunity and of expectation—expectation that this time we, collectively, the world, will deliver.

What are we doing? That is the challenge that the hon. Member for Buckingham put to me. We recognise the failure of the Cancun meeting, although the one thing that did come out of Cancun was that the voice of developing countries was heard more loudly and clearly than at any previous world trade talks, and I, for one, unreservedly welcome that.

Between now and 2005, the US elections will take place, the existing Commission for Africa will come to the end of its life and a new one will be appointed, and elections will take place in many other WTO countries over the next two years. That has led some people to question whether it will be possible to make progress in the world trade talks. I happen to think that progress can be made, not just because of the consensus on trade justice issues that has been expressed in recent debates in the House and elsewhere, but because everyone now recognises that the Cancun meeting was a missed opportunity, a failure of political will. I hope that that will encourage everyone to work much harder next time to ensure that we are successful.

What do we need to do, and how will we do it? That is the key question. First, we must get developed and developing countries to engage in the round and to open their markets, particularly to the least-developed countries. Secondly, we must secure new agreements on the issues that matter most to developing countries—agriculture and non-agricultural market access. We must also push—the hon. Member for Buckingham did not refer to this in his speech—for more effective special and differential treatments, to which I shall return. We will help developing countries to adapt to their new obligations through the development of appropriate adjustment mechanisms. What are we doing to try to help to make that happen?

The round will not be a true development round if the WTO and its members retreat into protectionism; developed and developing countries must stand up to powerful domestic lobbies. There are some recent encouraging signs of greater engagement and a new resolve to make progress. Both Bob Zoellick and Commissioner Pascal Lamy are now talking to a range of WTO members, and member states are talking about what they need to do to get the round back on track. That underlines the need for, and the responsibility of, the richer WTO members to seize the initiative, show leadership and make meaningful offers and concessions to get the round back on track.

I agree very much with the point about the new issues, to which the hon. Member for Buckingham also referred, that the International Development Committee made in its very good report on the lessons of the Cancun meeting. The honest truth is that the developing countries have made their position very clear on investment and competition. At the end of the Cancun meeting, those issues were taken off the table, and I have said on a number of occasions that, having disappeared from the table, they should stay off the table. There are sound arguments about why it is good to make progress on public procurement and trade facilitation, but, in the end, they should not stand in the way of achieving a development round, and we need to be absolutely clear about that.

Chris Bryant: This is, in a sense, a slightly different issue, but my right hon. Friend refers to a series of issues that was taken off the table. Audio-visual and cultural services have been included in previous rounds in a rather negative way—France has tried to protect itself against American trade—but China, which has come into the WTO in the past few years, is trying to ensure that audio-visual services, such as free and independent news, are not made available in China. Could we not use the next round, when one comes along, to ensure that China opens up its market in the interests of ending human rights abuses?

Hilary Benn: My hon. Friend raises a number of issues that will be the subject of debate. As a matter of general principle, free news media are very important features of any society that hopes to function and thrive. All our experience demonstrates that independent media help to promote good governance. They make the Government's life difficult from time to time, but we have to live with that in the interests of democracy.

Mr. Challen: Will my right hon. Friend give way?

Hilary Benn: I want to make a bit of progress, and then I will give way.

New developing country groupings emerged at the Cancun ministerial meeting. One of the things that we have to recognise is that the interests of developing

countries are not uniform, and we saw that with the G20 group and the G90 alliance. They, too, have a responsibility to help to move the negotiations forward. In particular, they need to reduce the barriers to south-south trade because countries such as India, Brazil, China and other significant countries stand to benefit, alongside the poorer producers, from trade liberalisation. South-south trade now accounts for more than a third of developing country exports—about $650 billion.

The World Bank suggests that, during the past 15 years or so, developing countries' own liberalisation has been the primary channel through which trade reform has expanded their export growth. For example, negotiations on a common market are taking place as we speak between Kenya, Tanzania and Uganda. Those countries tried to agree on that 20 years ago, but they failed. They are now close to making that happen finally. That is a good example of some of the steps that developing countries can take to help themselves, but the hon. Gentleman is right to suggest that there is recognition that, to make progress, the EU and the US must offer more on three main elements of agricultural negotiations: first, market access; secondly, an end date for export subsidies; and, thirdly, a substantial reduction of trade-distorting domestic subsidies.

Many developing countries have a comparative advantage in agricultural exports, yet, as we have heard, the developed world uses taxpayers' money to block that advantage. We therefore continue to take steps to promote further agricultural reforms to benefit the world's poor, including a reform of the EU sugar and cotton regimes. The hon. Member for Buckingham referred to cotton, and I shall take a moment to address that very issue. He clearly set out why the west African cotton producers face unfair competition.

We need to find a solution to trade-distorting cotton subsidies, as part of the negotiations on agriculture, but there is a need to move swiftly on to consider what can be done to secure the livelihoods of thousands of west African cotton producers, who would be highly competitive on world markets if it were not for EU and US subsidies. They need our help now and until subsidies that lead to over-production are phased out. Their plight is one of the starkest examples of unfair trade rules. In the US, cotton producers received nearly $4 billion in assistance in 2001–02. That is more than the entire gross domestic product of Benin—to which the hon. Gentleman referred— where the cotton industry, which is now in crisis, accounts for 85 per cent. of exports.

West African states that have followed the prescriptions of the World Bank and IMF and ended all subsidies to producers now find that they have liberalised into a highly distorted market and are paying the price. Unless we make progress, we risk undermining their confidence in the interests of liberalisation and their faith in the WTO. The US and the EU must take steps to resolve that issue. The Government are working to get the EU to agree to significant decoupling, and I discussed that with Commissioner Lamy when I was in Brussels recently. The European Commission has now made a proposal to EU member states, but we need to go further.

The same is true of sugar, but in the interests of time—other hon. Members wish to speak—I wish to get on to the third issue: the need for WTO agreement to take account of the specific needs of developing countries, which are at different levels of development. Special and differential treatment is the development jargon used to describe that issue, but it must be an integral part of the negotiations, so that poorer WTO members can implement trade reforms at a pace that enables them to exploit the benefits of trade liberalisation. My hon. Friend the Member for Morley and Rothwell (Mr. Challen) referred to that point in his earlier intervention, and if he wishes to intervene now, I shall give way to him.

Mr. Challen: I am grateful to my right hon. Friend for giving way. The hon. Member for Buckingham (Mr. Bercow) made clear his philosophical attachment to capitalism. I shall not necessarily ask my right hon. Friend to replicate that, unless he wishes to do so, but I ask him to consider the role of the City and financial institutions in developing fair trade. When we go to coffee or cocoa growers and say, "You must grow this cash crop to sell to us", we end up with a glut and they end up with very little income. As has been said, they receive 4 per cent. of the price. Should we have floors to guarantee prices? Should we ask financial institutions to contribute to the process?

Hilary Benn: My hon. Friend makes an important point about commodities. I am afraid that all those devices to which he draws attention have been tried in recent years to deal with the problem of low coffee prices, but the fundamental difficulty is one of over-supply. One of the reasons for that is that there has been a big, new entrant into the market, Vietnam, which has been spectacularly successful in reducing poverty, but there is too much coffee in the system as a consequence, thus depressing the price.

We may all be travelling in the same direction, but different countries are able to travel at different speeds. We must take account of their interests.

Part of what we can do over the next 12 months to prepare the ground for further progress on the world trade talks is to work with Governments of developing countries so that they can think through the consequences of the changes that might be made. The money that the Department for International Development gives for trade-related capacity building means that we can work with trade Ministries to provide advice and support to help countries to think through what the changes might mean for them, which is a practical contribution. However, I must say that the trade Ministers whom I have met were extremely capable and able to work out what was in their interests.

We are just over a decade away from 2015, which is the year when we will be judged and we will judge ourselves on the progress that we have made on helping to lift our fellow citizens out of poverty. We all have the responsibility to ensure that the fine words and commitments that we utter turn not into distant promises but into results. We need to reduce the number of people who live in absolute poverty and ensure that fewer children die before they reach their fifth birthday of diseases that we know we have the means to treat, although those means are lacked in the communities in

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which they live. We should enable more children to have a teacher, a classroom, a desk and a textbook and to go to school—130 million children in the world currently do not go to school.

Achieving those goals will require us to make progress on not only trade, but aid, conflict, debt, good governance, human rights and the environment. If we get things right and pull the challenge off, 2005 can become a year not of disillusion, but of promise. I hope that it will be a moment that we can look back on as a time when the development movement, the development argument and the development idea truly came of age. I hope that it will be a year in which the people in the community in Ethiopia whom I visited three weeks ago will come to know that the world did not visit them only to look and see, and that we went away, learned, and did something to try to improve their lives.

2.12 pm

Tom Brake (Carshalton and Wallington) (LD): I congratulate the hon. Member for Buckingham (Mr. Bercow) on securing the debate, which is important at the beginning of fair trade week. I agree that there is a degree of consensus in the House on the matter. Through his oratory, he almost—but not quite—lulled me into thinking that I did not need to highlight some of the problems that he faces in his role—the Secretary of State referred to those problems. However, it is instructive to consider the Conservative party's record, if only to appreciate how much more needs to be done.

The Secretary of State said that the percentage of our gross national income spent on international aid halved during the period of Conservative government. The hon. Member for Buckingham says that the issue is less about the international development aid budget than about trade, but there are still problems—indeed, he highlighted those himself. Over the past two decades, the percentage of total world trade enjoyed by the least developed countries has shrunk by nearly 50 per cent., so no significant improvements have been made in the international aid budget or the situation of those countries over the past 20 years.

Mr. Bercow: For the avoidance of doubt, let me tell the hon. Gentleman that overseas aid, including technical assistance, capacity building, the provision of medicines and the establishment of communication networks, is incredibly important, as is the proper recognition of the prerequisite of property rights as a basis for successful free-trade economies. I am simply arguing today about trade, but other things are important, too.

Tom Brake: Other things are important, but so is the international development aid budget.

In the spirit of consensus, we will support the motion. Broadly speaking, we are comfortable with its wording. However, it might be worth pointing out slight differences between the motion and what the Trade Justice Movement says. The motion says that the

"House shares the concern of the Trade Justice Movement about the plight of the poorest people in the world, and congratulates the Movement on bringing their conditions to the attention of the public".

It goes on to say that the House

"believes that trade liberalisation and increased international trade offer the best hope of alleviating poverty".

It is worth pointing out that the Trade Justice Movement's website calls on world leaders to stop

"forcing ... countries to open their markets and champion their rights to manage their own economies."

Thus the motion and the TJM put a different emphasis on international trade.

It is appropriate to consider the new initiatives that the hon. Member for Buckingham has brought to the table. I listened carefully to his speech but was unable to identify any new proposals in it. I had expected him to talk about the advocacy fund to which the Leader of the Opposition referred on Monday. That appeared to have been the announcement of the day—the summary on the Conservative website suggested that it was the single new proposal. As the hon. Gentleman knows, the fund is not a new proposal because the idea has been around for six months or more.

Mr. Bercow: It is always a pleasure to joust with the hon. Gentleman, but he is on thin ice here. Of course I endorse and regularly promote the arguments for an advocacy fund, as my right hon. and learned Friend eloquently did in his speech to the Conservative party's trade justice forum on Monday morning. That was not the only feature of his speech, nor was it the main feature, and it did not need to feature in my speech today. It is important, but it is part of a picture, and I wanted to develop other parts of the picture today. I should not have thought that that was terribly controversial.

Tom Brake: I understand that point. I referred to the advocacy fund only because it seemed to be the only concrete proposal that was launched—or re-announced—on Monday, but reference was not made today to the fund or to any new concrete proposals that a Conservative Government, if elected, would put in place.

There are significant contradictions in Conservative party policy. The hon. Gentleman advocated development in India, yet on the Conservative website the shadow trade Minister is critical of the fact that certain jobs have gone to India. I do not want to be misquoted outside the Chamber, so I am not saying that the loss of British jobs is a good thing—clearly, it is not. However, a logical consequence of the reduction of trade barriers is that jobs will go to India rather than remaining in the UK.

Mr. James Arbuthnot (North-East Hampshire) (Con): The hon. Gentleman needs a bit of an explanation, given the way in which he misdescribes our policy. We suggest that if the Government regulated a little less in this country, companies might not be forced to send their jobs overseas. We have no objection whatever to jobs being done in India that can be done much better there.

Tom Brake: I thank the right hon. Gentleman for that clarification, but he should perhaps read the website to find out precisely what the shadow Trade Secretary was saying—

Mr. Bercow: He is the shadow Trade Secretary!

Tom Brake: Sorry, I should have said the shadow industry Minister—there is a slight difference. The right

hon. Member for North-East Hampshire (Mr. Arbuthnot) should refer to what his colleague the shadow industry Minister said on the subject.

We understand that the question of whether a future Conservative Government would freeze the international development budget will be addressed along with the consideration of other budgets. If a decision has not been taken, it is worth outlining the financial consequences of such a freeze. According to the House of Commons Library, if the freeze were to be applied at the 2004–05 level, the financial consequences would be about £750 million—a significant sum, which I hope the hon. Member for Buckingham will quote in arguments with his right hon. and hon. Friends to safeguard as far as he can the international development budget. In view of the announcements about a possible freeze, I thought that the Secretary of State would be rubbing his hands in glee and salivating at the prospect of taking on the hon. Gentleman, but the right hon. Gentleman is a different character from the Secretary of State for Defence and has not taken the opportunity offered by this debate to launch into the proposals.

The Government have lots of which to be proud—I am happy to put that on the record. Breaking the link between trade and aid was entirely appropriate, as is the focus on the poorest countries. The general trend in the proportion of gross national income contributed is going in the right direction—although the Secretary of State will be aware of the blip that occurred in the last year for which figures are available, when, regrettably, that trend went in the wrong direction.

There are a couple of issues on which our agreement is less secure and our paths diverge, including the Commission for Africa and the prospect of the international finance facility delivering the goods—the £50 billion. I hope that the Minister who responds to the debate can update us on who is backing the IFF. What happens if, for example, countries cannot deliver on the commitments they made or provide the international development budget that they had intended to provide? What happens in the event of another shock like HIV/AIDS or some other significant occurrence that causes additional funds to be required? Is there not a risk that the available funds will have been earmarked and further funds will not be forthcoming?

On the Commission for Africa, I can do nothing better than quote the organisers of a small non-governmental organisation, who ask whether we need "another talking-shop." Bob Geldof has said that that is not what the commission will be, and it is not what the Secretary of State wants it to be, but the jury is out on what the commission can achieve. The announcement has been made, but the commission's terms of reference do not mention—at least, the summarised version does not; the detailed documentation might say more—the issue that I raised with the Prime Minister earlier today: the role that UK arms sales to African countries involved in violent regional conflict play in international development terms. The Prime Minister has said on the record, without caveat, that we prevent small arms sales to Africa. Clearly, that is not the case. I would like the Minister to comment on that and say whether the commission will be able to examine the matter.

Tony Baldry: Surely it is extremely good news that during Britain's chairmanship of the G8 we will again focus on Africa and return to the war on poverty, having been for so long preoccupied with the fight against terrorism. Should not the Liberal Democrats support that aspect of our presidency of the G8, which we will hopefully follow up during our presidency of the European Union?

Tom Brake: I hear what the hon. Gentleman says, but I question whether the Commission for Africa offers any added value. The Secretary of State and the Prime Minister have said that international development will be a priority for the G8 and EU presidencies, but we shall see. I am open-minded and willing to wait for what the commission produces, but I am not yet convinced that it will deliver the goods.

I hope that the Secretary of State will be able to answer one question about the membership of the commission. The Prime Minister of Ethiopia is to be a member of the commission, and I hope that that will provide a stronger focus on the Ethiopia-Eritrea issue—or at least that sight will not be lost of that important matter. On Saturday, I had a meeting with representatives of the Eritrean community, who are concerned about the stance adopted by the Ethiopian Government in respect of the boundary commission. The Eritreans consider the rulings to be final and binding. Perhaps the right hon. Gentleman will say whether he thinks that Ethiopia is breaking the agreement and whether the Commission for Africa offers an opportunity either to examine the issue, or to raise it with the Prime Minister of Ethiopia.

It is interesting to note that the summary of the commission's terms of reference makes no mention of agriculture. I am sure that the Secretary of State will be able to confirm that that will be a significant aspect of the task that the commission is to perform.

The Liberal Democrats believe that free trade needs to be balanced with wider public needs, such as a cleaner environment, civil liberties, protection of local cultures and so on. We accept entirely that the international trade system is stacked against the poorest countries.

Jeremy Corbyn (Islington, North) (Lab): Is the hon. Gentleman aware of the huge concern and, indeed, the deep anger felt in many African countries when trade agreements are reached that force African Governments to privatise public services and utilities and to close many important public services, all in the interests of building an open free trade system, which then becomes easy picking for powerful western-owned privatised utility companies, some of which started life in this country when the Tory Government privatised the utilities?

Tom Brake: Yes, I am well aware of those issues, although I suspect that I shall not have time to address them in my speech. The hon. Gentleman has made a strong point to which I am sure the Secretary of State will respond. Better regulation of corporate behaviour is clearly needed—for example, regulation to prevent transnational corporations from exploiting individuals, countries or resources. Perhaps transnational corporations should be made accountable here in developed countries for their activities in developing countries.

[Tom Brake]

The collapse of the Doha round could be seen as a disaster, but I think that it may simply have been a natural adjustment of the various lobbies at work in the World Trade Organisation. There is the potential to reform the WTO to take account of the different interests. I hope that the Minister who winds up the debate will say how it might be possible to represent both groups such as the G20, which contains strong exporters of agricultural products, and developing countries that are net food importers and would be heavily hit by policies that the G20 countries support. The Government must consider how the different preferences can be reconciled, but the developing countries must state in more detail what they want to get out of the WTO. What they do not want from it is clear; what they do want is much less clear.

A number of hon. Members have referred to agricultural subsidies, which are key. I sent out a number of e-mails asking people what they would discuss if they were participating in this debate. Someone said, "Agricultural subsidies, agricultural subsidies, agricultural subsidies", which is less succinct than "Education, education, education", but it gets across the message that agricultural subsidies are key.

To enable other hon. Members to speak, I shall conclude by saying that the debate is less confrontational and more reflective because of the general consensus on the important issues. That should not disguise the fact that the issues are a matter of life and, regrettably, death for people in developing countries. Developing countries do not want compassion, and I have yet to be convinced that they want commissions. They want concrete commitments—indeed, their survival depends on them. If the Secretary of State for International Development secures such commitments when the UK holds the presidencies of the EU and G8, people in developing countries will hold him in high esteem. If he does not do so, the despair in developing countries can only deepen.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. Six hon. Members indicated earlier that they want to speak in the debate, and I hope that the length of hon. Members' speeches will reflect that.

2.31 pm

Huw Irranca-Davies (Ogmore) (Lab): I shall restrict the length of my speech.

I welcome this timely debate. Whether the hon. Member for Buckingham (Mr. Bercow) or the shadow Cabinet secured it, it shows that the House keeps a serious watch on these matters. We all focus on our constituencies and on domestic matters, but what is happening overseas also concerns us greatly. If we can keep the issue on the agenda, we will do ourselves a lot of good—I shall consider that point in a moment.

I welcome the general mood expressed by both Opposition spokesmen, the hon. Members for Buckingham and for Carshalton and Wallington (Tom Brake). There is general agreement on the way forward, but differences on some of the detail. I want to give the hon. Member for Buckingham an opportunity to pick up on a point that I know he did not intend to make. When we debated this issue one year ago, a Conservative Member made a speech that seemed to advocate old-style, free market economics—unfettered trade, bringing down the barriers and letting all hell loose. I am sure that the hon. Member for Buckingham does not advocate that. Indeed, I saw him nodding when we discussed special and differential treatment as we open up trade. I would welcome an intervention from him because it would do him credit to clarify that point.

Mr. Bercow: I am happy to provide the hon. Gentleman with the reassurance that he seeks. First, special and differential treatment is important. One can argue the toss about how it works, but the need for it has been established. Secondly, we do not live in utopia, and no such destination is likely. We must work in a practical way with gradual liberalisation in the promotion of free trade and recognise that different countries are in different situations and therefore necessarily start from different positions. We must have a clear target and an end date for some of those reforms.

Huw Irranca-Davies: The hon. Gentleman's clarification gives us a good basis from which to move forward with, as far as possible, cross-party consensus.

I want to focus on why we should support the aims of the Trade Justice Movement, the Fairtrade Foundation, which is supporting many events in my constituency over the next fortnight, and the Government. Opposition Members have recognised that the Government are undoubtedly trying to exert pressure in the right places. Although we cannot secure everything that we want—the reform of the common agricultural policy or of World Trade Organisation agreements—the impetus towards satisfying the needs of developing countries is firmly entrenched within the Government's credentials. The more support that Back Benchers and non-governmental agencies provide, the better, particularly as we move into the next round of talks.

Jeremy Corbyn: Does my hon. Friend think that we should also put considerable pressure on the United States because of its food-dumping policies? Those policies are, in effect, a subsidy for the farming lobby in the United States. They destroy agriculture in the developing world and lead to poverty, shantytowns and mis-development, which we all dislike.

Huw Irranca-Davies: I entirely agree with my hon. Friend. We also have a lot to do within the European Union. The hon. Member for Buckingham made the point that we cannot aim at utopia, but we must keep pushing at the problem. As Oscar Wilde once said, there is no point in having a map without utopia marked on it. We must move towards utopia, while recognising that we will not get there tomorrow.

Why is trade justice good for us? It is different from the feel-good factor that we get from putting a donation into a charity box; in fact, it is not charity at all. It is good for us because it will put money back into our pockets, if we can do it correctly. Hon. Members have mentioned the £45 billion of CAP funding that we put into the European Union. However, the position is worse than that because, as fellow Europeans, we spend about £50 billion over and above the odds to pay for subsidised products, and we are doing ourselves down.

If we can develop effective trade liberalisation that works to the benefit of developing countries and ourselves, and if we can work to bring down barriers in the US and Europe, we will put money back into our pockets, and most importantly back into the pockets of some of the poorest people in my constituency. There is a strong argument to be made.

Mr. Kelvin Hopkins (Luton, North) (Lab): To reinforce my hon. Friend's point, it has recently become obvious that every single region of Britain is a net contributor to the European budget simply because of the operation of the CAP. I have made the point to my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs that we are well placed to call for the abolition of the CAP and its replacement by different forms of agricultural subsidy.

Huw Irranca-Davies: The point is well made. A typical, four-person household spends about £1,000 more than it should every year on the CAP. Forget about council tax reform and the balance of funding review; households are needlessly spending £1,000 a year. We must move away from the archaic CAP funding formula.

A point was made earlier in the debate about capitalism, but I will not get into ideological warfare.

Mr. Andrew Love (Edmonton) (Lab/Co-op): Oh, why not?

Huw Irranca-Davies: I will not be tempted down that route. A prime foundation of socialist movements is socialism not only on one's doorstep but internationally, which relates to my next point on intra-generational equity. Rising prosperity in this country is not good enough. In November, the Joseph Rowntree Foundation independently pointed out how many people we are lifting out of poverty—there is much more to do—but we must also lift people out of poverty on a worldwide basis.

Mr. Bercow: I respect the hon. Gentleman, and wait with bated breath and with beads of sweat upon my brow for his views on intra-generational equity. In all politeness and sincerity, I put it to him that the position is, as Sir Robert Peel once said, that the vice of capitalism is its unequal distribution of blessings; the virtue of socialism is its equal distribution of misery.

Huw Irranca-Davies: Very well put. I am pleased to see that we have a measure of agreement. We cannot have unfettered capitalism, and we need controlled measures to avoid breakdowns in markets, which result in abject poverty.

I will not go into the realm of intra-generational equity, although I lectured on the subject for six years. If we were to reduce barriers and do away with distorting subsidies, as much as £620 billion—the conservative figure is £250 billion—would be released into the world economy. At least half of that would go directly to developing nations, if it were done in the right way. It has already been said that 1.2 billion people in the poorest parts of the world live on less than $2 a day, which is lower than the subsidy per capita for a single European cow. There were disappointments at Cancun but hopefully, as my right hon. Friend the Secretary of State said, that will give us the energy to proceed with stronger resolve. However, without a doubt, Cancun showed that we need to strengthen the voice of developing nations. That started to happen at Cancun and, in response to people who say that liberalisation will tear developing countries apart, let me say that I believe that we need to ensure that those countries have a voice at the seats of power, not only in the WTO but in other worldwide non-governmental agencies. The Government share that aspiration, and we must work to make that happen.

Many church groups, such as the Catholic Fund for Overseas Development and Christian Aid, have been involved in the movement for trade justice. The summary that Christian Aid provided for today's debate says that it

"supports the reform of EU agriculture subsidies and the reduction of trade barriers to give poor countries a fair deal".

However, it goes on to say that the reform of those subsidies and

"the reduction of trade barriers . . . should not be granted in exchange for far-reaching liberalisation in developing countries themselves. In particular the EC should endorse the rights of developing countries to protect their poor farmers from unfair competition."

I should be interested to hear how the Under-Secretary of State for Trade and Industry, my hon. Friend the Member for Edinburgh, South (Nigel Griffiths), defines special and differential treatment, because the history of countries that have developed rapidly and enjoyed long-term prosperity is that in the early stages they needed appropriate measures to prevent all hell from breaking loose in free trade.

Trade justice is good for the world, international agencies and Governments. If we can make a success of the next round of talks, that will dramatically improve our relations with developing nations. There were disappointments after Cancun, but the members of the G90 are starting to flex their muscles and assert themselves. As far as possible, we must force the pace of CAP reform and discussions with the Americans on their own trade barriers and tariffs. I should be grateful if the Minister would explain his thinking on the so-called Singapore issues, particularly the removal of investment and competition from the agenda, before he goes into the next round of talks.

I urge the House, people listening to our debate, and those who marched to Parliament last year to crack on with the trade justice agenda, and to ignore the detractors, many of whom will point to the failure of talks. We are moving forward and doing the right things. We should be proud of what we have achieved so far, but should recognise that it is not enough. The Government amendment urges the European Union to make further progress on CAP reform on cotton, sugar, tobacco and olive oil, and takes note of the £160 million that the Government have allocated to essential trade-related capacity building in developing countries since 1998. The aid budget, which I mentioned earlier, will, in the case of Africa, rise to over £1 billion by 2005. We should be proud of those achievements and of the efforts of many people up and down the country. Members of the Trade Justice Movement are reasonable, responsible, well informed and, as we saw last year, well

[Huw Irranca-Davies]

behaved in their protests. I pay particular tribute to the branch of the Trade Justice Movement in my constituency. Its members are holding a coffee morning on Friday—I cannot attend, but my sentiments are with them.

2.44 pm

Mr. John Gummer (Suffolk, Coastal) (Con): There is considerable common ground on these issues among Members on both sides of the House. I remind the House of my entry in the Register, because much of the work that I do outside the House is to try to help companies behave better and more effectively in developing countries. We have accepted that there is a common view, and I do not have to repeat my long-term support for trade justice. However, I urge the House to pay attention to the problems that we have to face. I am sorry that the Government do not agree with our motion, but their amendment has the advantage of reminding us of some of those problems. As the Secretary of State has said, the developing countries are not an amorphous mass dealing with the same issues and concerns. They have a great need to trade among themselves but must recognise that some ways of liberalising trade and getting rid of distortions can do huge harm.

I shall use the example of sugar, which the Secretary of State discussed. Perhaps we should always talk about sugar rather than cotton, because we do not grow cotton, so it may appear that we are pointing the finger at those who do. We do grow large amounts of sugar, which is an important part of crop rotation in constituencies such as mine. We are therefore not making a vague argument about the need to get rid of a dreadful system to help people who manifestly need help; we are talking about changing fundamentally the way in which most of the east of England farms, so it is not surprising that there are considerable concerns. I am certain that we have to take action, but I am less certain that the Government have a plan for helping the European Union to find a solution.

It is not only our own farmers who are affected. We do not want to give up our markets to countries that are better producers and in greater need, only to find that they are almost all taken by Australia and very large producers in Brazil. Countries such as Mozambique and Togo would lose the markets that they currently enjoy under preferential treatment. I do not pretend to have a simple answer but, if they are to be effective in the EU, the Government must present the House and the public with proposals for change in the EU. Only then will we begin to prepare our own people and the rest of Europe for the considerable alterations that are necessary.

Problems arise not just from the bad things in the EU but from good ones. I agree with the Secretary of State that we are loth to say how much has been done. We should acknowledge that even at Cancun the EU made a clear commitment to considerable reform. However, the United States was unable to make any such commitment. Some of my friends throw around the term "Atlanticist" as if it were opposed to "European", but the two concepts are necessarily part of the same proper view of the world. Good Atlanticists ought to be prepared to tell the United States, quite honourably, that its position on the Farm Bill is intolerable, intolerant and unacceptable. I was at Cancun when the Americans told the peoples of the world that there were reducing subsidies for its farmers—not existing subsidies, but those that would be in place after the Farm Bill was passed. The United States would still subsidise its farmers more than the European Union does its. In effect, that is asking the European Union to repeat what happened at the Uruguay round by doing considerably more than the United States, which means that some markets will go not to those whom we had hoped to help, but to the rich, subsidised producers of north America. That cannot be acceptable. The Government must speak out clearly—politely, of course—to say that that is not the basis for a development round and that we cannot recover Cancun until there is a real willingness on the part of the United States to move on the issue.

Mr. Hopkins: There are two components to the bad behaviour of the rich in relation to agricultural products: one part is to subsidise their own production for their own use, and the other is to export and dump surpluses on world markets at ridiculously low prices. Does the right hon. Gentleman agree that if we could get rid of dumping in the first instance, that might be a step forward?

Mr. Gummer: The two issues are intertwined. A country with heavily subsidised products does not need to use dumping techniques to undermine products that are not subsidised, even in home markets, as in the case of European-produced rapeseed oil that competes with coconut oil in the markets of west Africa. The two issues are so closely combined that they must be dealt with together.

The European Union has gone thus far but must go further. The Government must provide greater clarity on the next steps in the EU, which I hope will take place soon. The Secretary of State for Environment, Food and Rural Affairs has negotiated extremely effectively the results that have been achieved so far, and I pay tribute to her for that, but one effect of her reforms is that many British farmers will have to cope with significant reductions in their incomes. I say to the hon. Member for Ogmore (Huw Irranca-Davies) that the time for offensively attacking the common agricultural policy has passed. CAP reform will make it evident to many people in Britain just how tough the movement from subsidy to non-subsidy will be for agricultural areas. A great deal of explanation will be required by people such as hon. Members who are speaking in this debate and who, because we are committed to the developing countries and to the success of the European Union, are determined to make the necessary changes. During the 10 years of change, we will have to be there, on the front line, among the people who will be significantly disadvantaged.

Chris Bryant: Will the right hon. Gentleman give way?

Mr. Gummer: I shall carry on, because I should sit down in about two minutes.

The next issue to be addressed—I hope that it will be done carefully—is the way in which we deal with the governance of the countries that we seek to help. I agree

with the Secretary of State's presentation of the Singapore issues. Our priority is to secure the changes that make the development round move forward, and if that blockage is so great, it is perhaps not worth fighting for those principles. Multilateral terms for carrying out investment are very important to developing countries in a world where the bilateral terms dictated by the United States or the European Union are often unfair. It may be better, although the developing nations may find it difficult, to have minimum arrangements of some kind—I hope that we can. If, however, we have to proceed without them, we must pay much more attention to the need for the benefits of freer trade and lower subsidies to reach the peoples of the developing countries instead of being stopped at the gates. That is where governance, the battle against corruption and the determination to ensure openness and transparency are important. I hope that the Minister will recognise that those issues are of huge importance if ordinary people in developing countries are to benefit from the changes.

My final point concerns fish. I am chairman of the Marine Stewardship Council, which seeks to ensure that fish production becomes sustainable. Tomorrow, we shall celebrate that cause at a gala that will be opened by the Prince of Wales. We are raising money to help poor communities to ensure that their fisheries are sustainable and thereby derive benefit from the markets in the rich world without destroying their own fish stocks. We need to recognise that the rich always win: if there is a shortage of something, the rich get what there is. In relation to fish, stocks of which have been increasingly depleted through pollution and, largely, greed. it is not the rich who go short, but the poor. The rich reach out ever further to buy other people's fish stocks, while the huge proportion of the world's poor who depend on fish for their protein will lose it in order that we have it in our shops.

Because it is Fairtrade fortnight, I suggest that we should add to fair trade the use of other mechanisms, of which the MSC is one, to remind people that when they buy products they should do it to the advantage, not disadvantage, of those who produce them. I hope that the Minister will use his position to bring considerable pressure to bear on the European Union to change its arrangements for agreeing fishery deals with poor countries in Africa. Many of those deals are not sufficiently policed, which allows rich nations to take more from the seas than is safe for next year's harvest. That situation could be improved if we in Britain were prepared to take such steps and to press the European Union to do likewise.

We are agreed on the essential need for urgent action, and the time has come for us to be honest about how difficult that action can be. Perhaps we can discuss it in a spirit of cross-party co-operation, unlike the Liberal party spokesman, the hon. Member for Carshalton and Wallington (Tom Brake), who spoiled the debate by seeking to find division. The real issues are very difficult, and it is in recognising that that we should find the best kind of bipartisanship.

We need to move forward in a way that is not disruptive to the poor nations that lag behind the majority or to the rich nations, many of whose members are poor and have benefited from subsidies, and will need to be helped to move into the new world. I hope that the House will see this debate as the beginning of a rather different approach to the way in which we deal with the world's greatest problem: the ability to live together—rich and poor, north and south, European and American—in a world in which we increasingly have to act interdependently or perish.

2.59 pm

Tony Baldry (Banbury) (Con): The Select Committee on International Development has published two reports, which I commend to colleagues. One was published before and the other after Cancun. Both the Secretary of State for International Development and the Secretary of State for Trade and Industry gave evidence. We were also fortunate in having a debate in Westminster Hall and I do not intend to repeat its contents or those of the reports, which, I hope, colleagues will read.

I want to make three brief points. First, we shall not make progress if nations approach the matter as a mercantilist exercise. The other day, several members of the Select Committee met a trade Minister of a fellow European Union country. I shall not embarrass the country by naming the person, but we were discussing the Singapore issues and that Minister asked, "What are we going to get in return for making concessions on the Singapore issues?" When a mature, fellow EU state takes the purely mercantilist approach that if we take the Singapore issues off the table, the developing countries must make some concession in exchange, it makes one fear that we shall never make progress. As my hon. Friend the Member for Buckingham (Mr. Bercow) said, the world has to focus on how to make the Doha development round a proper development round, not simply on who can make the greatest gains and who can extract the greatest concessions.

Secondly, I do not believe that there is any disagreement in the House on the aspects of the second report that dealt with the common agricultural policy. The Select Committee comprises 11 members who represent the three main political parties and its report was unanimous. The Government's response to that post-Cancun report and the various boxes on agriculture shows that there is no disagreement. However, Commissioner Fischler's comments to the European Parliament Development Committee a few weeks ago show that there is clearly some difference between the House's view and that of Commissioner Fischler. He clearly feels that EU support that is anything other than direct agricultural support should not be included in the equation.

We must work out a way in which to engage with other Parliaments in Europe; otherwise, we shall continue to hold debates among ourselves and agree a view, but without influencing other Parliaments. I hope that the Conservative party will continue to remain engaged with centre-right parties, such as the Christian Democrats, in Europe because it gives us an opportunity to influence parliamentary colleagues in those parties. Many represent farming constituencies, and we need to engage them in discussions on the CAP. We must work out a way in which to do that.

We must also work out a way of engaging the United States Congress. How do we engage our fellow parliamentarians there? Sadly, few Members of Congress came to Cancun and it was not therefore

[Tony Baldry]

possible to engage them in debate. Some non-governmental organisations, such as the Catholic Fund for Overseas Development, have been trying to work with, for example, Roman Catholic Congressmen, but parliamentarians too must somehow work with Congressmen; otherwise we shall hold the debate only among ourselves. We need to reach out.

Thirdly, statistics show that wealth in developing countries is considerably enhanced if we improve the trade position. However, we must accept that even enhancing trade will not necessarily solve every developing country's problems. Last week, I was in Sierra Leone. The Secretary of State will be there next week for the opening of the special court. I visited a part of the country called Bonthe, which used to be a rice-exporting area, where previous Governments planted palm oil plantations. United Kingdom research into specific types of coconut led to coconut plantations being based there. The area also exported piassava, which goes into brooms. Its tragedy is that the country now imports rice, the palm oil plantations are going to rack and ruin and the piassava market has disappeared. Sierra Leone is now a net importer of foodstuffs. I therefore welcome the Government's consultation paper on aid to agriculture. The Secretary of State has heard me banging on about the subject, and I make no apology for doing that again.

It is good news that the Department has produced a consultation paper on what more can be done about aid to agriculture. I spent days in Bonthe examining the dereliction there. People there had become so poor and existed at such a subsistence level that they did not have the wherewithal to buy the machinery to start growing rice again. They had lost contact with the way in which to establish markets in Loughborough, where broom makers require piassava. They did not have the ability to work out how to get the technology to develop palm oil. That cannot necessarily be done by the state because, in the past, it has often led to corruption. However, those communities must somehow be helped, and not only by the World Trade Organisation, before they can even begin to think about exporting or gaining access to markets. They must first be able to feed themselves. It is a tragedy that the cost of rice in Freetown is higher than it has ever been. It is beyond the means of many people simply to buy rice.

Whatever we do here about trade justice is brilliant but more must be done to help the poorest countries in the world to attain the bottom level to enable them to trade at all.

3.5 pm

Alistair Burt (North-East Bedfordshire) (Con): I thank my hon. Friend the Member for Buckingham (Mr. Bercow) for tabling the motion. He builds on the excellent work of his two immediate predecessors, my hon. Friends the Members for South-West Devon (Mr. Streeter) and for Meriden (Mrs. Spelman), who over the years have built a sharp and compassionate platform for Conservative party policy on international development.

I want to make two brief points. First, although we concentrate on the opportunities that trade provides to help world development, I do not want to forget aid. Secondly, I want to reflect on the difficult issue of balancing market liberalisation with sensible interventionist policies to help trade grow in the countries that matter.

It is crucial not to forget the role that aid still has to play. The motion acknowledges the work of voluntary groups and I should like to thank those people throughout the country who support voluntary aid agencies around the world. They are often unsung, and, in some cases, give their lives to working in places around the globe to make them better. They are a remarkable combination of people, who use their lives to help their neighbours, however far away. They have been political lobbyists, active on the streets and reflective in their writings, thus contributing to development theory as well as practice. They have engaged millions of others in their activities.

I pay particular tribute, because of my personal connections, to those who work in Christian-based aid organisations. Tearfund, CAFOD, World Vision and many others have made an extraordinary contribution. Sometimes it is necessary to be reminded of how dreadful conditions are in some places and the hurdles countries have to overcome before they even reach the world stage to discuss finance and trade.

My former researcher, Anthea, is now a regional officer for Tearfund in Burundi. Since 1993, that country has been engaged in a racially based civil war and hundreds of thousands of lives have been lost, yet the patient work of development goes on. Anthea e-mailed me yesterday. She wrote:

"Burundians are in many ways similar to the British, it is difficult to get them to talk about the way they feel and it takes time to get to know them and to have any kind of real friendship. People never talk about the genocide, except as a historic event which they refer to as 'la crise' so the other day I was really surprised when ... our logistics assistant told me what had happened in his family. In 1993 both his father and his brother were killed when all the male Tutsis in the commune where they lived were murdered. That year he said if you include his extended family fifty people were killed. It's hard to imagine how people deal with that kind of loss and yet one of the ways Burundian society seems to have tried to come to terms with the past is to bury it and never mention it; the genocide has become a taboo. God's healing is still very much needed before peace will become a reality.

This month Tearfund are running two peace and reconciliation workshops, one in Bujumbura and one in Kirundo for church leaders. The aim is to encourage the church to play an integral role in the process of healing and reconciliation. Please pray that these workshops really inspire and excite church leaders and that they also go someway towards healing the rifts in the church."

By contrast, Habitat for Humanity addresses the basic problem of poverty housing throughout the world. It is a non-profit-making, ecumenical Christian housing ministry, which aims to take poverty housing and homelessness from the world and make it an issue of raised consciousness. That organisation has built more than 150,000 homes and provided more than 750,000 people in 3,000 communities worldwide with decent, affordable shelter. I am proud to be an honorary UK patron of its work, along with Members from each of the major parties. It is a model of sensible international development. It encourages local leadership to get on board, it uses local materials and it helps people, by engaging them in what it calls "sweat equity", to gain access to affordable housing ownership in their

communities. That is an example of how Christian scripture can act as a basis for professional community development, effective delivery systems and practical action in the community.

The basic capacity building of homes and the provision of peace and reconciliation in conflict-torn areas are absolutely essential before we even consider how nations can then tackle the international crises that we seek to address through trade, and through negotiation and discussion on such matters as finance. On the reform of trade rules, I sign up unequivocally to the general view that freer trade is likely to be better for people. On balance, that is the way in which the world has worked and progressed, and there is plenty of evidence of how trade regimes that are too restrictive can cause damage. However, on the wider issue of how far that free trade is to go, the evidence suggests that the jury is still out and that there are serious differences between major players, which need to be resolved. Strong, persistent voices from those in a position to know seem to be raised determinedly against the substantial extension of unprotected, unmoderated free trade.

Mr. Hopkins: I am interested in what the hon. Gentleman is saying. Is he aware that Joseph Stiglitz, formerly of the World Trade Organisation and a Nobel prize winner, has expressed severe doubts about trade liberalisation and WTO policies?

Alistair Burt: I think that we are in the same general area of discussion, and I am happy to develop this point for a couple more minutes.

I raise this point because it is a matter of concern for the world's poor, and for those of us who seek to understand their position and to intervene and speak for them—that there appear to be strong differences of opinion among international financial institutions such as the World Bank and the International Monetary Fund, organisations such as the WTO, individual Governments and, by contrast, the voices of certain development agencies.

As an example, Focus on the Global South, a regional organisation for policy research, analysis and action, which works in conjunction with the United Nations in Asia and the Pacific, produced a report in October 2003, entitled "Anti poverty or anti poor? The millennium development goals and the eradication of extreme poverty and hunger". It was critical of the World Bank, and quoted a study on structural adjustment programmes and their effects on countries across Latin America, Africa and Asia. That study found, among other things, that indiscriminate trade and financial sector liberalisation devastated local industry, especially the small and medium-sized enterprises that provided the bulk of national employment; that such trade and liberalisation undermined the viability of small farms and agricultural producers, which weakened food security and damaged the national environment; and that macro-level problems have accompanied those local-level failures, which means that the promised gains of efficiency, competition savings and revenues have not materialised.

World Vision, in a paper that it prepared for me for this debate, says that

> "there are significant dangers for developing countries in having their policy options foreclosed by IMF and World Bank loans, conditionalities and inappropriate, restrictive WTO rules."

It might be reasonable to assume that some who work for development agencies are not by nature well disposed toward liberal, free market economics, and they sometimes show a touching faith in state production and institutions of whose effectiveness and success there is scant evidence. However, I find that there are too many well researched, well written papers coming from people on the ground, who ought to know what is happening in practice and what the effects of various measures are, for them to be too easily dismissed.

I ask my own Front Bench, the Secretary of State and the Minister for Small Business and Enterprise, who is replying to the debate, how we stand on that. Do the Government feel that the conflicts between the agencies and some financial institutions on the extension of free trade can be easily overcome? Is synthesis possible? Do the Government come down on one side of the line or the other?

The very nature of the debate troubles our constituents, who want to believe what politicians tell them on this matter, but sometimes find politicians' views diametrically opposed by the churches and voluntary agencies that they wish to support, and to which they give their money and time. To put the question simply, is there a way through? Is there a synthesis of opinion, and can the difficulties that the agencies have raised, and the conflict over some free trade issues, be reconciled? I hope that I am not alone in being puzzled by that, on behalf of those who are interested in the matter. In the spirit of debate, I should genuinely be interested to find an answer.

In conclusion, I think our constituents will be well pleased to find that on occasion, we speak collectively—with one voice—on an issue. On this issue, the day for which our constituents are waiting is the day on which, collectively, we can deliver.

3.15 pm

Mr. Robert Walter (North Dorset) (Con): I should like to join other colleagues in congratulating my hon. Friend the Member for Buckingham (Mr. Bercow) on introducing this debate on fair trade. Following what the hon. Member for Ogmore (Huw Irranca-Davies) said, I can tell the House that my hon. Friend the Member for Buckingham will be joining me for a Fairtrade tea in my constituency in a week or so.

I had the honour to serve on the Select Committee on International Development for two years, under the chairmanship of my hon. Friend the Member for Banbury (Tony Baldry). Some former colleagues are present today. I served on that Committee until just before Christmas, and we produced two reports on trade and the issues surrounding the World Trade Organisation and the abortive Cancun summit. I found that preparing those reports was fascinating, if sometimes depressing. During our year of inquiry, we visited the WTO, the European Commission and the European Parliament. We took evidence in Washington

[Mr. Robert Walter]

from trade representatives and representatives of the Department of Agriculture, and we heard evidence from many developing countries, as well as countless NGOs.

One point that has become clear to me from those deliberations is that Europe and the United States hold the key to the solution of this issue. Europe and the United States appear to pay lip service to that solution, but neither is prepared to undertake the reforms necessary to bring it about. The trade and agricultural policies on either side of the Atlantic ocean are blocking real progress. We heard numerous examples of that, highlighted in the report to which my hon. Friend the Member for Banbury referred: the inability of Indian dairy farmers to compete with subsidised European skimmed milk exports to the Middle East; the damage caused to the Jamaican dairy sector by the dumping of skimmed milk powder by the European Union; and the problems in the sugar industry and the cotton sector, to which my hon. Friend the Member for Buckingham and others have referred.

I was particularly struck by the remarks of the Prime Minister of Ethiopia, in his evidence to the Committee, about the inability of Ethiopian producers to compete with subsidised US corn exports to Yemen, which is the Ethiopians' traditional market. He was cautious, although I tried to prompt him, about calling that "dumping", but we all knew what he meant. European leaders seem to have been rather pleased with themselves during the past year over their agreement to the reform of the common agricultural policy. However, that will not tackle directly the problems related to export subsidies, and it will fall far short of stopping the dumping of European Union surpluses.

Agriculture is the key to fairer trade in both the developed and the developing world. Although it is by far and away the most distorted sector, agriculture is the most important issue for developing countries. As I hinted in my intervention on the Secretary of State, I take issue with the element of generosity and common purpose in the opening remarks of my hon. Friend the Member for Buckingham to the Secretary of State. In the motion, my party urges the Government

"both to press for the talks to restart and to publish its proposals for the reform of agricultural subsidies",

whereas the Prime Minister's amendment refers only to urging

"the European Union to make further progress on reforming the Common Agriculture Policy regimes for cotton, sugar, tobacco and olive oil".

We have to go much further than that.

In the Committee's report, we pointed out that three quarters of the world's poor live in rural areas, that 27 per cent. of developing countries' gross domestic product and export earnings comes from agriculture, and that agriculture provides 50 per cent. of employment in those countries. Its importance in the poorest countries is even greater, because it provides employment for more than 60 per cent. of the labour force and represents some 70 per cent. of their exports. The World Bank estimates that up to 70 per cent. of the gains from trade liberalisation would come from the agricultural sector, which could increase developing countries' exports by anything from $30 billion to $100 billion a year. Our report suggests that that could add an extra 1 per cent. to the GDP of Africa.

So, removing subsidies, ending dumping and reducing barriers to trade will put an end to what one of the witnesses before the Select Committee described as a "catalogue of scandalous destruction of livelihoods or missed trade opportunities for developing countries".

Chris Bryant: It has been clear throughout this debate that everyone shares the hon. Gentleman's desire for change in the common agricultural policy. However, elections are coming up in Spain and Greece in the next few weeks, and both those countries are likely to return Governments with a renewed mandate for keeping—and, indeed, enhancing—the common agricultural policy. How are we to set about the political process of achieving further reform?

Mr. Walter: I agree, to some extent, with the frustration that underlies the hon. Gentleman's question. This is one of the reasons why we must be firm in our united resolve, on both sides of the House, to get the point across to all our European partners that this situation cannot go on. I shall develop that argument just a little more, if I may.

This is not just about export subsidies. The United States and the European Union have to deliver wholesale cuts on domestic subsidies as well. I do not believe that the CAP reform that has been negotiated will deliver any such change in this subsidy-dependent culture. I have been a farmer, and I have enjoyed the subsidy regime. It distorts every business decision. People used to ask me what I farmed, and I would reply, rather light-heartedly, that I farmed subsidies and kept sheep to justify them.

I take issue slightly with my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer), in that I believe that British farmers would love to see the back of the subsidy-dependent culture that exists right across Europe. However, it is not the British farmers in my constituency who are defending the indefensible. Many of my constituents would not be prepared to give up their subsidies until their European and American cousins had done the same thing, and if I were still farming, I would feel the same. However, we have to work in a concerted way to achieve that. Any British farmer will tell us that the current system of land-use subsidies, production subsidies, export subsidies, dumping and barriers leads to us all here in the north producing far more than the market demands.

I should like to say a few words about the reform of the common agricultural policy, because Commissioner Fischler has been referred to briefly. I shall quote from a report by the US Department of Agriculture economic research service, which concluded that US subsidies increase the level of output, even though they are meant to be production-neutral. The report states:

"Transfers that are not commodity specific can increase the overall level of agricultural production by increasing the wealth (financial well-being) of farmers, thereby expanding agricultural investment and boosting the use of land and other inputs."

Mr. Bercow: My hon. Friend is making a characteristically thoughtful speech. Does he not agree that the single most shocking feature of agricultural policy in the United States is that the Farm Act 2002 represents a serious regression from the position established in the 1996 Act?

Mr. Walter: I agree absolutely.

I was about to quote from Agra Europe, a well-known research body on this side of the Atlantic, which reported:

"Overall, the new legislation is expected to increase spending on US farm support by an additional 70 per cent. or $73 billion, over the next ten years."

Its specific criticisms of those subsidies were as follows.

"They guarantee the US farmer a given level of income . . .

Lower prices will mean that farmers gain a higher income than they would if market prices were higher—thus sustaining market disequilibrium . . .

Since guaranteed income means guaranteed return on everything grown"

irrespective of whether it is sold, and

"Resulting increased production will flood the market and further drive down prices".

Those new subsidies will reduce US export prices, particularly for wheat, which already forms 40 per cent. of the world's total production. That will have a depressing effect on third world prices and reduce the attractiveness of US domestic markets to developing country exporters.

In 2002, total agricultural support in OECD countries amounted to the equivalent of 1.2 per cent. of GDP—more than $300 billion—which meant that prices were on average about 31 per cent. above world prices. In the European Union, export subsidies are explicit. In the USA, they are not always quite so clear and straightforward. None the less, they are as great, if not greater. Our Committee reported that the average external agricultural tariff around Europe is 19 per cent., and reaches a peak of 260 per cent. The average external tariff around the United States is 5 per cent., reaching a peak of 350 per cent. We are dealing here with export barriers and subsidies, import tariffs and the overall level of subsidy.

I leave the House with a simple question. If I were a washing machine manufacturer, and each year the European Commission shared out up to €50 billion among all the washing machine manufactures, just to keep the factories going and for the privilege of telling all my friends that I was a washing machine manufacturer, I imagine that some of the other washing machine manufacturers in the world might get a little upset. They might use terms such as "unfair competition", or get their Governments to impose tariffs or block our washing machine exports. I guess they would. But that is exactly what we are doing in just one sector today—the agriculture sector—and the reforms we have agreed make little difference. They do not alter the basic equation. We in Europe—this is replicated in the United States—are giving our farmers nearly €50 billion a year, which is not available to our competitors. That is simply not fair.

3.28 pm

Mr. Quentin Davies (Grantham and Stamford) (Con): The consensus that has emerged this afternoon, both in the remarks from those on the two Front Benches and in the motion and the amendment, is rather striking. It is also valuable. I suspect that the Government tabled their amendment because, like many of us, they had an automatic, instinctive partisan reaction, and felt that they ought to say something of their own in the form of a counterblast. I hope, however, that on reflection they will not divide the House. Such a decision would be a positive gesture because we can achieve more on CAP reform if there is a consensus.

The emphasis of my remarks will differ slightly from that of some of my colleagues, although we all share the objectives involved. Human history teaches us unambiguously that international trade is a prerequisite for growth in output and wealth and for the reduction of poverty. The enormous and, at the time, unprecedented expansion of output and wealth in the 19th century was associated with the even faster growth rate of trade. When that rate began to be reduced at the end of the 19th century by protectionist measures from the continent and from the United States, the output growth rate began to fall.

In the inter-war period, protectionism was unprecedented, at least since the 17th century, and enormous trade barriers were raised, beginning with the appalling Smoot-Hawley tariffs in the United States in the early '20s. During those 20 years, we had the most disappointing growth rates, and in the 1930s a memorable and appalling recession. Over the last 50 years, the enormous increase in wealth and well-being has been associated with an international trade growth rate many points higher than the output growth rate. That could not have been achieved without the liberalisation measures and, in particular, the creation of the European Union, as well as the international measures that started with the Kennedy round in the '60s, moving through the general agreement on tariffs and trade and now the Doha process.

Against that background, Cancun is disappointing. At the very least, it is a serious reverse in a favourable process and we are all right to be concerned about that. When it comes to drawing lessons, we must—at the same time and by the same token—assign blame. The most popular target seems to be the EU. A lot of people in this country, for the noblest motives, like to feel that they are being more critical of themselves than of other people. Perhaps that is a good principle in one's private life, but it can sometimes lead one astray in one's political judgments.

In Cancun, the EU made a considerable effort, which was the decision to go for decoupling last year. It involved considerable sacrifice by many politicians who depend on the farming vote. I am not always nice to the French in this Chamber, but let me say that it was positive, and rather unexpected, that the French went along with that, so they deserve credit.

What is more, when we got to Cancun Commissioner Lamy made a number of major concessions. He gave away two of the Singapore points—those on investment and on competition. Both are sensible proposals that are much in the interests of the developing countries; I shall come to that in a moment. Nevertheless, operating tactically while also showing good will and emphasising the importance of the whole issue, he gave way.

The Americans did nothing at all. They had done nothing beforehand to prepare for success and, so far as I can see, they did nothing when they got to Cancun to contribute to success. Their Farm Act 2002, which has been referred to several times this afternoon, was a complete disaster, as it went in the opposite direction and increased agriculture support when the EU was at least reducing ours. That was most extraordinary.

[Mr. Quentin Davies]

The Americans' record in trade matters recently has been really dreadful. The sudden, arbitrary imposition of steel quotas and the tax subsidies for exporters, which are causing a trade war between us and the United States and which are a serious matter, flowed from entirely selfish, short-sighted and lobby-driven pressures on the US Administration. In so many other ways, I greatly respect and greatly support them because—other colleagues have referred to this—I am a strong Atlanticist as well as a strong and, I hope, good European.

We have to try to consider things as dispassionately as we can in this matter, but the United States does not come out of it with any credit at all. It will not help the argument at all, nor will it help our relations with the United States, if we are anything less than frank with it about that, as I would expect, among friends and allies, the US to be with us if it had a similar problem.

Mr. Hopkins *rose—*

Mr. Davies: Because of time pressure, I hope that the hon. Gentleman will forgive me for not giving way.

We cannot end the indictment there. I am about to say something that has not been said and I may be clashing with a consensus that I value, for which I apologise in advance. I have to say that the position taken up by the G90 at Cancun was irrational and very unhelpful. It is not sensible, as the Trade Justice Movement seems to believe, that the slogan should be, "Open up your markets, do whatever the G90 asks for and let them get on with governing their own countries in whatever way they want." That is not a realistic line to take.

Even if we could persuade all our EU colleagues to go along with an entirely altruistic policy of making unilateral concessions without demanding anything in return, we would not persuade everyone else in the world who needs to be part of an agreement—the Japanese and the South Koreans, for example, who took a strong line on the Singapore issues at Cancun—to come along on that basis, nor would it be reasonable to expect them to do so. Human affairs are not normally conducted in such a way, so that is bad advice to give anybody. I would be sorry if it were the message that went out from the House this afternoon.

I also have to say that it is irresponsible of us not to take an opportunity that offers to assist in the cause of good governance and rational economic policies among those poor countries whose poverty we are desperately trying to alleviate. In life, we cannot help people who will not help themselves. We all know that if 50 countries have gone backwards and become poorer in the last 20 years—that is a quarter of the countries in the world, which is an appalling statistic—that is largely because of the policies that they have adopted.

There are classic, egregious examples of appallingly destructive economic policies, sometimes based on a lot of cloudy rhetoric about socialism, fairness and so forth, that ruined a country—Ghana under Nkrumah and Tanzania under Nyerere are the two classic examples. Perhaps I will not be quite so blunt about people who are still in power, but there are too many of them around, particularly in Africa. They are a major problem.

With the best will in the world, I believe that we have made all the trade concessions that we want and we provide all the aid and all the development assistance that we want. We are providing $50 billion at the moment, although I know that that is not much. All that can be discounted and made as nothing by self-destructive economic policies adopted by the beneficiary—the recipient—states. So, it is absolutely right, if we are to make this effort, that we should do so alongside the countries that we hope will benefit—on a partnership basis, of course.

We should indeed seek to exert subtle but effective leverage on the policies of those countries and try to ensure that when we are in a position to give them something that they want we use that opportunity. That is quite normal in human affairs, and is not in any sense a humiliating policy to adopt. We should seek to influence them to take a sensible and rational direction. That would be very much in the interest of the world as a whole, but particularly in the interest of their own populations, who are suffering from too much poverty.

For all those reasons, the G90 should not escape its fair share of the blame for what happened. We should be just as blunt and just as frank with those countries, nor should we patronise them by treating them any differently from normal, adult, responsible human beings with whom we deal in life, politics, business or any other context. We should speak clearly, saying, "We want to help you. We believe that we can and there will be a great effort on our part to remove some of the subsidies, although there will be a political cost. We want to talk through what you can do. We will end up with a blueprint for a better world." That is the dialogue that we should be having.

I have a final point to make. Somebody else should not escape a mention in the debate and a measure of the blame—Señor Luis Ernesto Derbez, the appalling chairman at Cancun, who behaved with an unbelievable lack of imagination, flexibility and competence in chairing a complicated international meeting.

It was crazy to think that there was any chance of reaching agreement in five days. To close the whole show then—just a few hours after a critical concession had been made by Commissioner Lamy and before anyone had the chance to digest it and work out where we might go from there—was quite extraordinary. I have no idea why the chairman did that, but of course it was a completely mistaken tactical approach. He should have allowed that concession to be absorbed and seen whether some people would come back with some more.

There is no question but that the problems that we have to deal with in this matter are far too important and far too complex for it to be responsibly expected that they can be dealt with definitively within five days; a great deal longer was necessary. When we get back to business on this one, which I hope we will as soon as possible after the American presidential election, I hope that all those lessons, and indeed many others, will be effectively learned.

3.38 pm

John Barrett (Edinburgh, West) (LD): There is clearly consensus on both sides of the House about the vast majority of issues that have been discussed this afternoon. The Government have made much progress,

but while the hon. Member for Buckingham (Mr. Bercow) made the most eloquent speech, the Secretary of State was right to raise the Conservatives' track record. The best indication of future performance is past performance—that cannot be airbrushed out of history.

There is consensus in this place, but the public are mystified, because all that they ask is that we politicians give the poorest, the hungriest and the starving a decent trading system, so that they have a level playing field and can get a leg up and participate in trade. Trade with developing countries is occurring, and not just in agricultural products, although they are clearly the No. 1 issue. There is trade in mining, a growing trade in tourism, trade in arms, as my hon. Friend the Member for Carshalton and Wallington (Tom Brake) mentioned, and trade in technology. One thing that has affected my constituency is the trade in financial services jobs, which are going to the developing world.

Unfair barriers must be tackled. Non-tariff barriers make it difficult for products from the developing world to enter our market. It is right that we have high standards, and that we demand that the food that ends up on the supermarket shelf is of the highest standard. The knock-on effect of that, however, is that people who want to enter the food market must comply with the same standards. If we are to help the developing world, we must therefore assist those developing countries in a number of ways to enter our markets.

The effect of trade on the environment has not been mentioned. If we trade with the developing world in timber, for instance, we must consider the effect that that has on the environment and on greenhouse gases. Clearly, there is not enough time to discuss many aspects of trade, although they have been discussed in the Chamber and in Westminster Hall a few times recently. I appreciate that the Secretary of State has always shown a great interest and has turned up for those debates.

I have mentioned the national issues, but it is also worth mentioning and recognising local initiatives that are helping. When the Minister replies, he may mention the fair trade policy of Edinburgh university, in his constituency. Our city of Edinburgh has adopted fair trade city status. Fair trade bananas are now on display in my local Tesco, and at a village in my constituency, South Queensferry, people are signing up to participate in fair trade.

The issue is trade justice, and a number of Members have already mentioned the injustice of EU farm subsidies and the United States Farm Bill. Europe and the United States are part of the problem, not part of the solution. I would like to see some movement on that, and given the special relationship that exists, or is supposed to exist, between the Prime Minister and the US President, it could be emphasised how important it is that they roll back some of the subsidies that they are giving their domestic producers and their exporters, which are effectively destroying markets.

Aid and trade are also linked. As the Chairman of the Select Committee, the hon. Member for Banbury (Tony Baldry), has pointed out in the past, we must accept that in good years, when developing countries are producing a great deal of whatever agricultural product they produce, the price falls, whereas in bad years of agricultural production, we send out more aid and, once again, there is a danger that local market prices can be undermined. We must make sure that we integrate our aid and develop trade at the same time.

A classic example of things having gone completely pear-shaped is the world coffee market. The Secretary of State and others mentioned the problems of Ethiopia. If Ethiopia is to move forward, with its growing population and huge AIDS crisis, it must develop irrigation, agricultural production, its road system and its education and health systems, all of which will work together in letting it develop as a nation and develop its trade. Coffee production is at the heart of Ethiopia's future potential. While there are new players in the market, such as Vietnam, which was mentioned earlier, one of the problems is that we are paying increased prices for coffee on our supermarket shelves, yet the world coffee price to the local farmer is dropping. On a rough calculation, a coffee farmer must produce enough coffee for 1,000 cups of coffee to be paid as much as we in the UK pay for one cup of coffee.

As time is moving on, I want to end with what I said when we last discussed this subject:

"Trade agreements should be developed to help the poor, to protect the environment and to be a force for positive change. If that development does not take place, we shall all suffer as we help to develop a world where the obese watch the poor starve to death on television. All that is being asked for is what is fair. We should settle for nothing else."—[*Official Report*, 19 June 2002; Vol. 387, c. 315.]

3.45 pm

Ann McKechin (Glasgow, Maryhill) (Lab): I welcome this debate, which is timely. I add my support for Fairtrade fortnight. I will support one or two fair trade shops in my constituency on Friday.

I had the privilege to attend last year's WTO summit in Cancun. I want to comment on some of my observations at the conference. First, we need to stop playing the poker game when we arrive at conferences by leaving every decision to be dealt with in four days flat. The capacity of someone from a poor developing country to be able to deal with the wide-ranging and complex issues within such a short period is virtually nil. It would be of great assistance if all nations could concentrate on reaching the majority of decisions in Geneva during the course of the year in normal negotiations rather than leaving everything to the last minute.

Language is also important, particularly within the European Union. I heard the French Trade Minister talk about the unique cultural quality of his agriculture and how he wanted to refer it to UNESCO. I heard the Italian Trade Minister talk about the unique value of Italian soil. Considering that his audience consisted of Trade Ministers from some of the poorest countries in the world, where 70 to 85 per cent. of the population are involved in subsistence farming, that must have been fairly hard to swallow. The first thing that we could therefore do is to talk about development and truly mean what we say. I give credit to the British Minister who, in complete contrast, emphasised the need for true development and the need of the poorest countries. The United States of America was not even present—despite having more than 250 people in its delegation, one would have been hard-pressed to find them in Cancun, for they spent most of their time hiding away,

[Ann McKechin]

considering the embarrassment of having to speak to Ministers and others representing farmers in west Africa and cotton farmers who are now facing bankruptcy because of the failure of the Cancun talks.

We also need to differentiate the needs of the G21 group, comprising countries such as India, China and Brazil, which are looking for more access to our markets, and those of the G90, which need more time spent on special and differential treatment as opposed simply to reducing barriers. Different needs exist, and we must find an agreement that will suit both sets of views and needs.

The Singapore issues have been mentioned. Pascal Lamy left it far too late in the game to make his offer, which was one of the major problems with the Cancun debate. Trade rules are not necessarily a good basis on which to establish an investment agreement. There are different nuances, which require differentiation, not a one-size-fits-all approach. We should remember that the policies of the World Bank and International Monetary Fund already require developing countries to liberalise without any trade-off. When developing countries attend the WTO. therefore, they have already liberalised many of their markets as a result of World Bank and IMF policies, and have little to offer and negotiate with at the table. It is no wonder that developing countries feel so defensive when attending conferences of this kind.

We need World Bank, IMF and WTO policies that recognise the fact that countries such as India and China protected their own markets before agreeing to trade liberalisation. They developed their domestic industries before allowing them to be left to the open market. We must consider how the various agencies can best work together to achieve the millennium development goals and economic growth in the world's poorest countries.

The International Labour Organisation recently held a special commission on globalisation. One of its best recommendations was that we should concentrate not on freer regulation but on actual employment growth. That should be the test of whether we are achieving a reduction in absolute poverty.

I hope that the Government will consider those points, and that they will form part of our discussions on progress and trade agreements in the coming year.

3.49 pm

Mr. James Arbuthnot (North-East Hampshire) (Con): This moving and rather unusual debate has featured the House at its best—with the exception, I am sorry to say, of one speech fairly near the beginning. Although it is a shame that there were only two Labour Back-Bench speeches, we have seen the House united on a subject, and in its language on that subject. The value of that lies in the fact that, as my hon. Friend the Member for Buckingham (Mr. Bercow) pointed out, this is one of the world's crucial issues, which affects the living or dying of millions of people.

I congratulate the Government on the non-partisan nature of both the Secretary of State's speech and his amendment. I have no quarrel with the amendment; my only question to the Secretary of State is whether he disagrees with anything in the motion. I heard nothing in his speech that suggested that he did. I think he agrees with the motion but would have worded it slightly differently himself. In his opening remarks, he invited the House to unite in support of the amendment. I do not think we shall have an opportunity to do so, because the Conservatives will not oppose it. Indeed, that will arise only if the Secretary of State takes the step of voting down our motion—with which he agrees, so I hope he will not. My right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) said, in an extremely powerful speech, that this debate would provide an opportunity for a good deal of consensus. It can still provide that opportunity.

As I have said, I accept the amendment, but there are points on which we need more detail. The Secretary of State

"urges the European Union to make further progress on reforming the Common Agriculture Policy regimes".

Of course we all do, but what is he doing to achieve that further progress? My right hon. Friend the Member for Suffolk, Coastal said that it was not clear to him that the Government had a plan to help the European Union make such progress, and it was not clear to me, either, from the Secretary of State's speech, welcome though it was.

The amendment calls for action on HIV/AIDS. Yes, but once we have called for that action, what will we do to achieve something for those desperately poor countries? It calls for a successful Doha round. Of course, but the prospects do not look good at present. The Doha round is intended to finish by January next year, but given the way things are going, that will not happen. The Secretary of State referred to the millennium development goals. He said that there were targets to be achieved by 2015, and that we would be judged on them. That is right, but if we cannot even achieve a successful development round at Doha, how are we to achieve those goals by 2015? The hon. Member for Glasgow, Maryhill (Ann McKechin) made a similar point.

The amendment says that

"significant progress must be made to improve access for developing country exports".

But, as my right hon. Friend the Member for Suffolk, Coastal said, such things are very difficult to achieve, so we need some mechanisms through which such progress can be made. Let us consider the question of substantial reductions in trade-distorting agricultural subsidies. In a very well informed speech—as always—my hon. Friend the Member for North Dorset (Mr. Walter) said that he farms subsidies and keeps sheep to justify them. What are we actually going to do to achieve these substantial reductions in trade-distorting subsidies?

I therefore accept the Government's amendment; all I suggest is that when the opportunity comes to oppose our motion, they fail to take it.

Before I finish, I want briefly to discuss the Singapore issues. I welcomed what the Secretary of State said—

Mr. John Taylor (Solihull) (Con): Before my right hon. Friend moves on, may I draw his attention to the compelling speech of my hon. Friend the Member for

Grantham and Stamford (Mr. Davies), who seeks mechanisms that can couple the aid given to countries that deserve it with stewardship of how it is spent, the economic consequences of the use of that aid, and its effectiveness and efficiency?

Mr. Arbuthnot: If one is allowed to refer to Lord Copper in this Chamber, I would say, "Up to a point". My hon. Friend the Member for Grantham and Stamford (Mr. Davies) made a characteristically trenchant speech about the Singapore issues with which I entirely agreed. He rightly said—as, indeed, did the Secretary of State—that those issues have considerable value. There is value in reducing corruption in developing countries, and in improving free trade and public procurement. That is all to the good. We need to pursue those issues, and it is important that we do so for the developing countries themselves. But as the Secretary of State and my hon. Friend the Member for Banbury (Tony Baldry) said—I thank him, incidentally, not only for an outstanding speech but for his outstanding Select Committee work and the skill that he brings to it—that should not be done at the expense of more important and urgent issues relating to the Doha round. That is particularly true of agriculture. As the Secretary of State said, the Singapore issues should not themselves stand in the way of the Doha round, however important they are.

Free trade is sometimes said to be in contradiction with the principle of fair trade, but both freedom and fairness are crucial values in trade, as in all other things. They must be balanced, but the trouble is that all too often, in trade as in other things, we have neither freedom nor fairness. The richest countries—the United States and the countries of the European Union—subsidise and protect their markets. Fairness is of course very important for rich countries, but for developing countries it is more than important: it is a matter of life and death—not just for individual people but for whole communities.

I should like to draw particular attention to the moving speech of my hon. Friend the Member for North-East Bedfordshire (Alistair Burt), who discussed issues relating to Burundi. Freedom to trade is likewise more important to developing countries than to rich countries. Protectionism is not the answer, but it is particularly not the answer to protect rich countries, especially the United States and those of the European Union. Many of us have detected in the Democratic primaries worrying signs of protectionism arising as a positive issue in the United States election, and worrying signs of US behaviour in respect of steel tariffs. I am delighted that the US has now removed them, but I suspect that that was done more out of self-interest than anything else.

Protectionism in the United States or in the European Union will not help the billion people in the world who live on less than a dollar a day, or the billion people in the world who have inadequate drinking water. We have the opportunity today to send out a message that this House is united in its determination to help those people and to change the world with real answers. Let us take that opportunity.

3.59 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Nigel Griffiths): This debate shows the House at its best, with thoughtful points, searching questions and helpful suggestions. I am sorry that I was briefly absent from the Chamber when the hon. Member for Carshalton and Wallington (Tom Brake) spoke, but I have notes from my right hon. Friend the Secretary of State. Doubtless the debate will get no media coverage because of that consensus.

I want to pay tribute to Baroness Chalker of Wallasey, who has greatly enriched these debates and was most respected in this House and outside. Twenty years ago, with my hon. Friend the Member for Edinburgh, North and Leith (Mr. Lazarowicz), Alistair Grimes and Alan Sinclair, I was one of the founder members in Edinburgh of Scottish Education and Action for Development, one of the first fair trade organisations in the United Kingdom. I began a journey for justice in developed countries and the elimination of poverty, a journey that will end only when there are no more starving children, no children who do not go to school and no children who cannot get fresh water.

I am pleased that the Department of Trade and Industry stocks fair trade items, including coffee, tea, chocolate and bananas. I hope that the House of Commons will consider following in our footsteps. At the launch of Fairtrade fortnight on Monday—the tenth anniversary of the Fairtrade Foundation—I was pleased that the Government were able to support the fortnight with almost £1 million to continue the work of ensuring that we have trade justice. I am delighted that the Co-op is doubling the stocking and sale of its own-brand fair trade items; it is showing a great lead. Finally, I am particularly grateful to my constituent Anne Howard for allowing me to help launch Fairtrade fortnight in St. Columba's church in Newington a short time ago.

It is clear from today's debate that there are many well informed and keenly interested Members. I was grateful for the contribution from the hon. Member for Carshalton and Wallington, who asked quite rightly about the international finance facility. My right hon. Friend the Chancellor and other leading members of the leading world economies are taking a close interest in the World Bank and IMF spring meetings, which will cover the issue. The hon. Gentleman also mentioned the boundary commission report on Ethiopia; the Government's position is that this should be implemented fully.

In an intervention, the hon. Member for Banbury (Tony Baldry), the distinguished Chairman of the Select Committee, gave strong support for the commission for Africa. The Prime Minister is on record about the steps that we need to take to prevent small arms sales to Africa. The hon. Gentleman also stressed the need to engage other Parliaments, particularly in Europe—a point echoed by other hon. Members—as well as the need to engage the United States of America. The hon. Member for North Dorset (Mr. Walter) spoke of his involvement in engaging the United States. It is important that the international nature of the issue is taken on board.

[Nigel Griffiths]

The right hon. Member for Suffolk, Coastal (Mr. Gummer) made a thoughtful speech and I pay tribute to his work as chairman of the Marine Stewardship Council. He spoke of the pressing need to ensure that the EU agreements on fisheries are fair and equitable to the countries of Africa and do not become yet another opportunity for despoiling the sea stocks. I welcome the right hon. Gentleman's support for the outstanding work on the issue that was done at the end of last year in Cancun.

The hon. Member for North-East Bedfordshire (Alistair Burt) also spoke with great knowledge about the need to reconcile what should not be contradictory aims of aid agencies and financial institutions. He will know that my right hon. Friend the Secretary of State meets all the large aid agencies regularly, and that we stress the appreciation, shared by everyone in Britain, of the £70 billion of debt relief that the heavily indebted poor countries have benefited from, thanks to both political intervention and the intervention of financial institutions.

My hon. Friend the Member for Ogmore (Huw Irranca-Davies) spoke of one of the critical needs, which is to develop the voice of poorer and developing nations. He will share my gratitude to my right hon. Friend for ensuring that £160 million is going into capacity building, building the knowledge base, I hope from within, so that those nations are in a good position to enter the negotiating chamber well armed with the facts and with the 21st century skills that are equally needed to negotiate a fair settlement on their behalf. This is an important issue.

The hon. Member for North Dorset stressed a theme common to all speakers, but did it particularly eloquently, in demanding reforms to the common agricultural policy. Those who were not able to be present today would do well to read the *Official Report* of the proceedings, including the very thoughtful and challenging comments about the British agricultural position and the realities that we have to face. If all politics were as straightforward and honest with regard to difficult issues, we would all be the better.

The hon. Member for Grantham and Stamford (Mr. Davies) stated something that we all accept: our disappointment with Cancun. He made some challenging and critical remarks about the G90 nations. Of course, their expectations must be tailored to the realities, but we cannot expect them to move without the European Union, the United States of America and other advanced economies moving as well.

I was grateful to the hon. Member for Edinburgh, West (John Barrett) for showcasing Edinburgh and what the university, the council, and church and faith groups in our city do. I am also grateful to my hon. Friend the Member for Glasgow, Maryhill (Ann McKechin) for her thoughtful contribution.

In winding up for the Opposition, the right hon. Member for North-East Hampshire (Mr. Arbuthnot) made a number of points and put a number of fair questions. He stressed the details needed on how we are intervening with the CAP. Clearly, we want to build on our good record on textile reform, which has been very beneficial to developing countries in showing that it is possible to ensure that trade is much fairer and much better at boosting their economies.

Flowers from Kenya are a great market, having reached £35 million from almost nothing in a few short years, because we allow those flowers into the European Union. We must both appeal to consumers and have a good and sensible approach to the agricultural sector. My right hon. Friend the Secretary of State for Environment, Food and Rural Affairs announced such an approach in January and is proceeding with it.

We are all concerned about HIV/AIDS, and I know the right hon. Gentleman for North-East Hampshire will share my congratulations to my right hon. Friends for increasing our spending in that regard sevenfold.

With regard to Doha, the right hon. Gentleman and his colleagues will want to work with us to put forward a sensible agenda to secure a result that benefits everyone.

It has been a pleasure and a privilege to take part in the debate. I thank all hon. Members for their valuable contributions and the spirit in which the debate took place. Would that all our proceedings were the same.

Question put, That the original words stand part of the Question:—

The House divided: Ayes 200, Noes 326.

Division No. 72] **[4:09 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Bacon, Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Barrett, John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, David
Campbell, Gregory *(E Lond'y)*
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Cran, James *(Beverley)*
Curry, rh David
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Donaldson, Jeffrey M.
Doughty, Sue
Duncan, Alan *(Rutland)*
Duncan, Peter *(Galloway)*
Duncan Smith, rh Iain
Evans, Nigel
Ewing, Annabelle
Fabricant, Michael
Fallon, Michael
Flight, Howard
Flook, Adrian
Foster, Don *(Bath)*
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra

Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Harvey, Nick
Hawkins, Nick
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Letwin, rh Oliver
Lidington, David
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Marsden, Paul *(Shrewsbury & Atcham)*
Mates, Michael
Mawhinney, rh Sir Brian
May, Mrs Theresa
Mercer, Patrick
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
Oaten, Mark *(Winchester)*
O'Brien, Stephen *(Eddisbury)*
Öpik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Portillo, rh Michael
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Randall, John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Mrs Iris *(Strangford)*
Robinson, Peter *(Belfast E)*
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smyth, Rev. Martin *(Belfast S)*
Soames, Nicholas
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Teather, Sarah
Tonge, Dr. Jenny
Tredinnick, David
Trend, Michael
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Weir, Michael
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Peter Atkinson and Mr. Mark Field

NOES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blizzard, Bob
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Cairns, David
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Corbyn, Jeremy
Cox, Tom *(Tooting)*
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, rh Derek
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Hesford, Stephen
Heyes, David
Hinchliffe, David
Hodge, Margaret
Hoey, Kate *(Vauxhall)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw

Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kemp, Fraser
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McGrady, Eddie
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall, Jim *(Leicester S)*
Martlew, Eric
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Morley, Elliot
Mountford, Kali
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Bill *(Normanton)*
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Soley, Clive
Spellar, rh John
Squire, Rachel
Starkey, Dr. Phyllis
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Stephen *(Enfield)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wyatt, Derek

Tellers for the Noes:
Derek Twigg and
Mr. John Heppell

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

MR. DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House welcomes this debate and congratulates the Trade Justice Movement on its efforts to raise public awareness of this vital issue; reiterates the commitment made in the White Paper Eliminating World Poverty: Making Globalisation Work for the Poor to improve international trade rules; urges the European Union to make further progress on reforming the Common Agriculture Policy regimes for cotton, sugar, tobacco and olive oil; welcomes the UK's call for action on HIV/AIDS; congratulates the Government on the £160 million it has allocated to trade-related capacity building in developing countries since 1998; welcomes the fact that the UK's aid budget for Africa will rise to over £1 billion by 2005; welcomes the launch of a new initiative, the Commission for Africa, to take a fresh look at the challenges Africa faces; notes that a successful Doha Round could contribute substantially to the achievement of the Millennium Development Goals; congratulates the Government on the lead it has taken within the EU and the WTO to promote free and fair trade; believes that significant progress must be made to improve access for developing country exports to both developed and developing country markets, including through substantial reductions in trade distorting agricultural subsidies; calls on all WTO members to continue to demonstrate their commitment to the Doha Development Agenda; and underlines this House's commitment to ensuring the Doha Round produces real benefits for the poor.

Protection of Vulnerable Children

Mr. Andrew Lansley (South Cambridgeshire) (Con): On a point of order, Mr. Deputy Speaker. You will be aware that the Government's proposed amendment to the motion that is to be immediately before us refers to the publication of the Children's Bill in the other place today. That seems to mean that although it is presented in another place, it will not be available to Members of the House until 7.30 am tomorrow. In the light of references in "Erskine May" at page 387 to the fact that when Ministers of the Crown read or quote from a dispatch or other state paper not before the House, that paper

"ought to be laid upon the Table of the House."

is it not all the more important that when the House is going to vote on a motion that refers to a paper, that paper should equally be laid upon the Table of the House?

Mr. Deputy Speaker (Sir Michael Lord): I understand the point that the hon. Gentleman makes, but Ministers are responsible for the wording of the Government amendment. The issue that the hon. Gentleman raises is a matter for debate. It is not a matter of order on which the occupant of the Chair can rule.

Mr. Phil Willis (Harrogate and Knaresborough) (LD): On a point of order, Mr. Deputy Speaker. The Secretary of State announced that the Bill would be published on 4 March. Indeed, he has made that clear to the House. Yet Ministers refer in the amendment to a Bill that is published in another place. Surely, when the Secretary of State announces that a Bill will be published on a specific day, that is what the House should expect to happen.

Mr. Deputy Speaker: I do not think that I can usefully add anything to what I have already said. Those are not matters for the occupant of the Chair.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): On a point of order, Mr. Deputy Speaker. I protest most vigorously that, if the Government amendment refers to a document that presumably will be debated—

Mr. Deputy Speaker: Order. I have already dealt with that point of order; I do not intend to do so again.

I inform the House that Mr. Speaker has selected the amendment that stands in the name of the Prime Minister.

4.26 pm

Tim Loughton (East Worthing and Shoreham) (Con): I beg to move,

That this House notes that it is now more than 13 months since Lord Laming's Report on Victoria Climbié and that 25th February 2004 marked the fourth anniversary of her tragic death; regrets that the Government has wasted too much time before bringing forward practical measures to make vulnerable children safer despite Laming's contention that 84 of his recommendations could be implemented within six months and even now social services departments are in limbo awaiting Government recommendations in the Children's Bill; is alarmed at the Government's complete inability to clarify the position on data sharing between agencies, which is crucial to child protection measures; condemns the Government's failure to address the crisis in recruitment of child protection social workers without whom the necessary improvements will not be achievable; is gravely concerned at their response to the recent Appeal Court judgements involving children taken away from parents on questionable expert witness testimonies, which has failed to take account of potentially thousands of other miscarriages of justice in the family courts; notes the additional pressures that this is adding on already overstretched social services departments; further notes the continued failure of the Government to produce the long promised National Service Framework for Children; condemns recent moves to cut already committed grants to important Children's Fund projects working with vulnerable children; and calls upon the Government to give vulnerable children the priority they need and deserve.

This is an important subject. I make no apology for saying that—I do so every time that we debate this subject, and it has become no less important since we used Opposition Supply day debating time to discuss it in July 2003 and since various Conservative Members instigated debates in Westminster Hall. Yet, since the Laming report was published on 28 January 2003, no Government time has been given to debate children's issues in the Chamber. Since the appointment of the Minister for Children on 13 June 2003, which we welcomed, no debate in the Chamber on any part of her brief has been instigated in Government time, despite all that the Government have issued in the light of the Laming report, including the subsequent Green Paper consultation, despite recent high-profile cases involving the discrediting of expert witness evidence provided by Sir Roy Meadow and his disciples, and despite the great upheaval among all the children's departments, which are being brought within the Minister's remit. I need not say, of course, that the subject has never been mentioned in Liberal debating time either.

We have called this debate 13 months after Lord Laming produced his excellent report, with 108 recommendations. He said that 48 of them could be acted on in three months and a further 36 within six months. We have called this debate just over four years after the brutal death of Victor Climbié at the hands of her great aunt and her partner, which we all remember only too vividly.

Mr. Hilton Dawson (Lancaster and Wyre) (Lab): I agree absolutely with the hon. Gentleman about the importance of protecting vulnerable children. Will he explain why the Opposition completely failed to support amendments that would have protected children who come to this country from abroad and who are in danger of being made destitute under the Asylum and Immigration (Treatment of Claimants, etc.) Bill?

Tim Loughton: I do not want to intrude on the private grief between the hon. Gentleman and the Government about their legislation. I shall come to that separate subject later. I want now to deal with several subjects that relate to the broad remit of what has happened since the Laming report and various events since then.

We all know the horrific figures for the number of children who die at the hands of their carers—an average of 80 each year, with a disgracefully low conviction rate for murder. For that reason, we particularly welcome the Government's moves to legislate to deal with the problem of the joint enterprise loophole, which has left too many murderers going free

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or being indicted on the lesser charge of child cruelty. However, too many children are still subjected to systematic abuse—

Mr. Dawson: Will the hon. Gentleman give way?

Tim Loughton: I am not going to give way a second time.

There are too many such children whom we will not know about, despite the higher profile that has been given to the subject and the excellent work that is being done, especially by many voluntary bodies.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): Does the hon. Gentleman acknowledge that over the months since the Laming report the Government have issued detailed guidance, especially to social services departments? That guidance is in place and is helping to protect the vulnerable children to whom he refers.

Tim Loughton: If the hon. Lady is patient, she will find that I will refer specifically to the checklist and the booklet, which form the basis of the guidance issued since 28 January 2003.

Mrs. Gillian Shephard (South-West Norfolk) (Con): I was interested in the point made by the hon. Member for Blackpool, North and Fleetwood (Mrs. Humble) about advice to social services departments. Will my hon. Friend find time to refer to the role of school nurses? School nurses have a key opportunity—certainly through preventive work—to care for vulnerable children. I am not sure whether the Minister for Children's remit makes it especially easy for her to involve the NHS and school nurses in the process, and she may obviously answer that point for herself. I would, however, be interested to hear my hon. Friend's views.

Tim Loughton: My right hon. Friend makes an exceedingly good point. I have long been a great fan of what school nurses can do, but I am afraid that there are far too few of them. In all too many cases, school nurses are not doing preventative work because they are responding to cases and, often, performing the role of social workers by looking after children under protection who are not in their places. School nurses have an enormous role to play. I would like there to be many more school nurses who could spend more time on preventative work on health matters in schools and, at the same time, joining with social workers, teachers, the police and other agencies—the Government say that they want that to happen—to bring about the joined-up approach on child protection that we desperately need. My right hon. Friend's point is absolutely right.

A less publicised problem is the life chances of children for whom the state is the parent—the 60,000 or so looked-after children, on current figures. More than half of looked-after children will leave school with no qualifications, and between a quarter and a third of rough sleepers are people who come from the care system. A quarter of the prison population come from the care system. The incidence of mental health problems among such children is much higher than the already worryingly high rate of one in 10 for the rest of the child population, and more than 30 per cent. of children in care have had no immunisations. There is a much higher proportion of looked-after children among ethnic minority populations, and they experience another raft of problems disproportionately.

I welcome the ongoing BBC "Taking Care" season, which is doing an excellent job of bringing the plight of children in care into everyone's homes and reinforcing the message that these are ordinary children who have often been through extraordinary experiences through no fault of their own and simply need a second chance in a stable family home. I give the innovative monitoring scheme that the BBC is promoting every good wish.

Jonathan Shaw (Chatham and Aylesford) (Lab): I am pleased that the hon. Gentleman mentions the BBC's current season. Does he agree that its portrayal of children and young people provides a realistic picture? He used the word "plight", but many such young people succeed despite the events that they have gone through. We should applaud them and provide a balanced view of children in care—it is not all bad news.

Tim Loughton: The hon. Gentleman is absolutely right. I have seen many of the programmes, I went to the season's launch and I had a meeting with the producers. The great thing is that the season portrays children in their everyday lives. It shows, with no holds barred, the great successes that many of them achieve and the great problems and challenges that many have to overcome. That is exactly the right way to portray things, and I think that the BBC is doing an excellent job with the season. It may be unfashionable to say it to the Government at this time, but I think that the season is broadcasting at its best.

The issues are important, and we are determined that the House should be given a proper opportunity to debate them. We need to address several questions: first, are children safer from abuse, and ultimately death, at the hands of their carers or abusers than Victoria Climbié was four years ago?

Mr. Dawson: Will the hon. Gentleman give way?

Tim Loughton: With respect, I would really like to make some progress. I have given way several times and I have quite a lot to say.

The second question is: are social services departments and other agencies in a position to implement in a practical way the safeguards recommended by Lord Laming, and endorsed by the Government and the Opposition, and to bring about the sustainable improvements that we all want? The Government have so far failed to answer those questions, and the House is entitled to a full report, as are all parents who are concerned about the welfare of their children, and children who are looked after. Those questions require full answers about what practical action has been and is being taken, not just what boxes have been ticked or departmental memos sent out. I intend to focus on the practical action taken since Lord Laming's report was published; to consider the

particular problems associated with information sharing, which is crucial to effective child protection; to examine the additional problems created by recent revelations from the Court of Appeal regarding the discrediting of expert witness testimony provided by proponents of Munchausen's syndrome by proxy; and, finally, to touch on the future of the Children's Fund.

On 7 January 2004, the Minister for Children produced her response to the Health Committee report on the Victoria Climbié report. It itemised the Government response to each of the 108 Laming recommendations and subsequent action taken. That seems all very well, until one looks in detail at what action is promised. Many of the important recommendations are met with this observation:

"In the Queen's Speech on November 26th 2003 the Queen announced that the Government would bring forward a Children Bill this Session to take forward some of the measures in the Green Paper."

We know that, and we have been waiting quite a long time for the Bill. Most of the other recommendations are met with the response:

"The Government will consider what mechanisms are needed to support the Minister for Children in discharging her responsibilities";

or:

"This is included in the checklist of good recommendations issued on publication of the report";

or:

"Advice is contained in the booklet 'What To Do If You're Worried A Child Is Being Abused' issued by the Minister in May 2003",

followed by:

"progress so far—completed".

I think that that is wishful thinking.

The fact that the Government are considering something, or that they have issued a checklist or a booklet to local authorities apparently means that the problem has been sorted—the box can be ticked. Recommendation 35 is:

"Directors of social services must ensure that children who are the subject of allegations of deliberate harm are seen and spoken to within 24 hours of the allegation being"

made. According to the booklet progress is completed; problem sorted. Recommendation 53 is:

"When allocating a case to a social worker, the manager must ensure that the social worker is clear as to what has been allocated, what action is required and how that action will be reviewed and supervised."

The action recorded is that it is in the checklist of good practice recommendations: progress completed; problem sorted. Recommendation 63 is:

"Hospital social workers must always respond promptly to any referral of suspected deliberate harm to a child."

That is in both the checklist and the booklet: progress completed; problem doubly sorted.

The problem is that things are not that simple. Such complicated problems are not solved simply by issuing memos and ticking boxes—the panacea so beloved by the Government. The Government amendment to the motion refers to the Minister as though everything has been achieved by the appointment of a new Minister for Children. We welcomed that, but it is only the start of the journey—and a shaky start it has been at that.

Mrs. Humble: Earlier, I pointed out that the Government have issued guidance. Is the hon. Gentleman seriously suggesting that the Government should not have done that? The checklists consist of more than tick boxes; they place a requirement on managers to supervise properly the social workers who have the difficult task of making decisions and judgments and offering advice and guidance in respect of extremely vulnerable children. Surely the Government have done precisely what they should in issuing clear instructions to social services departments and managers and social workers at all levels.

Tim Loughton: Of course I am not saying that the Government should not have issued that guidance, and I shall discuss that later. However, that is not the important thing. The important question is: are the people there to put it into action? If they are not, the guidance is worthless.

Jim Knight (South Dorset) (Lab): Will the hon. Gentleman give way?

Tim Loughton: I wish to make a little progress.

We are told that the Children's Bill, which is due to be published today in another place, but which we shall not see until tomorrow, will propose structural changes, such as appointing a children's commissioner, a director of children's services, which may or may not be a central model, and a new inspection hierarchy. Now that we have given the Minister an opportunity to address the House, perhaps she will provide some details of the Bill. We look at the details and offer constructive scrutiny, but all that will be meaningless and all the responses to Lord Laming's 108 recommendations will be fruitless unless there are sufficient skilled professional child protection officers in social services departments and other agencies, working on the ground, at the sharp end, detecting cases of child abuse, intervening and working to prevent abuse, with the resources necessary to make meaningful interventions available to them. It is highly unlikely that that can be achieved in the cost-neutral fantasy world suggested by the Minister.

Mr. David Hinchliffe (Wakefield) (Lab): I am saddened that the debate is becoming politically partisan, because the House is at its best when, as in the case of the Children Act 1989, we discuss the way forward. I hope that the hon. Gentleman, who was not a Member of Parliament at that time, recognises that point and I say that the 1989 Act was a credit to the Conservative Government. I started work in child protection in 1971, and I am struck by the clear parallels between the Maria Colwell case in 1971 and the Victoria Climbié case and between Lord Laming's recommendations and the recommendations of the Maria Colwell report. I do not want to make a partisan point, but I urge the hon. Gentleman to reflect on the fact that Conservative Governments were in power for a total of 21 years after the Maria Colwell case and might have addressed one or two of the points that he raises today.

Tim Loughton: I have great respect for the hon. Gentleman's expertise on this subject. Lord Laming made the point that this report must be different and must make a difference. I have already applauded many of the steps that the Government have taken, including

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the appointment of the Minister for Children, for which I called for a long time. If joining up relevant individuals works properly, it is welcome and I applaud the guidance that has been issued, but the test of those actions will be the results that they produce.

People must be on the ground to put the guidance into effect, but I fear that they are not. In many cases, more people were on the ground when the hon. Gentleman was practising social work. One can have as many children's tsars as one can shake a stick at but their hegemony will be short lived if the workers are not there on the ground. Recent recruitment figures show that the number of whole-time equivalent field social workers in children's services has hardly changed over the past six years, despite the extra requirements placed on local authorities by, for example, the Adoption and Children Act 2002, which sets out requirements to provide adoption support services.

One local authority that I visited recently told me that it had been advertising for months to find someone to head up its adoption support services and that it had received zero applications. Despite all the requirements in the 2002 Act to promote adoption, the preparation work undertaken by local authorities to respond early to some of the problems highlighted by the Climbié case and the myriad schemes that have hit social services departments, the figures suggest that there are more than 5,000 social worker vacancies, around two thirds of which are in children's posts. Those figures cover services required now, ahead of the recent legislation, but there is still a heavy reliance on temporary agency workers, who simply cannot provide the necessary continuity, particularly in complex cases.

Jonathan Shaw: The hon. Gentleman refers to social worker posts and the work required under the 2002 Act. Do his figures take account of the many voluntary agencies that do that work for local authorities?

Tim Loughton: Indeed, I have made that point on many previous occasions and shall probably make it later. There are many different schemes involving many different people, and the biggest problem is that they tread on each other's toes. There is an awful lot of poaching from one scheme to another, including the poaching of full-time social workers who work for social services departments.

I have not mentioned the increasing rush for early retirement by directors of social services, but 40 out of 150 social services directors in England took early retirement in the past year.

Mr. David Cameron (Witney) (Con): Further to the point made by the hon. Member for Chatham and Aylesford (Jonathan Shaw), is my hon. Friend aware that some voluntary bodies involved with social services such as the excellent Family Nurturing Network, which is based in my constituency, are concerned that the setting up of the new heads of children's services in every social services department might make it more difficult for them to continue to provide good services to vulnerable children and families? What should the Government do to address that particular point on behalf of important voluntary bodies such as the one that I mentioned?

Tim Loughton: My hon. Friend makes an important point, and underlines the need for much greater local autonomy in the way that local authorities, working in concert with voluntary organisations, provide crucial services to vulnerable children. As I shall explain, the children's fund schemes were about to have the rug pulled from beneath their feet. Much good will and trust has been lost as a result of Government action, which might have undermined many schemes that offer extremely worthwhile activities.

Mr. Dawson: Will the hon. Gentleman give way?

Tim Loughton: No, I will not, as I want to make progress; otherwise, there will be no opportunity for Back-Bench Members, among whom there is great enthusiasm and interest, to make speeches. In any case I do not want to deny the House another opportunity to hear the hon. Gentleman rubbish the previous Government, as he does whenever he makes a speech.

I have spoken to or visited many social services departments throughout the country in recent months, and nearly all of them point to a crisis in recruitment. As one London authority put it:

"The biggest issue is recruitment and retaining staff and maintaining a consistent direction, which is hard with so many initiatives being pushed our way. We have had Quality Protects, Sure Start, Connexions, Children's Trusts, the Climbié audit, the Hillingdon Judgement, the CPA, the SSI, and the Leaving Care Act—all of which impose different sets of 'Priorities' on a frequent basis . . . Resources which are already scarce are being redirected on a continuous basis by government intervention."

Jim Knight *rose—*

Tim Loughton: One moment, I have more.

One shire authority reported:

"The biggest problem is money, with a forecast overspending for children's services of £4.6 million or 18.9 per cent. for the year 2003/04. We have 563 children looked after compared with 521 in 2001, 440 new referrals in December 2003 and increasing difficulty in recruiting and retaining foster carers. We currently have 226 registered foster carers compared with 265 in 2001."

Jim Knight: What conversations has the hon. Gentleman had with the right hon. Member for West Dorset (Mr. Letwin)? Is it not the case that in his announcement of a future Tory Government's spending plans the right hon. Gentleman made no mention of children's services, which would be frozen for two years? After that, there would be an increase of only 2 per cent., which would result in huge cuts in social services funding and huge problems for vulnerable children.

Tim Loughton: Yet again the hon. Gentleman has entirely misrepresented my right hon. Friend the shadow Chancellor, and no doubt his Front-Bench colleagues will do so as well. He should remember that at the forefront of those proposals was continued spending on health and education.

The Secretary of State for Education and Skills (Mr. Charles Clarke): It was health and schools.

Tim Loughton: It was health and education, and there will be pooled budgets, which the Minister for Children

is trying to pool in any case. Children's services would not be affected, so let us not hear any more nonsense—*[Interruption.]* Members on the Front Bench can scoff as much as they like it, but I am afraid that that expenditure is a plain fact that they chose to ignore.

One west country authority proposes to recruit qualified social work staff from Canada. There is also a great shortage of foster carers, which is posing a serious problem everywhere. The Fostering Network estimates that although there are 32,000 foster families in England, there is a shortage of more than 6,100 foster families. Just over two thirds of the 60,800 children in public care in England live with foster families, who offer the best refuge for vulnerable children, and their best chance of returning to a stable home environment. As we know, the state makes a bad parent, yet 60 per cent. of foster carers receive no more than a basic contribution towards costs. As no minimum level is set by the Government, allowances vary widely between local authorities.

Some authorities said:

"The amount spent on a few expensive placements for a small number of very difficult to place young people continues to escalate."

Residential placements for looked-after children out of area can cost as much as £4,000 a week, and can skew the spending of the whole budget. Can the Minister for Children tell us how successful or otherwise has been the recruitment campaign first launched in October 2001 by the right hon. Member for Darlington (Mr. Milburn), then Secretary of State for Health? It appears to have taken a back seat by comparison with all the publicity devoted to the recruitment of doctors and nurses. In addition, many authorities report that social workers are moving away from the front line to safer jobs that do not include the monitoring and investigation of child protection.

Local authorities have been caused major frustration by the Government's delay in coming forward with firm proposals and legislation despite the urgency of the Climbié case, which arose more than four years ago. The Green Paper on child protection was first promised by the Prime Minister in October 2002. The response to Laming, which was promised in spring 2003, eventually arrived as a Green Paper in September last year. That was followed by a short consultation period, but no White Paper. Finally, we are promised the Bill tomorrow. No pre-legislative scrutiny period was allowed, which makes it all the more important to get it right.

Throughout that time, local authorities have been in limbo, keen to get on with the important business of overhauling their approach to child protection post-Climbié, but held back by not knowing what may be imposed on them by the Bill. Will a central model of a director of children's services combining education and children's social services be imposed on everybody? We have been getting mixed messages from the Minister's own departmental colleagues as to whether the director will have a managerial or a strategic responsibility. The position that is being created could be very important, controlling as much as 70 per cent. of a local authority's budget, so it is vital to get it right and to have proper lines of accountability. The Local Government Association says:

"we are concerned that the proposals for a single director, accountable for children's social services and education are unduly prescriptive. Managerial arrangements must be a matter for local discretion depending on local circumstances; the same arrangements will not work across the board. In many cases the degree of prescription will force authorities to unpick arrangements that are working well to introduce less effective arrangements."

Are children's trusts to become the norm in most authorities or in all? As Councillor Alison King, chairman of the LGA's social affairs and health executive, says,

"Councils and their partners are best placed to organise the management of services for children, according to local circumstances, not civil servants in Whitehall"—

a point that she has made to her local MP, the Secretary of State, on many occasions.

There has been concern that central Government have been slow in integrating children's services in the way the Green Paper proposes local authorities and their local partners should. As one northern shire authority puts it,

"The Government seems to have forgotten to tell NHS colleagues that they are supposed to be involved, and have given the PCTs and other health trusts a set of priorities which don't include children and young people's services."

Overall, valuable time has been wasted—*[Interruption.]*

Mr. Deputy Speaker: Order. Members on the Treasury Bench should not keep chattering while the hon. Gentleman is addressing the House—they would not expect the same if the situation were reversed.

Tim Loughton: They can express their discomfort at the appropriate time, Mr. Deputy Speaker, but they will have to listen to this.

Overall, valuable time has been wasted despite the very substantial efforts of local authorities, and social workers in particular, to respond positively and practically to Lord Laming's recommendations.

A key area that is essential in pushing forward the whole child protection agenda is that of information gathering and data sharing, yet it looks as though the Bill will avoid the whole issue and defer to reports from the identification, referral and tracking project trailblazers, which are not due for some time, and for which, as the Minister admits, funding has not yet been guaranteed. Laming identified information sharing as a key priority, and a weakness in the system that directly led to Victoria Climbié's death. As it stands, the police, social services, schools, health officials and other agencies are unclear about their legal position as regards how long they can retain their own information, let alone as to whether they can share it with another agency that may be able to add to the jigsaw to build a picture that reveals a strong possibility of child abuse.

There are separate problems to do with the position of GPs, whom the Minister has been unduly hasty in berating despite their professional confidentiality obligations. Hence the Soham loophole, which revealed different police forces interpreting the same parts of the Data Protection Act 1998 in completely different ways,

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thereby missing crucial pieces of the jigsaw that might have prevented the tragedy in Soham. That led to the setting up of the Bichard inquiry, which has only just started its work.

The Minister has left everyone involved in a state of complete confusion. We started off with what looked like a back-door ID card scheme that sought to establish files on all 11 million children in this country. Now the Government appear to be building a local intelligence hub that may address the problem of local information sharing through a central source, but offers no solution for dealing with, say, the seven-year-old with constant bruising noted by a GP in Newcastle, where police have been repeatedly called to the parents' address, but who then turns up on the other side of the country in Bristol; or the private foster carers in Manchester who are struck off the local authority's list for malpractice insufficient to lead to criminal proceedings or to place them on the Department of Health's blacklist, but who then turn up in Brighton eager for placements from a local authority that is chronically short of foster carers. It is arguably the transient cases who tend to be the most vulnerable, and we should concentrate on children in relation to whom the authorities have legitimate concerns rather than trying to put all 11 million children on a database that falls foul of all sorts of data protection regulations.

Mr. Dawson: Will the hon. Gentleman give way?

Tim Loughton: I shall give way for the last time, just to keep the hon. Gentleman happy.

Mr. Dawson: It is a serious point. Does the hon. Gentleman not acknowledge the practical difficulties of his suggestion? Possibly more important, does he recognise the problems of labelling children and young people at an early stage? Is it not essential to include everyone in the system to ensure that it works well for the most vulnerable?

Tim Loughton: It is essential to have an information-sharing system so that all the agencies that form the vital jigsaw, which Herbert Laming so clearly identified, can do their job. There is no sign that the information-sharing protocols, let alone the required IT systems, have been established or are remotely on the horizon. Without them, there will be further delay. The hon. Gentleman should know that.

What input will the children have into the information that is held on them and the people to whom access is permitted? The information must be secure against paedophiles and potential paedophiles. Has the Minister for Children considered linking local information hubs to a national mutual reference database, as we would like, which would signpost worried professionals to agencies elsewhere in the country that hold information on a vulnerable child? That could be done without holding detailed files centrally, which would pose all sorts of data protection problems. Decisions about whether action should be taken would remain with the authority in which the child resides.

There are serious pressures on social services departments, which are keen to make changes but which are held back by Government delay. There is a serious shortage of key personnel, who are integral to effecting the necessary improvements, and complete confusion about what can be held on whom by whom, and who can tell what to whom. To add to the work load of all involved in child protection, they may have to tackle a hornet's nest in the light of the Canning verdict in the Appeal Court. Today, two high-profile civil court cases of removal of children from parents are being challenged on appeal for the first time.

Mr. Clifton-Brown: On my hon. Friend's point about who can know what and the information that can be disseminated, I ask him to consider a difficult constituency case in which two of my constituents, who are parents, had their two daughters taken away by court order for permanent adoption. They continue to protest that they have been badly treated. Despite my considerable efforts, I cannot get the information and I do not know whether the correct decisions have been made. Is it not essential to appoint a children's commissioner with proper powers to discover information, so that such cases can be referred and we can be sure that the correct action has been taken?

Tim Loughton: I take my hon. Friend's point. It is important that justice is done and is seen to be done, and that the proper procedures are followed. It remains to be seen whether a children's commissioner would have a role in that. We do not yet know the Government's proposals, but I want to consider where some of the procedures are going wrong.

The Solicitor-General has dealt swiftly with the 258 convictions in the past 10 years for the murder, manslaughter or infanticide of a child under two by its parents. Seventy-two apparently relate to persons who are still serving a custodial sentence, and we await further progress reports. Last week, the Minister for Children made an announcement about family court cases, which my hon. Friend the Member for Cotswold (Mr. Clifton-Brown) mentioned, that will rightly prioritise families with sibling children who have been removed or are currently subject to care proceedings up to adoption.

However, in concentrating on cases that are subject to disputed medical evidence, the Minister has limited the investigation to only the low hundreds. The announcement therefore marked a significant rowing back from the many thousands of cases in which children have been removed from parents in the family courts, often on the expert witness evidence of Professor Sir Roy Meadow and other proponents of his now discredited theories, and poorly prepared parents with inadequate legal representation were often simply unable to challenge the expert witnesses. Despite all that, the Minister strangely prejudged the outcome of all the possible miscarriages of justice by stating that it would not be appropriate for children to be returned to their birth parents across the board if such miscarriage were found.

Many questions remain unanswered—not least why the Government did not act earlier, given the warnings from child experts which the Department for Education and Skills received and which are on record from as long

ago as 2000. What new guidance has been issued to local authorities, given the shocking revelations of recent months? All the social services departments that I have visited claim that they received nothing from the Department. Does the guidance "Working Together to Safeguard Children", issued in 1999, and "Safeguarding Children in Whom Illness is Fabricated or Induced", issued in August 2002, still pertain, despite its heavy reliance on formal recognition, even though Munchausen's is the condition that dare not speak its name in Government speak?

What is being done to regulate the expert witness registration procedures? It seems that anyone—such as the Minister or I—can set themselves up as an expert witness by filling in a simple form, including credit card details, and handing that over with a cheque to get on the list. There is minimal checking and no obvious way of removing a person from the list if their expertise is subsequently challenged.

Vera Baird (Redcar) (Lab): I might want to intervene again in a moment to comment on what the hon. Gentleman has just said, but I rose to comment on what he said a moment ago, which it has taken me a while to digest. Amazingly, he criticised the Minister for failing to say that anyone who had been involved in a case in which Professor Meadow had given evidence would automatically get their child back. The hon. Gentleman expected her to say that those children would automatically go back. Let me tell him that I appeared in a case in which Professor Meadow gave evidence, and in which there was powerful other evidence to the extent that he was almost unnecessary. Is the hon. Gentleman really suggesting, from the Opposition Front Bench, such gross irresponsibility?

Tim Loughton: I am not sure whether the hon. and learned Lady misheard me, or whether I did not express myself properly, but that is entirely and utterly not what I said. What I said was that—as the Minister had led us to believe would happen—all those cases in which there had been expert witness testimony that was now being called into question should be available to be reviewed. If the result of any such review was that there had been a miscarriage of justice, it should then be available to the parents to apply, where suitable and appropriate, for the children to be placed back with them. That is all that I said.

Mr. Dawson *rose—*

Vera Baird *rose—*

Tim Loughton: I shall not give way again to the hon. Gentleman, but I shall happily give way to the hon. and learned Lady in a moment.

Of course, there will be a great many cases—I hope it will be most cases—in which the original judgment will be found not to be flawed. However, we do not know that now, so it is essential that we properly review all those cases. That is why it is curious that the Minister prejudged those cases by saying that, even if they were found in the parents' favour, those children should not be restored to those parents.

Vera Baird: The hon. Gentleman misunderstands totally how care orders and adoption orders are made. If Professor Meadow's evidence had been the sole testimony, and he had been quite wrong, it would not necessarily follow that in each and every case it would be in the child's best interest to be returned—it really would not. I urge the hon. Gentleman to consider very carefully what he is saying. He could raise false hopes in so many families; his behaviour here today is quite immoral.

Tim Loughton: I am afraid that the hon. and learned Lady is going completely over the top, given what I have said. I particularly used the phrase "where suitable and appropriate". In some cases—I stress, in some cases—if there is found to be something unsound in the original case, and if a child has been through a series of foster placements or failed adoptions and not been placed in a settled family environment, it might be appropriate for that child to be returned. What is not appropriate is to make a broad-brush statement that it would not be appropriate for any children to be returned to their parents even if it were found that the original case was unsound.

Vera Baird *rose—*

Tim Loughton: I should like to make some progress, and the hon. and learned Lady may well want to make her own contribution later. I ask her, please, not to distort what I have said. I clearly did not say what she claims I did, and it clearly would have been irresponsible for me to do so. What is irresponsible is to say that even if there are found to be flaws, the children have no hope of being restored to their parents. That is unforgivable where the parents who have challenged these cases are concerned.

What does the Minister intend to do to make family courts fairer for all parties? At the moment, children must be represented by a specialist lawyer from the child care panel, but parents are often unable to secure such expert representation. Too often, the interests of parents and children are put in opposition to each other, instead of our following the continental practice, which more readily encourages local authority involvement to rehabilitate children back into their families, if that is possible and poses no danger.

As the editor of the excellent new publication *Children Now* has put it, there is

"an increasingly widespread view that family courts are in crisis. Add to that the chaos within the children's guardian service CAFCASS"—

the Children and Family Court Advisory and Support Service—

"where long delays in children being assigned guardians are resulting in cases being drawn out months longer than they would otherwise need to be . . . and the fact that the number of lawyers prepared to take on publicly funded cases is dwindling."

There is an increasing feeling that the Minister is being badly advised on these matters, not least as a result of people who are closely associated with the ancien régime promoting discredited procedures.

Vera Baird *rose—*

Tim Loughton: I shall wait until the hon. and learned Lady makes her own contribution later.

[Tim Loughton]

I shall briefly touch on the children's fund. We welcomed the Minister's U-turn last week, but the 149 partnerships put in place in very worthwhile schemes that have so far helped more than 300,000 children and families across the country should never have been put in this position in the first place. They are still worried about their funding for 2005–06. I saw a very effective scheme in Bury last week, which was tackling bullying in schools. It was funded by the children's fund, but, having taken on fixed overheads and commitments on a three-year time scale, its future had been seriously cast in doubt.

The Minister herself has said of the children's fund:

"It is one of the Government's exciting and successful innovations to invest in services for a group of children who often miss out: the five to 13-year old group." —[*Official Report, Westminster Hall*, 24 February 2004; Vol. 418, c. 56WH.]

However, the head of the National Children's Bureau, Paul Ennals, has said:

"The episode has sent shock waves through the children's sector. Many voluntary agencies and local authorities have been scaling down projects and in some cases, laying off staff. And this shambles could have long term consequences and has undermined confidence in the Government's commitment to preventive work."

The editorial in *Children Now* observes that

"the attitude of some Whitehall officials who still believe that voluntary organisations are second-class subcontractors, more malleable than private companies, owed less obligation and more easily dumped when the going gets rough . . . threatening to destroy at a stroke all the good will and trust built up between the groups"

and the Government.

There are many other problems that we could touch on in this debate, and I am sure that other hon. Members will do so. There has been a big increase in the number of children being trafficked into Britain for sexual exploitation, and there is a desperate need for new procedures for registering and following up children who arrive alone from abroad. There is a big question mark over the inspection of children's homes by the National Care Standards Commission, whose annual report reveals that 10 per cent. of announced inspections of children's homes were not carried out, and that 47 per cent. of unannounced inspections did not take place either. What will the Minister do about that, as the NCSC is about to be merged into the Commission for Social Care Inspection?

Why have the Government specifically excluded disabled children from full protection in the Green Paper? Experts warn that that will allow disability to disguise abuse. What is the Minister doing about the dramatic increase in child abductions? According to this week's Home Office report, white 10-year-old girls are most at risk in that regard. There were 846 abductions and attempted abductions in 2002–03, an increase of 45 per cent. on the 584 in the previous 12 months. Many of those cases involved looked-after children. The Children's Society has quite rightly highlighted the lack of suitable child protection measures for children in prison, whose numbers have doubled over the last 10 years, and for child asylum seekers. Furthermore, there is still no sign of a national service framework for children or an alcohol strategy.

We have had many warm words from the Government, and many "eye-catching initiatives". They have issued many memos, and many departmental boxes have been ticked. However, their record will be judged on how many children have been helped in the field. How many have been rescued from abuse? How many have been saved from cruel torture or death? How many abusers have been deterred from plying their evil trade in the first place? How many looked-after children have been given a genuine second chance to have the kind of normal, stable, conventional upbringing that we all take for granted, and to which they are just as entitled as anyone else?

The jury is still out on the quality and outcomes of what the Minister has achieved in the last nine months. In terms of the parliamentary time needed to allow input from all hon. Members in debating the necessary measures, there has not been a good start. The Conservatives strongly hope that the Bill to be published tomorrow—and a preparedness to listen to those most affected by its measures—will mark a genuine commitment to bringing about practical action and results, so that we shall never again be faced with the death of another Victoria Climbié as a result of what Lord Laming called "widespread organisational malaise".

DEFERRED DIVISION

Madam Deputy Speaker (Sylvia Heal): I now have to announce the result of the Division deferred from a previous day.

On the question relating to Prevention and Suppression of Terrorism, the Ayes were 370, the Noes were 49, so the Ayes have it.

[The Division List is published at the end of today's debates.]

5.9 pm

The Minister for Children (Margaret Hodge): I beg to move, To leave out from "House" to the end of the Question, and to insert instead thereof:

"welcomes the fact that this Government acknowledged the importance of children's issues by appointing the first ever Minister with responsibility for children and young people; congratulates the Government's commitment to Lord Laming's report on safeguarding children, shown in the Green Paper Every Child Matters, and its determination to turn words into action by publishing the Children's Bill in the other place today; acknowledges that the £885 million Quality Protects Programme is already improving the life chances of vulnerable children; commends the Government for the 8.7% increase in funding for children's social services in the next financial year; and is alarmed by the Opposition's proposals to freeze spending on children's services."

I am delighted that we have the opportunity today, in a debate called at the very time when the Children's Bill is being presented for its First Reading in the House of Lords, to set out both the Government's considerable record on safeguarding vulnerable children and our plans to reform and transform children's services. Ours are plans that will support our ambition to enable every child, including the most vulnerable, to fulfil their potential and to ensure that no child slips through the net. Ours are plans that give us all a once-in-a-lifetime

opportunity to reform services so that all children, but especially the most vulnerable, can achieve better outcomes. Ours are plans that are designed to maximise the opportunity for every child and to minimise the risk for every child.

The Bill that has been presented in the House of Lords today, about which I will say more tomorrow, sets out a legislative framework for children's services and places the well-being and safeguarding of children and young people, particularly the most vulnerable, at its heart. The Bill supports a much wider programme of reform, which I want to touch on in my contribution, but I have to say that it is a bit rich for this Conservative Opposition to try to claim the protection of the vulnerable as central to their political concerns and spending priorities.

I do not understand, nor will any rational person listening to the debate be able to begin to understand, how the Opposition can say that they care about vulnerable children, yet make public spending cuts the central theme of their political programme. We are determined to invest in the vital services that will better safeguard and protect the most vulnerable children, but they want to slash public spending and destroy our public services in the name of an ideological obsession with cutting taxation.

Tim Loughton: I am sorry that the Minister did not listen to the point that I made earlier, because what she is saying is complete and utter garbage. Will she confirm what she has said and is quoted as saying—that all the proposals in the forthcoming Bill will be cost-neutral?

Margaret Hodge: I have to say first that what I said is not garbage, because the commitment made by the right hon. Member for West Dorset (Mr. Letwin), the shadow Chancellor, is simply to protect health and schools, not education. The hon. Gentleman should go away, re-read the speech and come back to the Chamber better informed for the debate.

Jonathan Shaw: A central agency involved in protecting children is the police, in respect of whom the Opposition have said they will make dramatic cuts.

Margaret Hodge: My hon. Friend is right to draw to the House's attention the impact that cuts in police spending would have on the police's ability to protect vulnerable children.

We are determined to invest in the vital services—

Tim Loughton: Cost-neutral.

Margaret Hodge: I will deal with that point as well: over time, if I may say so, we have increased spending year on year on social services and children's social services, whereas the Opposition, year on year when they were in government, cut expenditure on and investment in children's social services, which protect vulnerable children.

Mrs. Eleanor Laing (Epping Forest) (Con): Will the Minister give way?

Margaret Hodge: May I make a little progress? I will give way to the hon. Lady in a while.

I do not understand how the Opposition can claim to want to protect vulnerable children when the shadow Chancellor—I say again what he has clearly and unambiguously stated—says that he will freeze spending on all but schools, and therefore on children's services, in cash terms for two years.

The shadow Chancellor says that he will allow only a 2 per cent. increase in expenditure after that point, so where will the hon. Member for East Worthing and Shoreham (Tim Loughton) find the money to protect vulnerable children when the Opposition would cut services by £100 million in the first year? Where would he be when that figure rose to £230 million in the second year? What does he intend—9,000 fewer social workers or 3,000 fewer Sure Start programmes? Is that where the cuts would fall? How would those cuts, in the terms of the Opposition's own motion, give vulnerable children the priority they need and deserve?

Mrs. Laing: Is the right hon. Lady aware of the enormous cuts in Government grant to Essex county council last year, which meant that in my constituency, and throughout Essex, social services, which were trying hard to provide services for children, including vulnerable children, had to be cut, directly because of the red pen of the Deputy Prime Minister?

Margaret Hodge: That is arrant nonsense. I am aware that Essex social services, along with every other social services department, will get an almost 9 per cent. increase in its spending on children's social services, so it will continue to do the effective job that it is currently doing, building on it and showing the way on the reforms that we want to provide a better chance for vulnerable children.

Mr. Mark Francois (Rayleigh) (Con): I thank the Minister for her courtesy in giving way, but I must tell her that she is incorrect. There has been a large movement of resources away from local authorities in the home counties towards local authorities in the midlands and the north of England. When the change was made last year, Essex county council had the lowest grant increase of any authority in the entire country, and it suffered badly because of it. That is the reality, not the spin that the Minister is giving out.

Margaret Hodge: There has been a year-on-year increase in expenditure across the board on local authority services. That has been coupled with a proper and totally appropriate redistribution so that areas that suffered from lack of investment because they were mainly Labour-controlled local authority areas got a proper slice of the cake in the distribution of local authority resources.

Mrs. Humble: On the Labour Benches, the increase in resources for social services departments has been very much welcomed. Will my right hon. Friend address the issue that I do not recollect that the Opposition mentioned: child mental health services? Vulnerable children often have behavioural and mental health problems. Is she liaising with her colleagues to ensure that mental health services, as well as social services departments, have additional investment that helps those young people and their families?

Margaret Hodge: I concur completely with the important point that my hon. Friend makes. Indeed, the

[Margaret Hodge]

Under-Secretary of State for Health, my hon. Friend the Member for South Thanet (Dr. Ladyman), who has responsibility for children's mental health services, will reply to the debate, which shows how closely we work across Government, and he will reflect on the 10 per cent. increase year on year that we are investing in children's mental health services.

Mr. David Amess (Southend, West) (Con): Is the Minister telling the House that for purely party political reasons this rotten Government have given Southend children's social services department only a 2.4 per cent. increase, which is way below the national average? Is she saying that that is just because we have Conservative MPs in Southend? That is what she has been telling the House.

Margaret Hodge: I am telling the hon. Gentleman that this good Government have put right the rotten actions of the previous Conservative Government in deliberately—*[Interruption.]*

Madam Deputy Speaker: Order. The Minister was replying to an intervention.

Margaret Hodge: I will now make some progress.

I want to go further, because I do not believe that the Opposition begin to understand what we need to do to provide a stronger framework to support children and families. Let me give some instances. While we want to use the public purse to build a quality child care infrastructure, which will support choice for children and their parents and which will enhance the opportunity for families to climb out of poverty, the Opposition want to use the money to give mothers no choice but to stay in the home. While we understand that we can safeguard vulnerable children and enhance their opportunity only by ensuring that all our mainstream services deliver effectively for children—as well as strengthening the targeted services—they want only to offer the specialist services that families and children see as stigmatised and paternalistic. Poor services for poor children: that is the Conservative mantra. While Labour Members understand that parents want and need support to bring up their children throughout their lives, particularly at key transition points in their development, the Conservatives believe that parenting should always remain the private concern of individuals, with the state intervening only when things go wrong.

Tim Loughton: This really is rubbish. So far we have heard nothing but attacks on Conservatives for policy that we have never announced—policy that would never be ours. The Government have let it out of the bag that they have shifted funding up north to suit their own political ends.

Before the Minister starts berating us about fantasy figures that do not exist, she should tell us how she expects social services departments to cope with all the extra responsibilities she has given them on the very small increases that they received? Most of the money has gone to education. We are not suggesting slashing any provision; we are suggesting increasing provision. The Minister has been decreasing the portion that goes to social services departments for children's services, particularly in the south of England, and she knows it.

Margaret Hodge: I suggest that the hon. Gentleman read the shadow Chancellor's speech on public spending cuts.

Jonathan Shaw: The Tory council in Kent, which is most certainly in the south-east of England—there is no disputing that—asked the Government for a 5 per cent. increase and received, I think, 5.4 per cent. The idea that all the money is going north is a fantasy.

Margaret Hodge: My hon. Friend, who works very hard on behalf of his constituents, understands what we are doing much better than some Conservative Members.

Jim Knight: Is it not the case that next year Labour councils will receive a 5.9 per cent. increase overall, while Tory councils will receive 6.1 per cent? Meanwhile, council tax is going up by more in Tory areas than in Labour areas. The truth is that Tory councils, most of which are in the south, are receiving more from the Government than Labour councils. That is ridiculous.

Margaret Hodge: I am grateful to my hon. Friend for making that important point.

Central to this debate is the fact that the Government are committed to year-by-year investment so that—most important—we can abolish child poverty. The Conservatives, whether they talk of one area or another, are committed to year-by-year cuts. That will only increase poverty, and will only widen division. For me, it is the worst and most destructive feature of the Thatcher legacy.

Let no one forget that it was under the last Conservative Government that child poverty more than doubled, with a third of all children living in poverty when we took office. That was the largest increase in child poverty in any industrialised nation. Those are the facts; that is the Conservatives' record. They created more vulnerable children, and they never delivered for vulnerable children.

Mrs. Lorna Fitzsimons (Rochdale) (Lab): My constituents, who suffered for 18 years under the Conservative party, will take the Conservatives' crocodile tears for what they are, given the criminal underfunding of child and adolescent mental health services in the north-west. Where was the money? The Conservatives took it away from the north to subsidise the south. They did not care about our children—the most vulnerable children in the country.

Margaret Hodge: I entirely agree. I can tell that my hon. Friend feels as strongly as I do.

The Children's Bill and the reform programme on which we are embarked build on our considerable achievements for vulnerable children since 1997. It is this Government who, through reforms to the tax and benefits system, have lifted more than 500,000 children

out of poverty—children who were condemned to a vulnerable start through no fault of their own. Would that investment survive the Tory public spending cuts?

It is this Government who have increased maternity pay, introduced paid paternity leave, increased maternity leave and improved rights to flexible working, so that parents can balance their working lives with their child care responsibilities, thereby helping all children, particularly vulnerable children. Will the Conservatives now support those moves and work to improve them? It is this Government who have created and funded more than 500 Sure Start programmes in the most deprived communities in our country. They have to be long-term investments, but we are already getting evidence that Sure Start is creating massively better opportunities for our most vulnerable children. Through one programme in Leicester, referrals to emergency social services have been cut by 40 per cent. Through another programme in Corby, the number of children being assessed as having a special educational need when going to school has been cut by 10 per cent. Would the Conservatives not just applaud our Sure Start programme, but sustain and expand this initiative?

It is this Government who have delivered free nursery education for every three and four-year-old—six months sooner than we said we would. That investment supports every child, but in particular it supports opportunity for the most vulnerable in our community. Will the Conservatives now support an investment that they failed to make during the 18 long years in which they had the power to do so? And it is this Government who will increase spending for children's social services by nearly 9 per cent. in the next financial year. Would the Conservatives, who are committed to cuts in spending, keep our investment in children's social services going?

It is this Government who introduced the quality protects programme—a five-year investment of nearly £900 million to improve the life chances of some of the most vulnerable children in the country.

Mr. Dawson: Will my right hon. Friend confirm that the quality protects programme did extend as far as Essex, and that the money was used very well? In fact, Essex social services developed a pioneering family group conferencing system. Opposition Members would do well to celebrate that fact, rather than constantly denigrate their local services.

Margaret Hodge: I should tell those Opposition Members who have constituencies in Essex that much very good, innovative and effective practice is being developed by—*[Interruption.]*

Madam Deputy Speaker: Order. If the hon. Member for Rayleigh (Mr. Francois) has a comment to make, perhaps he could make an intervention.

Mr. Francois *rose—*

Madam Deputy Speaker: Order.

Margaret Hodge: If the hon. Member for Rayleigh (Mr. Francois) had been listening, I was responding—in a way in which I would have thought he would welcome—to all Members who represent the county of Essex. Essex county council is developing much excellent, innovative and effective practice, particularly in respect of children's social services. Those Members should be applauding and encouraging that practice, not denigrating it.

Mrs. Laing: I agree with the Minister unreservedly—the social services department of Essex county council is doing an excellent job. Putting everything in one department under one person was an excellent idea, and the newly appointed director of learning services and social services is doing an excellent job. I have spoken to her about it many times in great detail, but it must be recognised that she and her colleagues are doing that excellent work under the great constraint of the massive budget cuts that the Deputy Prime Minister imposed last year.

Margaret Hodge: I have to tell the hon. Lady that, when in government, her party cut spending year on year, while we are increasing spending year on year.

It is this Government—

Mr. Francois: Will the Minister give way?

Margaret Hodge: One final time.

Mr. Francois: I thank the Minister for her courtesy in giving way again. For the avoidance of doubt, Conservative-controlled Essex county council has an excellent social services department. I have been briefed on the value of family group conferencing, which can be extremely valuable. I have great praise for Essex county council social services department, which does a very good job, particularly given the financial pressures that it is under because of this rotten Government.

Margaret Hodge: Perhaps after that lengthy exchange we can now all agree on the good work being done by the county represented by a number of hon. Members.

I want to describe our record. The Government have enacted a raft of legislation better to safeguard vulnerable children, from the Care Standards Act 2000 to the Adoption and Children Act 2002 and the Protection of Children Act 1999. It is this Government who have increased investment in our schools year on year, so that all our children, but particularly the most vulnerable, can achieve more and realise their potential.

It is this Government who are developing the extended schools programme so that, by 2006, every authority will have at least one extended school, where all the services that vulnerable children in particular need—from study support to sporting facilities; from children's mental health services to advice about drugs—can be accessed in one place, where children are and where they feel safe.

It is this Government who have funded and created the first programme of preventive services for vulnerable children in every community through the children's fund. The Opposition sought to criticise the Government because, as a result of the programme proving so successful, we have had to identify new and extra money to keep projects funded. Far from cutting these preventive services for children, we have put an

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additional £20 million into sustaining them. What hope would those programmes have under a Conservative Government ideologically fixated on cutting public spending?

It is this Government who have invested in preventive and restorative youth justice programmes, which have cut reoffending rates by 20 per cent. It is this Government who have virtually eradicated youth unemployment and introduced educational maintenance allowances to support vulnerable young people to stay in education and training. It is this Government who have developed the modern apprenticeship programme, with a record 230,000 young people now taking part in a modern apprenticeship course.

That is the record on which we want to build; that is a record that only a Labour Government can achieve. That record gives us a sound basis on which to build a further programme of reform, which we heralded in our Green Paper, "Every Child Matters", and which we are putting into practice in part through the Bill we are introducing today.

Tim Loughton: Before the Minister gets completely carried off to fantasy island, will she confirm that, to make up the cuts that she was proposing in the children's fund, the Government will take money from the youth offending teams programme? Will she confirm also that the budget for children's fund projects in 2005–06 has not been confirmed and is still vulnerable? Will she confirm that all the programmes she is looking at go only to 2006? There has been no commitment from the Government—we have not had the next spending review—on any of the funding being sustained beyond 2006. Before accusing us of cuts that we have never proposed, will she give us guarantees that these schemes will continue after the next election, in the unlikely event that she is still in a position to do something about it?

Margaret Hodge: The hon. Gentleman must read speeches that are put into the public domain on behalf of the Conservative party so that he is clear on what his party is committed to. I can confirm that we have not cut the youth offending teams programme in any way; I do not know where he got that idea from. He is correct that we will settle the 2005–06 funding for the children's fund programme once we have the outcome of this year's spending review.

Virginia Bottomley (South-West Surrey) (Con): Much of this debate has been about funding, but I am not clear whether there is a relationship between child abuse and funding. There are two key issues: data sharing, and how one requires a child to be seen whose parents are not producing the child. Will the Minister require a child to be produced for a school nurse or health visitor when there is concern about its well-being?

Margaret Hodge: The right hon. Lady is correct to draw attention to those two very important points. I shall cover them as I move on. I wanted to set a context, because vulnerable children will be supported to develop their opportunities only if their lives in the round are supported by action from government in the round.

Since we launched our Green Paper we have seen the richest and most significant debate on children's services for over a generation. I in no way apologise for having engaged in that debate and having had a wide consultation, which enabled us to listen to many voices as we formulated the Bill that we presented in the other place this afternoon. We received 4,500 responses to our consultation. Most gratifyingly, two thirds of the responses were from children and young people themselves. That, I hope, reflects the way in which we intend to work over the coming period.

We are dealing with vital but difficult issues. We shall succeed only if we ensure that children's voices are at the heart of our endeavours and if we work closely in partnership with all our stakeholders, so that together we can build on what we learn works to improve the outcome for all our children, particularly vulnerable children. That approach, of working in partnership and having children's interests at the centre of our concerns, will inform all our reforms.

Social services departments have not, as the Opposition suggest, been kept in limbo, waiting for the Children's Bill. They have been fully engaged in working with us to make sure that our proposals are soundly based, workable and right, and that they will help to bring about a step change in the opportunities for the safeguarding of all children.

I accept that we have much left to do. Lord Laming's report on the events leading up to the death of Victoria Climbié and the joint chief inspectors' report, "Safeguarding Children", set out a number of challenges. However, we have not, as the Opposition suggest, failed to act since Lord Laming published his report. Indeed, of the 708 recommendations, only one has been rejected. We have fully implemented 60 and we have started work on all the others, but I accept that we need to go further.

We need to tackle the issues identified in both reports, of ill-trained and overworked staff, often not properly supported by their managers.We need to do more to recruit, retain and train good-quality staff to work throughout the children's work force. We need to ensure that senior managers, right up to chief executives, accept responsibly and accountably for the actions of their staff. We need to address the weaknesses identified in the way in which area child protection committees work, with insufficient authority and few resources to carry out their functions. We need to become better at sharing information across professional boundaries and within professional organisations, and across local authority boundaries, so that children are less likely to fall through the net.

Mrs. Laing: Given what the Minister has just said about sharing information, on which I entirely agree with her, do the Government propose to amend the Data Protection Act 1998?

Margaret Hodge: We shall ensure that, as we have laid out in the Green Paper, there are no inhibitions within the Act that will prevent the necessary sharing of information between professionals and across local authority boundaries.

We need to develop the very difficult multi-agency working that we know makes sense, and we need to ensure that individual agencies are clear about their

roles and responsibilities in protecting children. We need further to shift from intervening after things have gone wrong to supporting children and their families to prevent things from going wrong.

Most important, we need to make sure that the well-being and welfare of children are at the centre of the assessment process and the decision-making process. Nobody asked Victoria Climbié what she wanted or how she was. That must not happen again.

Our Children's Bill sits within a much wider context of reform. As part of that work, we are preparing the budgets for the next spending review period, and we will sharpen accountability with a more coherent system of targets and a better performance management system with stronger inspection levers. We are creating much simpler and more flexible funding mechanisms, with decisions being taken as close as is practicable to the front line. We will ensure investment in the skills, leadership and motivation of all who work with children, young people and their families. We are strengthening partnership working by developing the children's trusts, children's centres and the extended schools programme and by legislating on duties to co-operate.

Mrs. Annette L. Brooke (Mid-Dorset and North Poole) (LD): I understand that some children's trusts are now in operation. Given sufficient time, will a full evaluation of their work be published?

Margaret Hodge: It is extremely important that, throughout the reform programme, we evaluate all the initiatives as they move forward and learn from that evaluation. However, it would be dilatory to wait until we have a full evaluation before moving on to the next step and it might lead to accusations of not working in the best interests of children as quickly as possible. We will continually evaluate and amend what we do to in the light of what the evaluation tells us.

We shall also support the culture change and the improvement that we want with a programme of support, coupled with proportionate intervention in areas where children's services fall below acceptable standards. As we have already outlined, the Bill will support our reform agenda.

In a historic move, we intend to establish a children's commissioner for England, and children will help us to choose the first one. The commissioner will be independent of both Parliament and the Government, ensuring that the views of all children, particularly the most vulnerable, are gathered and that they influence the development of policies for children, young people and families.

Our Bill will ensure that all the agencies that are important in children's lives work together to improve children's well-being and safety. We shall strengthen the safeguarding of children by creating statutory local safeguarding boards with specific duties on the key agencies both to safeguard and protect children within their own organisations and in partnership with other local agencies. The Bill establishes clear accountability for children's services with the appointment of a single director for children's services and a lead member in every local authority, building on the good practical experience on the ground in counties such as Essex.

Our Bill not only introduces statutory duties on organisations in the public, private and voluntary sector to work together, but removes the barriers that prevent them from doing so. We are legislating to establish an integrated inspection framework so that services are judged against common standards and are assessed on how well they work together to achieve better outcomes for children. We are providing for new intervention powers for children's social services to bring them into line with the powers that we already have for education. We are also legislating in the difficult area of establishing a framework to enable better sharing of information across all services. Finally, the Bill also contains proposals to improve the educational attainment of looked-after children and to beef up and improve the regulation of private fostering.

The Bill is a crucial piece in the jigsaw of reform. It stands alongside the development of children's trusts, which will provide a joined-up approach to the planning, commissioning and delivery of children's services. It stands alongside our commitment to create more extended schools, providing a range of services—often beyond the school day—for children, families and the wider community. We see the development of such structures as supporting our standards agenda and our social inclusion agenda. Only by supporting every child can we raise achievement levels in every school, and only by raising the educational achievement of vulnerable children can we help to ensure that they are given an equal opportunity in our society.

The Bill stands alongside our work force strategy. We have already raised the number of people choosing to train as social workers. We are looking at new routes into working with children, and are developing training programmes so that all professionals share a vocabulary and an understanding of child development, which will enable them to fulfil their statutory duties properly. We are developing leadership programmes and establishing sector skills councils to help us drive our reforms forward.

Our programme for change is wide in its range, strong in its component parts and innovative, exciting and important in what it means in terms of better outcomes for children and their families. It is not a hotch-potch of unrelated and opportunistic points to be scored in the comfort of a debating chamber. It is not an incoherent set of gripes cobbled together to little purpose. It is not a less than honest statement that pretends to care about vulnerable children, while being intent on cutting investment in the very services we have to protect and safeguard the future of children.

Ours is a radical and coherent set of policies and programmes that will help to ensure that every child in our country enjoys the opportunity to realise their potential and really grows up safely to be healthy, to enjoy their childhood, to benefit from a good education, to contribute positively to their community and to find economic well-being. Ours are policies that will ensure that children do not fall through the net.

All Members who sincerely wish to protect the most vulnerable children in our community have no option but to reject the ill-thought-out proposition put forward

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by the Opposition and to support the amendment in the name of my right hon. Friend the Prime Minister and other members of his Government.

5.47 pm

Mr. Phil Willis (Harrogate and Knaresborough) (LD): I congratulate the Conservatives on choosing this important subject for debate. However, as the hon. Member for East Worthing and Shoreham (Tim Loughton) and the Minister for Children were making their speeches, many Members may have been recalling meeting constituents who had been the subject of abuse and for whom the Bill has probably come too late.

I recall three young men who were systematically abused in a children's home in Harrogate—the life of at least one of them has been blighted by those experiences. If they have been watching the Parliament channel this afternoon, I wonder what they make of a debate that has been nothing but a party political wrangle about who did what to whom and how much each party intends to spend. It is a shame when debate on such an important subject is brought down to no more than a party political wrangle—*[Interruption.]* I can assure the Under-Secretary of State for Health, the hon. Member for South Thanet (Dr. Ladyman), that I have no intention of joining in such wrangling but that I shall address the subject of the debate.

The debate would have had far greater relevance if the Bill had been published in this place and we had read it. We could then have held an informed debate with the Minister, which would have been incredibly useful. Instead, we hear that the right hon. Lady will make a statement tomorrow; presumably, she has chosen to launch the Bill elsewhere in London rather than in the House. If that is not the case, I shall of course be happy to take an intervention from her. We did not have the way forward report, either; if we had, we would have been far better informed about the consultation exercise and its aftermath.

Ironically, the Conservative party failed, in choosing the wording of the motion, to mention the crisis in two very important areas—the youth justice system and refugee children. During the Queen's Speech, the Leader of the Opposition tramped round the television studios in Westminster, condemning the Government for threatening to remove benefits from children and condemning the fact that they would be incarcerated. It is the height of hypocrisy that he marched his troops into the Lobby in favour of the Bill when it came before the House this week.

There can be few groups of children in the United Kingdom who suffer more from racial and institutional abuse than refugee children. What other group of children can be detained without limit, without excuse and without having committed any crime other than to be the children of parents who have come to Britain seeking asylum? So far, those in that group can be detained by as much as 20 weeks, simply because they are the children of asylum seekers.

Following an inspection of the Dungavel immigration and removal centre in October 2002, Her Majesty's chief inspector of prisons said that

"the positive development of children was compromised by the secure nature of the facility and the uncertainty surrounding the length of stay".

Why are those children not important? Thirty-five children are currently being detained under these laws, yet there is not a word about them from Ministers or the Opposition.

Mr. Dawson: I agree with everything that the hon. Gentleman has said on this subject. Does he, like me, look forward to the day when the areas of youth justice and asylum and immigration currently under Home Office control might fall within the remit of my right hon. Friend the Minister with responsibility for children and families?

Mr. Willis: I say to the hon. Gentleman, who has a proud record in defence of children's rights, that I do, with one proviso: that the Minister have an independent portfolio, because without that independence it will make little or no difference.

If the Conservatives are serious about the protection of vulnerable children—I believe that the hon. Member for East Worthing and Shoreham is, because he asked a significant number of questions on that and we were all informed as a result of those questions—I hope that they will join the Liberal Democrats in pressing for an end to the detention of innocent refugee children in secure prisons, because that is a blight on anything that we do to achieve a better position for vulnerable children. I hope that the hon. Gentleman at least will do so.

Interestingly, too, the motion makes no reference to children involved in the youth justice system, despite the successive criticisms of Her Majesty's chief inspector of prisons and the damning comment in the joint chief inspectors' report in January 2003, which found that

"the welfare needs of children and young people who commit offences were not being adequately addressed by those responsible for their welfare".

Mrs. Brooke: Will my hon. Friend join me in asking the Minister to consider extending the Children Act 1989 to the Prison Service? A recent High Court judgment found that local authorities have responsibility for children in prison. Given all the terrible tragedies in our prisons, it would make a big difference if the Prison Service were to apply the Act.

Mr. Willis: I thank my hon. Friend for that comment. Let me say to the Minister in all sincerity that if we discover, when the Bill is published tomorrow, that the Children Act 1989 will not be extended to prisons and young offenders institutions, she will have a case to answer, and in Committee we shall make a good argument for its extension. The Minister cannot say now whether that is in the Bill, because the Bill has not been published; that is fair enough.

The United Nations Committee on the Rights of the Child has repeatedly criticised successive Governments—both Conservative and Labour—for the way in which children in trouble with the law are treated and for our failure as a nation to integrate the

UN convention on the rights of the child into juvenile justice. Under article 40, we are expected to separate the system for dealing with children from that for adults. Again, that may well be proposed in the Children's Bill, but it is a sadness that that has not yet occurred. Article 3 of the convention says that we should ensure that the interests of the child are a primary consideration in all decisions about them. Article 37 says that custody should be used only as a last resort.

Those principles are important because, despite the numerous criticisms and child protection failures in the youth justice system, the Government have not set out a clear role for youth offending teams or the Prison Service when dealing with the child protection system. As a distinct group, children in the care of our youth justice system are more likely to die, self-harm and face serious risk to their well-being and future success than almost any other group of children. It is a pity that the Minister does not take on board that powerful statement, which is borne out by all the evidence.

Although many people are delighted when some young people end up in custodial institutions, we have failed to realise that the vast majority of cases involve highly damaged young people and that the system that operates does absolutely nothing to support them. They are the group most likely to come from homes where abuse is common, neglect is the norm and other systems of care and protection have failed.

The hon. Member for East Worthing and Shoreham is right about the delays and confusion in introducing not only the Bill but other commitments, following the tragic death of Victoria Climbié and the Laming inquiry. He is right to point to the appalling debacle of the Minister's handling of the children's fund. The Minister proudly said that she had got £20 million more for the fund as a result of its success. That is stretching credibility. What actually happened is that she stopped the fund. She told groups all over the country—they were sometimes in the middle of three-year contracts—"You aren't getting any more money."

The hue and cry of right hon. and hon. Members and voluntary groups throughout the country forced the Minister to reconsider and provide additional money. The hon. Gentleman is right to say that those projects have no guarantee of funding even in their third year—never mind beyond that—and the Minister should state in summing up the debate that every current three-year contract will be honoured. If that is the case, I shall feel that at least one successful thing has come from the debate.

Mrs. Brooke: Does my hon. Friend agree that the apparent lack of consultation before and during the cuts has affected the relationship with voluntary organisations and that a commitment to greater consultation is needed, as well as the pledge of money?

Mr. Willis: The hon. Member for Sure Start—the hon. Member for Chatham and Aylesford (Jonathan Shaw)—said that the voluntary sector is crucial. I am sorry to refer to a Committee in-joke that relates to the hon. Gentleman and the hon. Member for Epping Forest (Mrs. Laing), who has now left the Chamber. My hon. Friend is right to suggest that the voluntary sector is crucial in terms of the proposed Bill and supporting vulnerable children, and the removal of funding from the children's fund was a devastating blow to many of those organisations.

The hon. Member for East Worthing and Shoreham made a brief reference to the national service framework for children. The motion refers to the delay in producing that framework, which was announced in 2001 as a huge leap forward. After reading the motion, I was interested about what had happened to the national framework. We know, and it was said earlier, that children's mental health services are in a mess—and were in a mess 10 or 20 years ago. Children's mental health services are one of the absolute disgraces of our health service.

Three years after the organisation was announced, its director, Professor Aynsley-Green, said in his December newsletter to its staff, who had all been appointed:

"There are of course many milestones which have been met along the way"—

he did not mention one—

"in particular the recognition of the importance of children's mental health services and neo-natal care".

If, after three years, the organisation's only claim of success is a recognition of what it knew three years previously, my goodness, it is not much of a success. That is one reason why we will support the hon. Member for East Worthing and Shoreham in the Lobby tonight.

I have much sympathy with the Government's desire to create a lasting framework to address the long history of high-profile abuse cases that have blighted young people's lives for far too long. If the delays are an attempt to get things right and to address the difficult matters of prevention, identification, information collection, transfer and, above all, action, the wait will be worthwhile. If, however, when we see the Bill tomorrow it fails to address those complex issues, the Government will be rightly condemned.

We have always supported the aims of the Green Paper and have been as one with the Government in welcoming a commitment to a children's commissioner, a single support structure in local authorities and, crucially, direct responsibility for the protection of vulnerable children. A situation such as that in which the former chief executive of Haringey excused failures of child protection because

"he was not clear in his own mind as to where the line of responsibility lies"

must never be accepted in the future. The Minister and the Government are absolutely right to say that somebody in every local authority must have ultimate responsibility. I hope that the Bill will make it clear not only that such blatant buck-passing will not be accepted, but that it will be treated as a criminal offence. We will give the organisation teeth by making it clear that the person in charge is responsible under the law, as well as on paper.

Jonathan Shaw: Will the hon. Gentleman give way?

Mr. Willis: No, I am trying to get on because I want to allow others to speak.

One important benefit of the delay that appears to have taken place is the acceptance by the Minister that there must be a director of children's services and that

[Mr. Willis]

the integration of services will be obligatory. Local authorities will be allowed to develop their own structures and build on what is often excellent practice. The Minister rightly said that many local authorities have first-class structures that integrate children's and education services, and it would be wrong to dismantle those structures for a one-size-fits-all approach. I applaud the Minister for listening to the Local Government Association and local authorities, and changing her mind—if that is what we discover when the Bill is published tomorrow.

The hon. Member for East Worthing and Shoreham was right to be concerned about the interrelationship between the proposed legislation and the Data Protection Act 1988. We have given a cautious welcome to a national children's database and recognise that if information is to be shared, it must be collected—there is little point to the system unless information can be collected, stored and made available. How that will be done, to whom information will be made available, when it will be removed, and when it will become the responsibility of the individual are complex issues. It was sad that the Minister said absolutely nothing about that, despite the fact that several hon. Members intervened on her. If the Under-Secretary's excuse is simply that "the Bill will not be published until tomorrow", that is not good enough. Professionals have been asking about the issues every day since publication of the Green Paper, and the issues have been the subject of much of the correspondence that the Minister has received on the Green Paper.

As a former head teacher, I would be uneasy to have or to pass on information about a child that was not available to that child or to his or her parents, yet that is precisely the scenario envisaged under the proposed arrangements. I have no answer to that complex problem. Sometimes it is desirable not to hand on such information. People working in the field need clarity so that what happened in relation to the Soham case—an extremely serious issue—is not repeated. Clear guidance must be issued on what information can be released, to whom, and when.

Jonathan Shaw: I can understand why the hon. Gentleman did not want to give way when he was talking about criminal offences and directors of social services. He turned crimson, so I presume he realised that it was a stupid thing to say.

The hon. Gentleman is right to say that a head teacher who had information would be in a difficult position, but can he help the debate by giving an example in which he, an experienced and distinguished head teacher, had information that he would not have chosen to pass on?

Mr. Willis: On occasion, social services gave me information on what was happening in a child's extended family. On another occasion, a child was involved in explicit sexual activities, but there was a problem with the parent: the parent was violent toward the child and had, in fact, burnt the child with a poker. In such cases, there can be difficulties in releasing information that one would normally have given to a parent or a third party. Head teachers will be in the position of having to make extremely difficult decisions. There is no easy answer to such problems, and I was honest enough to say that.

The concept of information being given on a need-to-know basis might satisfy the spirit of the proposals, but it is wide open to misinterpretation. I hope that the Minister for Children will clarify how and when she proposes to give guidance to head teachers and others who might need to know. Will the right hon. Lady or the Under-Secretary of State for Health, the hon. Member for South Thanet, who will sum up the debate, let us know their thoughts about the disclosure to a young person of information held on that young person? At what point will young people have an automatic right to the information held on them? At what point will a young person aged under 16 have a right to that information? If our aim is to implement the UN convention on the rights of the child, giving information to children is crucial.

The Conservative motion is slightly misleading, in that it gives the impression that local authorities have not responded to the Laming recommendations and that the process of improving child protection services is simply waiting for the Children's Bill to be published. It would be wrong to leave the House with that false impression. We have some excellent social services departments and some brilliant professionals in the field. The hon. Member for East Worthing and Shoreham is right to point out the shortage of professional staff—whether the damage would be repaired by Conservative spending cuts or Government support is a matter for political debate—but that does not resolve the problem that the vast majority of those professionals, who are brilliant at what they do, are overworked and underpaid. The Liberal Democrats take this opportunity to put on the record our congratulations and thanks to them.

I wish to draw the Under-Secretary's attention to a specific commitment regarding the protection of children who are looked after. The Minister for Children made only a fleeting reference to such children, and although I understand that she could not say everything in her speech, we should not forget that, in practice, Victoria Climbié was a looked-after child. She was sent from the Ivory Coast to be looked after by her aunt and her aunt's boyfriend. In effect, she had little protection under the existing law, and it is crucial that such private fostering arrangements are effectively covered in the future. Surprisingly, the Green Paper does not refer to private fostering—if I am wrong, the Minister will correct me when he replies.

The vast majority of looked-after children are not privately family fostered; they are the 60,000 children who at any one time are the responsibility of the state. That group of children is without doubt the most vulnerable and the most complex to support. They do not fall into an easy single category, but have a number of common features: two years ago, a massive 96 per cent. of looked-after children had behavioural or emotional difficulties; 27 per cent. had a physical or mental impairment; 41 per cent. had been abused or neglected, and many will go on to live in abusive relationships; 10 per cent. had been taken into care through family dysfunction; and 31 per cent. had not

received basic health screening, dental checks or inoculations. Life holds out no great hope for looked-after children.

Mr. Dawson: I appreciate the spirit in which the hon. Gentleman makes his remarks, but I hope that he will refer to work by Mike Stein of York university, which indicates that the future for young people in care is much brighter than he suggests. Young people leaving care are, in the main, extremely resilient, and a fairly small proportion of care leavers have the sorts of problems that he describes.

Mr. Willis: The hon. Gentleman is right to say that there is hope, but we must recognise that a significant number of young people—55 per cent.—leave care without a single GCSE between them, and that 26 per cent. of them have statements of special educational needs. One in three of our current prison population was a looked-after child. The statistics are chilling, and that so many youngsters who are looked after succeed is an enormous credit to the people who looked after them, our social services and our care homes. It will be desperate if the Children's Bill does not address the minority of youngsters who do not succeed.

Thank God that many children in care do not catch the headlines like Victoria Climbié, Maria Colwell, Jasmine Beckford and Lauren Wright, and the Bill will change the lives of many looked-after children. The real issue is to make sure that the 60,000 children in care have a rosy future free of abuse. Hopefully, tomorrow's Bill will set them on the right path.

Several hon. Members *rose—*

Madam Deputy Speaker: Order. Several hon. Members are trying to catch my eye. If their comments are brief, all may be successful.

6.13 pm

Jonathan Shaw (Chatham and Aylesford) (Lab): It is a pleasure to follow the hon. Member for Harrogate and Knaresborough (Mr. Willis). We have spent quite a lot of time together on the Higher Education Bill.

I shall begin by quoting the introduction to Lord Laming's report, which concerns little Victoria Climbié:

"The food would be cold and would be given to her on a piece of plastic while she was tied up in the bath. She would eat it like a dog, pushing her face to the plate. Except, of course that a dog is not usually tied up in a plastic bag full of its excrement. To say that Kouao and Manning treated Victoria like a dog would be wholly unfair; she was treated worse than a dog."

That is chilling, but when we debate such sensitive issues it is important that we remind ourselves of the horror that such children experience. Time and again, such reports are presented to Parliament. My hon. Friend the Member for Wakefield (Mr. Hinchliffe) mentioned Maria Colwell, and I am sure that after that inquiry hon. Members said, "Never again." Unfortunately, children will die again, but our responsibility as policy makers, citizens, councillors, neighbours and people involved with children is to put our hand on our heart and ask whether we have done our very best. Have we done our best to ensure that mechanisms are in place to protect children like Victoria Climbié, to intervene and save their lives? If we have, we will be able to say that we have done the right thing when future inquiries take place. I am sure that when those inquiries are conducted, people will reflect and fingers will be pointed. It is important to learn lessons and continue to improve services.

Of fundamental significance are Lord Laming's comments on organisational failings, principally in communication between people with responsibility for Victoria Climbié. In paragraph 1.21 on page 4 of the report, he said:

"Having considered the response to Victoria from each of the agencies, I am forced to conclude that the principal failure to protect her was the result of widespread organisational malaise."

Like the hon. Member for Harrogate and Knaresborough,I welcome the fact that the Opposition have chosen to hold a debate on an extremely significant issue for vulnerable children. Children should always be at the top of the political agenda if we are to learn lessons and shape services appropriately so that we can make sure that children do not die in the circumstances in which Victoria Climbié died, when there was organisational malaise and dysfunction.

As has been said, there is a general consensus about child care legislation. Having worked in child protection for 10 years, I find it satisfying to have been involved in the passage of legislation over the past few years, including the Children (Leaving Care) Act 2000 and, particularly, the Adoption and Children Act 2002. The hon. Member for East Worthing and Shoreham (Tim Loughton) served with me on the Special Standing Committee that considered that measure, and it was stimulating to hear the evidence of 29 agencies, which helped us to formulate a good Bill. There were controversial provisions, not least adoption by unmarried couples, an important issue about which we had a vigorous and passionate debate, but the measure is a good one. We hope that many of the 54,000 children who are in foster and residential homes can find permanent, loving families, and we should all strive for that goal. That is what vulnerable children want us to talk about, and that is what we should endeavour to pursue in the House of Commons.

There are, however, always lessons to be learned. The Government have been criticised for the delay in the publication of the Green Paper, but I hope that the reason for that delay is their wish to get it right. Something to emerge from all the inquiries is the need to get things right, and taking time over the Green Paper is important, as it will include far-reaching organisational changes. We hope that we can put our hand on our heart and say that it provides the necessary structures so that we will not have in future to read comments like those made by Lord Laming.

It is vital that proper procedures be in place for people at the coal face and in supervisory positions to follow. We can provide the framework, but the solutions must be delivered at the local level. We must do everything that we possibly can to ensure that that process is inspected rigorously to ensure that lines of communications are clear to all the agencies and individuals involved in working with children.

We should not lose sight of the fact that the front-line job of child protection is not easy. I can think of mistakes that I made as a social worker and of the consequences for the children involved. Were they my fault or the fault of someone supervising me? Yes, they

[Jonathan Shaw]

probably were. However, serious pressures and strains are placed on social workers who deal with very complex cases involving very complex families. I remember a situation that arose when I was 23 and a newly qualified child protection social worker. One cold, damp night, I had to visit a family where the stepfather was a huge man who was extremely aggressive and always chose to speak to me at great volume about an inch away from my nose. I went to the tower block where they lived and rang the doorbell of their flat. As I did so, two thoughts went through my mind: "I hope they're not in", because I knew what I would have to endure from that individual; and, "I hope they are in, so I can see that the child is still safe." On Fridays, Saturdays and Sundays one worries oneself sick—I remember those sleepless nights. That was not the most extreme of cases, but it is a common experience that social workers face every day of the week. It is important to remember that as we discuss this sensitive issue.

The Government can stand on a proud record in terms of the legislation that they have introduced. I well remember the passage of the Children (Leaving Care) Act 2000, because my hon. Friend the Member for Lancaster and Wyre (Mr. Dawson) and I—the old former corduroy wearers—served on that Committee. It raised the age of leaving care to 21, or 24 for youngsters who stay in education and training, which took a lot of persuasion from many hon. Members and care organisations. It sent an important message, especially in light of the fact that 75 per cent. of young people leave care without educational qualifications—I mean, no qualifications at level 1, not grade A to C GCSEs. It is appalling that education has failed so many children in care.

I remember taking part in meetings with children who were being excluded from school. Such a child might have had a whole series of foster carers and schools, and was being excluded again. What would the prognosis be in those cases? The most important thing that has changed since I sat in those meetings is that the issue has been given a much higher priority. We now have not only the quality protects programme, but the code of admissions for oversubscribed, popular schools, the main criterion of which is that children in public care should go to the very best schools—the popular schools—not those that have huge numbers of surplus places for the reasons that we all know about. That is important.

I congratulate the BBC. I watched one of its plays recently and thought that the portrayal was realistic. I was worried that it would be filled with doom and gloom. That is obviously the experience of some, but not all young people. It is important to remember that. When those young people are achieving and feeling positive about their lives, they do not want to be associated simply with being a child in care and the 75 per cent. statistic. We must bear it in mind that many achieve much, through the work and efforts of social workers, teachers and foster carers, but mostly through their own efforts.

The Government have made considerable advances through legislation and they have changed the atmosphere. However, we are considering vulnerable children, and I welcome the choice of debate by the hon. Member for East Worthing and Shoreham. I am sure that that also applies to many vulnerable children and those working in the field.

6.25 pm

Charles Hendry (Wealden) (Con): Given the amount of time remaining, I shall curtail my remarks to ensure that colleagues have a chance to speak.

There can be no greater indictment of any Government than failing vulnerable young people who are entrusted to their care, and are taken into care, which is when they most need support. That is a criticism not of the Government but of the care system, and it stretches back many years. I acknowledge the comment of the hon. Member for Lancaster and Wyre (Mr. Dawson) that many people come out well from care, but the examples that my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) and the hon. Member for Harrogate and Knaresborough (Mr. Willis) presented so clearly show that far too many people are left behind and suffer badly from being in care.

For some young people, life is even worse and they cannot cope with their problems. I therefore want to speak about children and young people who commit suicide. It is one of the most frightening issues that the Government and the country face. In 2002, some 886 children and young people committed suicide. They were overwhelmingly young men; three quarters were male. Suicide accounts for 16 per cent. of deaths of males aged 15 to 19, and 23 per cent. of deaths of those aged between 20 and 24. It is the biggest single cause of death for young people in this country. We need to establish a system to ensure that we do everything possible to prevent such suicides.

There is an additional problem of self-harm. It is frightening that 20,000 young people engage every year in deliberate, serious self-harm. That should cause us terrible anxiety.

Sixty-nine per cent. of suicidal children have suffered violence from an adult and 60 per cent. perceived the seeking of help from parents, teachers or anyone else as a sign of weakness. Nearly 90 per cent. of suicidal young people experienced bullying at school and three quarters suffered bullying outside. The figures for homophobic bullying are even worse. One third of young gay men have considered taking their lives.

Voluntary organisations such as the BE-Foundation, do marvellous work but receive no funding through the Government suicide prevention strategy. I hope that the Government can ensure that those organisations, which work with some of the most vulnerable children in our society, can be helped and supported.

Voluntary organisations also do fantastic work. The system has not crumbled further partly because of such national and local work. Let me draw attention to one organisation, Kids Company, which is based not far from here. The Minister kindly attended a reception that it held here recently. Day after day, it works with hundreds of young vulnerable people in Lambeth. It gives them a safe place to go where they can do their homework and get a proper meal, which they often do not get at home. It provides care and support for those whose parents cannot do that because either they are not around or there is abuse, drugs or other issues.

National organisations, such as Weston Spirit, the NSPCC, Barnado's and the Children's Society, also do wonderful work. If the Minister has not already done so, I urge her to read the Prince's Trust report "Reaching the Hardest to Reach", which provides remarkable case studies of young people who have been helped in the voluntary sector. However, those organisations face problems. First, they are starved of funds. Too often, they feel that they are not in partnership with Connexions, but in competition with it. We need to find a more structured way of getting money through to those organisations. Secondly, there must be a simplified way for them to apply for funding. At the moment, the forms are far too complicated and put off many organisations. They find that they are up against professional form fillers and application makers, which means that they do not end up getting the grants.

Thirdly, the funding system needs to give greater recognition to the core costs that the organisations incur. They cannot for ever be running projects if they do not have the core services to enable them to operate those projects. Finally, we need to move away from the obsession with new projects. At the moment the system is so crazy and barmy that, if an organisation has a project that has worked successfully for three years and could carry on doing marvellous work, it has to reinvent it because money is available only for new projects. There has to be a better way of funding these organisations.

I do not think that the Minister is the right person to be doing that job, because her track record in Islington precludes her doing it properly. I say that with some sadness, but I feel that it was shown by her speech, which was one of the most offensive, unpleasant and negative that I have ever heard in the House. It contrasted sharply with that of the hon. Member for Chatham and Aylesford (Jonathan Shaw), which was extraordinarily mature and dignified. I hope that she will carefully consider what lessons can be learned on this matter. If she can provide a care system that does not let young people down and does not lead to far too many of them ending up homeless, on the streets or in prison, and if she can provide a system that works genuinely in partnership with the voluntary sector rather than making that sector too often feel excluded, then perhaps—just perhaps—she will justify the trust that the Prime Minister has put in her, in giving her responsibility for the hopes of young children across this country.

6.31 pm

Mr. Hilton Dawson (Lancaster and Wyre) (Lab): I shall be very brief, and try to keep my speech to four minutes to allow Opposition Members to contribute.

I do not know what that last comment was about, but it gives me great pleasure to follow the speech of my right hon. Friend the Minister. It reminds me of why I am so pleased to be leaving the House at the next election: I shall take, I hope, a very active part in the transformation of children's services that will develop from this Government's legislation and policy.

I am sorry that the debate opened, and to some extent continued, with glib negativity from the Opposition. These are incredibly important issues, and the Government are addressing them fundamentally and significantly. Members on both sides have mentioned the future of the national service framework for children, and I fully agree that that is extremely important. I have met Professor Aynsley Green on several occasions, and I have great respect for his work. In the massive changes that are taking place in government and across Departments, I desperately hope that that work, far from being lost, will be brought back into the mainstream of integrated developments.

At the moment, we have an Opposition who are, quite honestly, unable to oppose. They tell us that they welcome the prospect of a children's commissioner, but they have done absolutely nothing to bring that about. They have done nothing on serious issues relating to asylum, nothing on the fact that one or two children in this country die at the hands of parents or care givers, and nothing to deal with the fact that children in this country have less protection under the law than adults do from assault. The Conservative home affairs spokesman speaks of the virtues of parenting time, but says nothing about the 25 children in this country murdered during contact visits in recent years. The Conservatives approve of custody, so they have nothing to say about the plight of young people in our prisons.

I have great confidence in the Government, and I am confident that they will address those extremely important issues in the near future, in the way that they have addressed the issue of the children's commissioner. I criticise the Government a lot, but I think that they are doing extremely well. In fact, they are doing far better than I would have believed possible when I came to the House in 1997. They are dealing with poverty, bringing in fine legislation and making good investments. They have introduced proper registration and greatly improved training courses for social workers. They have increased participation and we now have the prospect of a children's commissioner in England, just as we already have in Northern Ireland, Wales and Scotland. I salute the efforts that the Government have made, and I urge them on to improve even more.

6.35 pm

Mr. David Amess (Southend, West) (Con): Looking after vulnerable children is certainly a very serious matter, and Southend council takes it very seriously. However, as the Minister will hear when she meets a delegation from the local authority on 1 April, because of the financial settlement, it is going to be very difficult to meet her aspirations, which are also the aspirations that Southend councillors hold.

The Health Committee took evidence from Lord Laming on 27 March 2003. It was an excellent session, and the whole Committee was shocked by the evidence that we were given. Peter Beresford said of Victoria Climbié:

> "Her death has become one of those major modern occasions where there seems to have been a collective sense of empathy for a stranger's fate. She has become an embodiment of the betrayal, vulnerability and public abandonment of children. The inquiry must mark the end of child protection policy built on a hopeless process of child care tragedy, scandal, inquiry, findings, brief media interest and ad hoc political response. There is now a rare chance to take stock and rebuild."

The Committee heard that there had been:

> "Failure of communication between different staff and agencies.

[Mr. David Amess]

> Inexperience and lack of skill of individual social workers.
>
> Failure to follow established procedures.
>
> Inadequate resources to meet demands."

Lord Laming said that what happened to Victoria, and her ultimate death, had resulted from an inexcusable

"gross failure of the system."

His report expressed amazement that nobody in the agencies

> "had the presence of mind to follow what are relatively straightforward procedures on how to respond to a child about whom there is concern of deliberate harm."

The Select Committee shared Lord Laming's amazement.

On average, 80 children die every year as a result of abuse. To date, there have been 70 public inquiries into such cases since 1945. I gave some examples in the Select Committee:

> "We have Dennis O'Neil in 1945, Maria Colwell in 1973, Jasmine Beckford in 1984, Tyra Henry in 1984, Kimberley Carlile in 1986, Doreen Mason in 1987, Leanne White in 1992, Rickie Neave in 1994, Chelsea Brown in 1999, Victoria Climbié in 2000, Lauren Wright in 2000, Ainlee Walker in 2002."

I asked Lord Laming whether he was optimistic that, as a result of his inquiry, there would never have to be such inquiries in future into the abuse of our vulnerable children. He very much hoped that the Government would act on his recommendations.

I shall end with some observations about Southend borough council. Its leader, Councillor Howard Briggs, has expressed concern on behalf of the local authority about the proposed amalgamation resulting in a children's department. He believes that it will be an administrative nightmare both for officers and for members of the local authority. He wondered whether the Government were aware that, at the moment, it is very difficult to recruit people in this field because of the blight. I must say to the Minister, who is to receive the delegation on 1 April, that when Southend council got the local government settlement, it could not believe it. In the formula spending share, the average increase for England to be spent on children's social services was 4.9 per cent., but for Southend, it was only 2.4 per cent.

The number of children in the care of our council has increased from 265 to 293—an 11 per cent. rise. Younger adults, who need considerably more support in social care, gained a 4.1 per cent. increase nationally, but in Southend they got only 1.4 per cent.

A similar authority—Hammersmith and Fulham—has 30,000 children, while Southend has 35,000, so it is very unfair that Hammersmith and Fulham gets £33 million while Southend gets £30 million. Unfortunately, we have heard from the Minister for Children and from this rotten Government that it is all done on party political grounds—Southend has two Conservative Members of Parliament—which is an absolute disgrace for our vulnerable children in Southend.

6.40 pm

Mr. Andrew Lansley (South Cambridgeshire) (Con): I am glad to follow my hon. Friend the Member for Southend, West (Mr. Amess) who continues to advocate the interests of children—not least through his membership of the Health Committee—and who does so very well in relation to the interests of children in Southend, as evidenced by his remarks.

My hon. Friend and my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton), who opened the debate, reminded us of the circumstances in which Victoria Climbié was treated and died. Indeed, the hon. Member for Chatham and Aylesford (Jonathan Shaw) reminded us of the true horror of those circumstances. My hon. Friend the Member for Southend, West referred to the fact that if agencies had done their job and done many of the things that constitute good practice—in fact, not even good practice but basic practice—circumstances might have been different. As the Minister said, however, many agencies that encountered the family did not necessarily speak to Victoria. It is in that context that we have returned to the subject.

As my hon. Friend the Member for East Worthing and Shoreham made clear, we initiated debates in our own time last year and we have also used the medium of Back-Bench debates. We have initiated this debate and we will continue to do that, because of the centrality of Parliament's responsibility to ensure that the many resources and the obligations that we place on agencies across the country are being properly discharged.

That returns us to the point made by my hon. Friend in his opening speech: it is not good enough simply to have checklists and guidance. There are organisations—not just central Government—that issue internal guidance and, in theory, require people to behave responsibly. That is not enough. We must ensure that people are behaving responsibly. There are people in the social services system who find it tough. Following the publication of Herbert Laming's report, Cambridgeshire social services has given a great deal of time and attention to the improvement of children's social services in recent years, not least in the wake of the tragic Rikki Neave case.

Of course, social services said, "We've gone through a major audit to show ourselves that we are meeting basic practices." "Irritation" is too strong a word, but there was sometimes resentment at resources having to be consumed again by social services doing what they believed they were doing properly. None the less, they accepted that, and people have to accept it time and again. The Government issuing checklists and guidance is not the end of the story—nor did Herbert Laming ever intend it to be. That is why he said that such things could be done within three months. The point is that we have to know that the report is being followed up. That is the purpose of our debate.

Roger Casale (Wimbledon) (Lab): I welcome the cross-party spirit of the debate, but surely the hon. Gentleman recognises that Government intervention—*[Interruption.]* At least there was a consensus when the debate started. Surely he recognises the fact that Government intervention can make and is making a difference. That is certainly the case in my local authority area, where children's social services were threatened with special measures. Government support and Government intervention, as well as strong local leadership, have helped to turn things round. We should recognise and celebrate examples of such positive

intervention where we find them and seek to build on that best practice. Surely the hon. Gentleman recognises that such intervention is succeeding.

Mr. Lansley: I am grateful to the hon. Gentleman, who is clearly talking about his constituency's set of circumstances. Of course, intervention can be necessary, and resources are necessary, but resources are not sufficient. What Laming also made perfectly clear is that in the central Government context within which resources were being determined, many local authorities were spending over the standard spending assessment, while Ealing, Haringey and Brent were not. They were making their own choices, and, to an extent, they were making the wrong choices. It is not just the central Government context for resources that is relevant but the conduct inside local government.

I have only a few minutes left, and I want to be clear about some of the issues that have arisen from the debate. Unfortunately, because of time, there have been too few contributions to the debate, and I wish we could have had more. I know that other Conservative Members would have spoken had we had longer. The hon. Member for Harrogate and Knaresborough (Mr. Willis) did, however, contribute, making a point about the detention of refugee children on which no one else really touched. There is a problem. Oakington immigration reception centre, which is situated in my constituency, has children accommodated in it, and it is perfectly proper that they should be accommodated there. Legally, however, those children are accommodated in the detention state. It is therefore not simply a case of removing that from the legislation but of checking the circumstances. Alternatively, legislation could be introduced that is designed to make it clear that Oakington is an immigration reception centre rather than a detention centre, which has not happened.

The hon. Member for Harrogate and Knaresborough also made a point about delays in the national service framework. I was not aware that the Minister referred to the national service framework for children, because she is in the Department for Education and Skills, and apparently the Under-Secretary of State for Health is going to talk about the national service framework. My hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) and I have a more joined-up approach to these matters, as do the Liberal Democrats, clearly, as there are not enough of them to be disjointed. Although we have had the acute hospital services segment of the national service framework, more is to come, and it is much delayed compared with what we had hoped for. There is everything to be said for some of these issues being brought together at the same time. As we are creating a legislative framework and putting in place children's trusts, clearly, we must know what sort of standards we are aiming to meet, because structure follows function. We therefore need to know what functions are to be met in local authorities to be sure that local authorities are putting in place the right kind of children's trusts.

The Minister said, and reiterated in an intervention, that there was somehow no planning blight—local authorities and the Government have been working in a seamless fashion towards the introduction and presentation of the Bill being introduced to the House of Lords today. Well, local authorities have been working hard to persuade against what the Minister originally intended to do. It is simply not true, however, that there are not local authorities which for a considerable period—more than a year—have been having to decide whether to do what they think is right in terms of integrating services in their area while trusting that they will not be told to put a one-size-fits-all solution in its place and pick it all apart or whether to wait. Some have been waiting, so there has been planning blight in some respects, and it would be proper for the Minister to accept that.

In relation to the children's fund, I am astonished that the Minister can admit in the privacy of Westminster Hall that the Government got it all wrong but can come to the Chamber and pretend that it was a triumph and that they put in extra money. They put in extra money because the Department—of course, as the Minister explained in Westminster Hall, the mistakes were made by the Department, not by Ministers—permitted "over-programming" of expenditure, which is the polite word used in the Department, and the carrying forward of underspends. The net effect is over-commitment, so she is now having to cut in the first instance and then put in extra money. The Minister pretends that the money is not going to be reduced, but it is £160 million in 2003–04 and £110 million in 2004–05. It is perfectly clear from evidence that is now emerging that the Department is including in the amount for 2004–05 money originally promised for projects that will now not be provided. The Minister who is to reply certainly ought to be able to reply to that.

The point that we have made time and again is that the necessity of implementing Herbert Laming's report, as well as information, referral and tracking pilots and many other things, requires action. Lord Laming had a timetable for action, which needed not just a checklist and the issuing of guidance but legislation, enforcement and audit to follow that up. We will press the Government to deliver those until the happier day when we can take responsibility for such matters, and deliver the services that children need and deserve.

6.50 pm

The Parliamentary Under-Secretary of State for Health (Dr. Stephen Ladyman): I shall begin at the end. I agreed with one or two things in that speech, but I disagreed with one or two others. For instance, the suggestion that the Liberal Democrats were "joined up" simply because there were so few of them was a mistake: it takes only one Liberal Democrat to be disjointed, as the hon. Member for Harrogate and Knaresborough (Mr. Willis) has demonstrated on many occasions.

I did agree with one thing that the hon. Member for South Cambridgeshire (Mr. Lansley) said, or at least implied—that three elements are involved in protecting vulnerable children: resources, powers and best practice. We must ensure that all three work together. No doubt we shall deal with the powers in many debates in the coming months following tomorrow's publication of the Children's Bill. We have already begun to identify best practice, and to roll it out around the country.

The hon. Gentleman was also right to say that issuing checklists was not the end of the story. We never suggested that it was. That is why we have worked so hard: that is why we have produced a Green Paper and

[Dr. Stephen Ladyman]

a Bill; that is why we have had a thorough consultation; and that is why we are going to publish a document on the way forward. We realise that getting all those three elements right is the way to improve services, and to secure the level of protection that we seek.

The hon. Member for Southend, West (Mr. Amess) mentioned funding, as did the hon. Member for East Worthing and Shoreham (Tim Loughton). Conservative Members really should not debate the funding of children's services with us, because they start from a weak position. It is all very well for them to come up with sophistry in their recently published document suggesting that under a future Tory Government education, for funding purposes, will somehow apply to children's social services. That is not what the shadow Chancellor said by any manner of means. What he said would, in fact, lead to a cut of some £2.5 billion in local government funding, the brunt of which would fall on children's social services. If that is not the case, I look forward to the next time we debate older people's services, because it will have to fall on those.

Let us compare the records of the two parties. Personal social services funding has increased by 30 per cent. in real terms since 1997; in the last period of Tory Government, it increased by 0.1 per cent. But the hon. Member for Harrogate and Knaresborough should not be too smug. His party has not committed a single extra penny to children's social services. Indeed, its leader has specifically excluded any such increase, although he has managed to find £1.8 billion for free personal services for pensioners with savings. The Liberal Democrats and the Conservatives entered into a battle of wits to see who could portray their party as the one that will support children, but it was a battle of wits fought by unarmed opponents.

Mrs. Laing: Will the Minister give way?

Dr. Ladyman: No, I am afraid that I have little time.

The hon. Member for Harrogate and Knaresborough asked some specific questions, one of which concerned the application of the Children Act 1989 in prisons. A recent judgment found that the Act did apply within the constraints of imprisonment. My right hon. Friend the Minister for Children is considering that judgment, and whether we require any further guidance in order to extend the Act's provisions to prisons. It may well be that sufficient provisions are already in place.

The hon. Member for Harrogate and Knaresborough also discussed Victoria Climbié and suggested that, in essence, she was a looked-after child. She was never a looked-after child. Technically, she was being privately fostered: that is, she was in the care of someone who was not a close family member, for more than the period defined in law; but that was not known at the time because Marie Therese Kouao pretended to be her mother. However, I can assure the hon. Gentleman that notwithstanding that, my right hon. Friend the Minister for Children is already committed to tightening private fostering, and to ensuring that there are much firmer controls.

My hon. Friend the Member for Chatham and Aylesford (Jonathan Shaw) is a fellow Kent Member, and I am proud to call him that after his excellent contribution. What he said was very important in terms of Laming and the identification of organisational malaise; indeed, that is exactly the issue that we are trying to address. He described the mistakes that he made as a social worker, but as I frequently tell social workers, although we often concentrate on their mistakes, it would surely be fairer now and again to concentrate on the tens of thousands of children and vulnerable people whom they keep out of harm's way. Despite his acknowledging that he occasionally made mistakes, I am sure that he made many more good decisions.

The hon. Member for Wealden (Charles Hendry) introduced the subject of suicide to the debate, about which I entirely agree with him. Suicide is now the leading killer of young people, and we must do something about it. Bullying is a very important issue, and one of the Ministers in the Department for Education and Skills has already put together a multi-million pound strategy, which includes a charter for action on bullying and work across the voluntary and public sectors, to really do something about bullying. Although the hon. Gentleman began very fairly, he lapsed into a disgraceful attack on my right hon. Friend the Minister for Children. Let me tell him that she is the most dedicated person whom I have met in government, and she is determined to put things right for vulnerable children and to make sure that protection is in place for them. It is a continuing disgrace that the Conservatives keep making these unfounded attacks, in the face of her proven record.

Mrs. Laing *rose—*

Dr. Ladyman: My hon. Friend the Member for Lancaster and Wyre (Mr. Dawson) told us that he is leaving the House to return to social work, and I congratulate him on his commitment to such work. In my campaigns as the Minister with responsibility for a large part of the social work industry, I have done a great deal to try to encourage people to return it. I never intended for that to apply to him; none the less, I welcome his returning to social work.

Mr. Lansley: Will the Minister give way?

Dr. Ladyman: I am sorry but I do not have time. I need to deal with the national service framework for children, which is a very important part of our philosophy. Those Opposition Members who tried to imply today that we have forgotten about that framework—and that the director of services who provides the official lead, Professor Al Aynsley-Green, has been dilatory—were making disgraceful comments. We have worked very hard on that framework, and we have already published a document on hospital standards and on the emerging findings of that framework. We will publish the remaining findings later this year.

Mr. McLoughlin *rose in his place and claimed to move,* That the Question be now put.

Question, That the Question be now put, *put and agreed to.*

Question put accordingly, That the original words stand part of the Question:—

The House divided: Ayes 189, Noes 329.

Division No. 73] **[6:59 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Bacon, Richard
Baker, Norman
Baldry, Tony
Baron, John *(Billericay)*
Barrett, John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Blunt, Crispin
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burnett, John
Burns, Simon
Burnside, David
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cotter, Brian
Cran, James *(Beverley)*
Curry, rh David
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Doughty, Sue
Duncan, Peter *(Galloway)*
Duncan Smith, rh Iain
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harvey, Nick
Hawkins, Nick
Hayes, John *(S Holland)*
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Johnson, Boris *(Henley)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Leigh, Edward
Letwin, rh Oliver
Lidington, David
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mawhinney, rh Sir Brian
May, Mrs Theresa
Mercer, Patrick
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Öpik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Portillo, rh Michael
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Randall, John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smyth, Rev. Martin *(Belfast S)*
Soames, Nicholas
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Tonge, Dr. Jenny
Tredinnick, David
Trend, Michael
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Weir, Michael
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Younger-Ross, Richard

Tellers for the Ayes:
Gregory Barker and
Mr. Peter Atkinson

NOES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Cairns, David
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Corbyn, Jeremy
Cox, Tom *(Tooting)*
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank

Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, rh Derek
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Hodge, Margaret
Hoey, Kate *(Vauxhall)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jenkins, Brian
Johnson, Alan *(Hull W)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
Mactaggart, Fiona
McWalter, Tony
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Morris, rh Estelle
Mountford, Kali
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Bill *(Normanton)*
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Quin, rh Joyce
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Spellar, rh John
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Wills, Michael
Winnick, David
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wyatt, Derek

Tellers for the Noes:
Mr. Fraser Kemp and
Mr. Nick Ainger

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments):—*

The House divided: Ayes 364, Noes 141.

Division No. 74] **[7:13 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allan, Richard
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Baker, Norman
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin

Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Beith, rh A. J.
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom *(Carshalton)*
Breed, Colin
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, RussellBrowne, Desmond
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnett, John
Burnham, Andy
Burstow, Paul
Byers, rh Stephen
Cable, Dr. Vincent
Cairns, David
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Carmichael, Alistair
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Corbyn, Jeremy
Cotter, Brian
Cox, Tom *(Tooting)*
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, rh Derek
Foster, Don *(Bath)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, Andrew *(St. Ives)*
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hancock, Mike
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Harvey, Nick
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Hodge, Margaret
Hoey, Kate *(Vauxhall)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Hughes, Simon *(Southwark N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Huttori, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jenkins, Brian
Johnson, Alan *(Hull W)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jones, Nigel *(Cheltenham)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keetch, Paul
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, David
Lawrence, Mrs Jackie
Laws, David *(Yeovil)*
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
Mactaggart, Fiona
McWalter, Tony
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Miliband, David
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Morris, rh Estelle
Mountford, Kali
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Bill *(Normanton)*
Olner, Bill
Öpik, Lembit
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Quin, rh Joyce
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Salter, Martin
Sanders, Adrian
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis

Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Spellar, rh John
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul *(N Cornwall)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
Webb, Steve *(Northavon)*
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Roger *(Brecon)*
Willis, Phil
Wills, Michael
Winnick, David
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Fraser Kemp and
Mr. Nick Ainger

NOES

Ainsworth, Peter *(E Surrey)*
Amess, David
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Baron, John *(Billericay)*
Bellingham, Henry
Bercow, John
Blunt, Crispin
Brady, Graham
Brazier, Julian
Brown, Russell *(Dumfries)*
Burns, Simon
Burt, Alistair
Butterfill, Sir John
Cameron, David
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Curry, rh David
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Duncan, Alan *(Rutland)*
Duncan, Peter *(Galloway)*
Duncan Smith, rh Iain
Evans, Nigel
Ewing, Annabelle
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flook, Adrian
Forth, rh Eric
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hawkins, Nick
Hayes, John *(S Holland)*
Heathcoat-Amory, rh David
Hendry, Charles
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Johnson, Boris *(Henley)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, rh Oliver
Lidington, David
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mawhinney, rh Sir Brian
May, Mrs Theresa
Mercer, Patrick
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Portillo, rh Michael
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Randall, John
Redwood, rh John
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Rosindell, Andrew
Ruffley, David
Salmond, Alex
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Streeter, Gary
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Tredinnick, David
Trend, Michael
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Weir, Michael
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Willetts, David
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete

Tellers for the Noes:
Gregory Barker and
Mr. Mark Francois

Question accordingly agreed to.

MR SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House welcomes the fact that this Government acknowledged the importance of children's issues by appointing the first ever Minister with responsibility for children and young people; congratulates the Government's commitment to Lord Laming's report on safeguarding children, shown in the Green Paper Every Child Matters, and its determination to turn words into action by publishing the Children's Bill in the other place today; acknowledges that the £885 million Quality Protects Programme is already improving the life chances of vulnerable children; commends the Government for the 8.7% increase in funding for children's social services in the next financial year; and is alarmed by the Opposition's proposals to freeze spending on children's services.

HIGHER EDUCATION (PROGRAMME) (NO. 3)

Motion made, and Question put forthwith, pursuant to Orders [28 June 2001 and 6 November 2003],

That in accordance with the Resolution of the Standing Committee of 2nd March 2004, the Programme Order of 27th January in relation to the Higher Education Bill shall be further amended by the substitution in paragraph 2 (time for conclusion of proceedings in Standing Committee) for the words 'Thursday 4th March' of the words 'Tuesday 9th March'.—*[Ms Bridget Prentice.]*

The House divided: Ayes 347, Noes 119.

Division No. 75] **[7.27 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allan, Richard
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary

Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Beith, rh A. J.
Benn, rh Hilary
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Brake, Tom *(Carshalton)*
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Burgon, Colin
Burnham, Andy
Burstow, Paul
Byers, rh Stephen
Cable, Dr. Vincent
Cairns, David
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Carmichael, Alistair
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Cook, Frank *(Stockton N)*
Cook, rh Robin *(Livingston)*
Corbyn, Jeremy
Cotter, Brian
Cox, Tom *(Tooting)*
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Ewing, Annabelle
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, Don *(Bath)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, Andrew *(St. Ives)*
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hancock, Mike
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Harvey, Nick
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Hodge, Margaret
Hoey, Kate *(Vauxhall)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jenkins, Brian
Johnson, Alan *(Hull W)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keetch, Paul
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, David
Lawrence, Mrs Jackie
Laws, David *(Yeovil)*
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Lewis, Ivan *(Bury S)*
Linton, Martin
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
Mactaggart, Fiona
McWalter, Tony
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Miliband, David
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Morris, rh Estelle
Mountford, Kali
Mudie, George
Munn, Ms Meg
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Bill *(Normanton)*
Olner, Bill
Öpik, Lembit
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Price, Adam *(E Carmarthen & Dinefwr)*
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Quin, rh Joyce
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Roe, Mrs Marion
Ross, Ernie *(Dundee W)*
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Salmond, Alex
Salter, Martin
Sanders, Adrian
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*

Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Spellar, rh John
Squire, Rachel
Starkey, Dr. Phyllis
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom *(W Bromwich E)*
Watts, David
Weir, Michael
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Roger *(Brecon)*
Wills, Michael
Winnick, David
Wishart, Pete
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Fraser Kemp and
Mr. Nick Ainger

NOES

Amess, David
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Bercow, John
Blunt, Crispin
Brady, Graham
Brazier, Julian
Burns, Simon
Burt, Alistair
Cameron, David
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Collins, Tim
Conway, Derek
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Duncan Smith, rh Iain
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flook, Adrian
Forth, rh Eric
Francois, Mark
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hawkins, Nick
Hayes, John *(S Holland)*
Hendry, Charles
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Johnson, Boris *(Henley)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, rh Oliver
Lidington, David
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mawhinney, rh Sir Brian
May, Mrs Theresa
Mercer, Patrick
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Ottaway, Richard
Paice, James
Portillo, rh Michael
Prisk, Mark *(Hertford)*
Randall, John
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Rosindell, Andrew
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Simmonds, Mark
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Streeter, Gary
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Tredinnick, David
Trend, Michael
Tyrie, Andrew
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Willetts, David
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*

Tellers for the Noes:
Mr. Geoffrey Clifton-Brown and
Mr. Keith Simpson

Question accordingly agreed to.

Resolved,

That in accordance with the Resolution of the Standing Committee of 2nd March 2004, the Programme Order of 27th January in relation to the Higher Education Bill shall be further amended by the substitution in paragraph 2 (time for conclusion of proceedings in Standing Committee) for the words 'Thursday 4th March' of the words 'Tuesday 9th March'.

BUSINESS OF THE HOUSE

Ordered,

That, at the sitting on Tuesday 9th March, paragraph (2) of Standing Order No. 31 (Questions on amendments) shall apply to the proceedings on any Motions in the name of Mr Alex Salmond or Mr Elfyn Llwyd as if the day were an Opposition Day; and proceedings on such Motions may continue, though opposed, for six hours after the first of them has been entered upon, or until Seven o'clock, whichever is the later.—*[Ms Bridget Prentice.]*

Rail Services (Worcestershire)

Motion made, and Question proposed, That this House do now adjourn.—*[Ms Bridget Prentice.]*

7.38 pm

Sir Michael Spicer (West Worcestershire): One of the more perverse myths spread about by the Labour party is the notion that the failings of the railway services in Worcestershire and elsewhere are the result of the privatisation of the railways in 1994. The reverse is closer to the truth. Before privatisation, the railways were in an apparently terminal decline: all the talk was of cuts and closures of railway lines. In particular, an axe hung permanently over the line that links Worcestershire with London Paddington, often known as the Cotswold line, which passes through the constituencies of my hon. Friends the Members for Mid-Worcestershire (Mr. Luff) and for Cotswold (Mr. Clifton-Brown), both of whom I am delighted to see here tonight. The word at the time was that the line was kept open only because four Transport Ministers and former Transport Ministers used it. If so, that fragile safety net comprised Lord Walker, predecessor of my hon. Friend the Member for Mid-Worcestershire in his previous constituency; Nicholas Ridley, then the hon. Member for Cirencester and Tewkesbury; Lord Caithness, who lived somewhere in the Cotswolds; and your humble servant, who at that time represented South Worcestershire in Parliament. However fanciful that theory may appear, the state-run railways clearly turned passengers off and, under the doubly malign grip of Whitehall bureaucracy and powerful trade unions, were heading for oblivion.

Privatisation brought about two major changes. First, there was a massive programme of investment in the industry, and £24 billion has been made available since 1994, much of which has come from resources not provided by the taxpayer. Secondly, foundations were laid for a serious attempt to attract passengers back to the railways, beginning with a new and, at the time, unfamiliar politeness on the part of ticket collectors. Passengers started to be treated as desirable customers rather than as necessary appendages of the service. Above all, in Worcestershire, there was a marked increase in the frequency of services, particularly on inter-city routes.

The results were highly successful in attracting passengers. Since privatisation, passenger journeys on the service operated by Central trains between Birmingham and Hereford have risen by 25 per cent., and the rise on the service operated by the Cotswold line is an astonishing 51 per cent. That significant increase in passenger demand has, however, been achieved at a price. Previously, the problem was lack of customers, leading to cutbacks in services, which were a further deterrent against usage, but now the growing problem is excessive demand, for which the available capacity of rolling stock and track is insufficient. Trains are overcrowded, especially at peak times, and the track is congested and arguably overused. Congestion blackspots that affect Worcestershire are particularly acute around Birmingham. All of that has led to delays, cancellations and disruption for many of my constituents and, I am sure, those of my hon. Friends. Last week, 150 people turned out to voice their concerns about rail services in a public meeting in Malvern organised by the *Malvern Gazette*. A dramatic fact emerged at that meeting: a poll of 100 commuters on a route between Worcester and Hereford showed that four out of 10 journeys were more than half an hour late. If I need to make a morning meeting in London, I travel the day before, even though the morning timetable promises to get me there on time. As for timetables, no one is fooled by the proposal to lengthen journey times to meet punctuality targets.

The Government's response, perhaps predictably, is to blame the private operators, turn back the clock and initiate a new process of centralisation which, in some respects, amounts to renationalisation. The Strategic Rail Authority has therefore been created, with powers that go well beyond those of a regulator. All investment decisions and every improvement to the system has to be approved, if not initiated from the centre, by the SRA. We now have the worst of all worlds: final decisions are taken remotely behind closed doors and are subject to complex bureaucratic conditions. We really have returned to the worst characteristics of a nationalised system.

The potential for delay, muddle and bureaucratic cost is self-evident. Let us consider a proposal—in fact, such a scheme is in the pipeline—to improve substantially the facilities offered by Worcester Shrub Hill station by providing a parkway. Three distinct organisations would be directly involved in such a decision. The SRA would effectively decide on the investment, which would be owned by Network Rail and operated by the franchised train operator—in this case, Central trains. The mind boggles at the prospective paper pushing between those three entities before a final decision is taken at the centre.

The complexity and remoteness of the new command structure has particularly serious implications for the major investment decisions that are now badly needed to solve Worcestershire's railway problems, the most important of which is the need to redual track where single lining was imposed under a nationalised system. The parts that most affect my constituents are the Colwall tunnel, the line between Ledbury and Hereford, where Central trains has a franchise running between Birmingham, Worcester, Malvern and Hereford, and, on the Hereford-to-London route, the line between Evesham and Moreton-in-Marsh.

The latter is a particularly serious deficiency. The fact that trains constantly have to wait at Evesham, in the constituency of my hon. Friend the Member for Mid-Worcestershire, and at Moreton-in-Marsh, in the constituency of my hon. Friend the Member for Cotswold, in order for the line to be free is one of the major reasons for the lateness of the service between Worcestershire and London when it occurs. The Minister seemed to acknowledge the importance of dualling in a comment that he made in the House on 6 January this year. It is essential to the smooth running of the Cotswold line that dualling of the Evesham and Moreton-in-Marsh section be undertaken as a matter of urgency. Similarly, at the public meeting organised by the *Malvern Gazette*, the importance of dualling the stretch of line between Ledbury and Hereford and the Colwall tunnel was acknowledged by passengers and by the operating companies. The potential for buck-

[Sir Michael Spicer]

passing between Network Rail, the Strategic Rail Authority and the Government is very clear, as is the centralised nature of the decision-making process.

It is not only investment decisions that are badly affected by the new management system: there is also the problem of central interference with the daily operations of the train companies. A good recent example relates to the proposed scheduling of trains on the Cotswold line following First Great Western's winning of the new franchise on the line. The train operator originally proposed a schedule of through services of trains running direct to London. That schedule would have equalled, if not improved on, existing frequencies, which have been a major factor in drawing customers back to the line. Following interference from the Strategic Rail Authority, the proposal now seems to be to terminate more trains at Oxford, which will be highly disruptive to passengers travelling from Worcestershire or Gloucestershire up to London. That major deficiency was caused not by the train operators, but entirely by the Strategic Rail Authority's intervening on their proposals and making them worse—not, I suspect, on grounds of cost savings, but simply interfering for the sake of it.

Mr. Peter Luff (Mid-Worcestershire) (Con): Does my hon. Friend wish to emphasise to the Minister the very serious consequences that changing at Oxford can have for overall usage of the line? As we all know, trains cannot wait at Oxford to make connections because of the single-line sections between Oxford and Worcester. The consequence will be that people miss trains and connections and stop using the Cotswold line.

Sir Michael Spicer: My hon. Friend is right. I hope that the Minister will be able to have a word in somebody's ear. Part of the problem is that we do not know whose ear it should be. We do know, however, that the Strategic Rail Authority blocked the proposal and that the new franchise will be based on a worse proposal. I could not agree more with my hon. Friend about the great difficulty caused by the infrequency of trains out of Oxford—certainly, they do not run to London as frequently as they would on a through-train basis.

There is a reverse gear feeling about this problem, as though the former nationalised service were operating again. It would be highly regrettable if it were to become the start of a new policy of cutting back on services. That is exactly what has been implied: it is clear from the new timetable that the frequency of services is to be cut. That is particularly likely if the faults on the new Adelante trains that the National Audit Office recently identified persist.

Worcestershire rail services do not need the imposition of the centralised might of the Strategic Rail Authority; they need the transparency and accountability to passengers that goes with a decentralised, locally accountable, well-motivated system. If we made one mistake in government when we privatised the railway industry, it is probably that we did not break up the network enough. A great debate could be had about that, but in my view we should have gone further to provide for local franchises. It is a tragedy that the Government are moving in precisely the opposite direction. If the trend towards interference from the centre persists, it will mean a less effective railway system for Worcestershire and elsewhere.

Worcestershire requires a modern, reliable, comfortable and, above all, frequent commuter and inter-city rail service. The last thing that passengers need is a return to the dark ages of a nationalised, centrally controlled, unresponsive, run-down railway system that lacks proper investment. It would mean that our inadequate roads would become even more clogged up.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): Does my hon. Friend agree that he, my hon. Friend the Member for Mid-Worcestershire (Mr. Luff) and I represent highly rural constituencies and that, without a satisfactory railway system, people will not stop making journeys, but will simply make them on the roads, which are becoming ever more congested? That is environmentally unsustainable.

Sir Michael Spicer: My hon. Friend is absolutely right. I would add to his comments only my last point. Some people do not want to, or cannot, use a car, and for various reasons, some do not want to drive to work. They, especially those in rural areas, face the prospect of being even more stranded. I look forward to the Minister's response.

7.50 pm

Mr. Peter Luff (Mid-Worcestershire) (Con): I have approximately two minutes before the Minister might be expected to reply. I congratulate my hon. Friend the Member for West Worcestershire (Sir Michael Spicer) on a fine speech on a subject that is important to all our constituents in Gloucestershire and Worcestershire. I agree with everything that he said about the Cotswold line. I want to comment briefly on issues that affect his constituency, mine and Birmingham.

I hope that the Minister might persuade Network Rail to give higher priority to three different infrastructure investments, each of them modest, which make an enormous difference to the genuine suffering of my constituents who use the line. The first investment is in remodelling track between Worcester Foregate Street and Worcester Shrub Hill station. That would greatly enhance the flexibility of the train operators, especially Central trains. The second is the introduction of an additional signalling section between Worcester and Droitwich, which would greatly increase capacity on the line. The third is increasing the length of Bromsgrove station to enable it to take four-car trains. One of the major problems for services between Malvern, Worcester, Droitwich and Birmingham is the Health and Safety Executive rule for four-car trains. They cannot stop at Bromsgrove so they cannot run on the line. One fast train is non-stop at Bromsgrove.

Lengthening Bromsgrove station, putting in an extra section and remodelling the junction between Foregate Street and Shrub Hill would transform capacity and make a big difference to reliability. It would not cost much, either.

7.52 pm

The Minister of State, Department for Transport (Dr. Kim Howells): I add my congratulations to the hon. Member for West Worcestershire (Sir Michael Spicer) on securing the debate and providing an opportunity for the House to discuss the future of rail services in Worcestershire.

Before I respond to the points that the hon. Gentleman and the hon. Member for Mid-Worcestershire (Mr. Luff) made, it might be helpful if I provided information about the performance of the train operators who predominantly serve Worcestershire. I should like the hon. Member for West Worcestershire to know that there will be no return to a nationalised rail industry. He is doing what he is supposed to do as an Opposition Member—opposing the Government. However, I was sorry that he did not admit that we are spending a lot of money on the railways. That is happening rather too late because, for 30 years, very little money was spent on them.

The hon. Gentleman was right to say that privatisation has levered out money that was not previously available for the railways. That is welcome. A symptom of that, which he described, is the 50 per cent. increase in patronage on the Cotswold line. Somebody is doing something right, and we should be readier to pay tribute to people who operate the railways, from those who welcome and look after passengers to the Strategic Rail Authority, Network Rail and the Office of the Rail Regulator.

The system is not easy but complicated, and I am glad that the hon. Gentleman raised the matter because it gives me an opportunity to say that the rail review that we are currently conducting does not seek greater centralisation. I have a great deal of sympathy with his last point, when he said that the privatisation that happened nine years ago was not the right sort of privatisation and that perhaps there should have been a greater range of models for running railways in different parts of the country. I have no doubt that they could have been run better, and that any model that is top heavy or very prescriptive in the way in which it seeks to serve very different markets in different areas—rural markets and commuter markets, for example—needs to be challenged. We need ideas about how best to run the railways, and that is why we have instituted the review.

I get the message from the hon. Member for Mid-Worcestershire. I have read the press release that he put out on 3 February; it is a very detailed assessment of what is required. I take his point about the platform at Bromsgrove. Many platforms around the country need modification; there is no question about that. We could greatly increase the capacity of our railways if we were able to make those modifications.

I was lucky enough to be in Japan over the past week. I had heard that it had the best railway system in the world, and I wanted to have a look at it. Japan has a population twice the size of ours. We have been celebrating the fact that British railways carried a larger number of people last year than in any year since 1961—1 billion people. In Japan last year, the railways carried 22 billion people, yet the network is not much larger than ours. They have created a signalling system and a system of control and route utilisation that are infinitely better than anything we have. We have a great deal to learn from them.

I have absolutely no doubt that Worcestershire as a whole would benefit greatly if we could adapt some of that technology, expertise and know-how. Certainly, something as basic as getting platforms the right length so that they can take longer trains is an important issue. I have spoken to Richard Bowker, the chairman of the Strategic Rail Authority, who knows the railways of Worcestershire very well, and he is very keen that we should get on with the work. There is a problem, however, and it relates to the subject of this debate. I would say to the hon. Member for West Worcestershire that I would certainly like to dual a lot more of the single-track lines in the country, but that can happen only at a cost. Dualling is under way at the moment down in Cornwall, and I think that a seven-mile stretch is costing about £14 million. The track was ripped up in the 1980s—quite late, really—and it is now going to be re-dualled. That is a lot of money, yet that is one of the least costly projects that I have seen.

The SRA can manage a project like that, working with Network Rail, for about £14 million for seven miles. The hon. Gentleman listed a number of stretches that need dualling, and some are at least as long as that. That would involve a lot of money. I am sure that he would clear that with his right hon. Friend the shadow Chancellor, because it would be money worth spending. I cannot, however, give him a promise here and now that we can somehow make that money available from central Government. He is quite right to say that this is a complicated process.

One of the objectives of the rail review that we have implemented is to ensure that we get more bangs for our buck, so to speak, when we spend money on the railways. This year, we shall spend the best part of £4 billion, which is two to three times as much as was being spent on the railways five or six years ago. That is a lot of money, but a lot of things need doing on the railways. The hon. Gentleman has told us that he cares passionately about his constituents being able to have access to jobs and other markets, and I am sure that he could wish for nothing more important than that, except perhaps a better health service or education service. However, he knows as well as I do that railway systems are very expensive to run. If we can manage better what we already have, that will be a good start. I am not convinced that we do it well enough at the moment, and we must be much more responsive and imaginative in the way in which we engage with the customers that he is talking about.

I mentioned the huge increase in patronage on the Cotswold line. Somebody must be doing something right there. I am sure that it is not the case that people are simply choosing not to use their cars, because clearly road congestion is rising at the same time. The fact is that people are travelling more and they are looking for opportunities to use public transport where they can.

Sir Michael Spicer: The Minister is making a thoughtful and interesting contribution, and I am grateful to him for it. I once heard him make what to me was an extremely interesting remark. He was on the "Today" programme on Radio 4 to discuss the question of prioritising expenditure, which is what, to some extent, we are talking about. The Minister courageously made a point, which it was difficult for him to make, about gold-plating health and safety expenditure by

[Sir Michael Spicer]

going over the top and unnecessarily far. Would he care to develop that? I say that in the best possible spirit: it was an extremely courageous thing for a transport Minister to say because it raised the question of prioritising. He is right that the money has to be raised, but there is a circular process. If the money is to be raised, it will be raised partly because the operating company is making a profit and it has to be allowed to work the system properly. There is an upward spiral.

Dr. Howells: Yes, indeed. I am happy to repeat that, although I know that the hon. Gentleman will not want me to go on about it because he asked questions about timetabling, among other things. I want to try to answer them. However, I will say that one of the most extraordinary things that I found in Japan is the fact that between the first running of the Bullet train—the Shinkansen—in 1963 and this year, the number of people killed was nil. No one has died on those trains.

I was fascinated by how the Japanese approach health and safety. They focus very much on reducing risk. We know that, unfortunately, because of the immense complication of how safety works in this country—this is not a fault of individuals who work in these sectors nor often of the systems of the individual agencies—there is gold-plating, and the hon. Gentleman is right to talk about it. There are company standards, group standards and bodies of all kinds out there whose responsibilities sometimes overlap. As a consequence, the costs are very high.

This is easy for me to say as I am a politician and I can use these glib phrases as easily as anybody else, but we ought to concentrate far more on basic functions involving the protection of passenger welfare and of staff who work on the railways. We could be saving quite a lot of money there, or at least redirect that money to ensure that we have the safest railways in the world.

The hon. Gentleman mentioned Oxford and having to change trains. Nothing is more irritating for people than having to change after they have had a through service. I want to deal with that in more detail, then I will sit down. I have noted the hon. Gentleman's concerns, and I am aware of the press release issued by the hon. Member for Mid-Worcestershire expressing his concerns about the effect of the proposed timetable changes on the services along the Cotswold line and along the line that runs to Birmingham. Thames Trains currently provides six weekday services between Great Malvern and London Paddington in each direction, and First Great Western provides three services in each direction. The SRA has agreed to a two-hourly Adelante service from Great Malvern to Paddington, increasing the number of through Great Malvern to Paddington services from the current nine to 12. Eight of those will be formed of InterCity 125 stock, compared with just three at present. In alternate hours, a Turbo service will run from Great Malvern to Oxford for connection into the Adelante services, which is what has been worrying the hon. Gentleman. Adelantes offer more comfort, with five-car trains, against the three-car 166 Turbos. They also offer a lower-density seat formation, and virtually all the Oxford services will be upgraded to 125 mph InterCity stock.

That represents a significant improvement in the quality of rolling stock and service at certain Cotswold line stations, including Great Malvern, but while the number of services along the route as a whole remains the same, the hon. Gentleman is right that there is a small reduction in through services.

The higher-speed rolling stock will improve journey times, including on some services where a change at Oxford will be necessary. The proposed timetable is not fixed yet—I have a copy of it here, and the hon. Gentleman is welcome to take a look at it if he wants—but it appears to me, as a fascinated amateur, that it is a better timetable. Obviously, he must make that judgment, as he has constituents to represent. I give him the undertaking, however, that I will ensure that the SRA sees the transcript of this debate so that it knows exactly where the weaknesses are in the links. I know that the hon. Member for Mid-Worcestershire has already made the SRA very much aware of his worries, because I have read a copy of the letter that he wrote to Mr. Richard Bowker of the SRA. He is an intelligent man and is determined to put the railways right, and he probably knows trouble when he sees it. He will therefore be able to answer those questions for himself.

I thank the hon. Member for West Worcestershire for raising this matter, and I hope that we can work together to try to improve services for his constituents.

Question put and agreed to.

Adjourned accordingly at six minutes past Eight o'clock.

Deferred Division

Prevention and Suppression of Terrorism

That the draft Anti-terrorism, Crime and Security Act 2001 (Continuance in force of sections 21 to 23) Order 2004, which was laid before this House on 20 January, be approved.

The Sixth Report from the Joint Committee on Human Rights, Session 2003–04, on the Anti-Terrorism, Crime and Security Act 2001: Statutory Review and Continuance of Part 4, HC 381, is relevant.

The House divided: Ayes 370, Noes 49.

Division No. 71]

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Ainsworth, Peter *(E Surrey)*
Alexander, Douglas
Allen, Graham
Ancram, rh Michael
Anderson, Janet *(Rossendale & Darwen)*
Arbuthnot, rh James
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Atkinson, Peter *(Hexham)*
Bacon, Richard
Bailey, Adrian
Baldry, Tony
Barker, Gregory
Barnes, Harry
Baron, John *(Billericay)*
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Beggs, Roy *(E Antrim)*
Bell, Sir Stuart
Bellingham, Henry
Benn, rh Hilary
Benton, Joe *(Bootle)*
Bercow, John
Berry, Roger
Blackman, Liz
Blair, rh Tony
Blizzard, Bob
Blunkett, rh David
Blunt, Crispin
Borrow, David
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brady, Graham
Brazier, Julian
Brennan, Kevin
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Burns, Simon
Burnside, David
Burt, Alistair
Byers, rh Stephen
Cairns, David
Cameron, David
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Cash, William
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Sir Sydney *(Chipping Barnet)*
Chaytor, David
Clapham, Michael
Clappison, James
Clark, Paul *(Gillingham)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clifton-Brown, Geoffrey
Coaker, Vernon
Coffey, Ms Ann
Collins, Tim
Cook, Frank *(Stockton N)*
Cormack, Sir Patrick
Corston, Jean
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curry, rh David
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Davey, Valerie *(Bristol W)*
Davies, Quentin *(Grantham & Stamford)*
Dean, Mrs Janet
Dhanda, Parmjit
Djanogly, Jonathan
Dobbin, Jim *(Heywood)*
Dodds, Nigel
Donaldson, Jeffrey M.
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drown, Ms Julia
Duncan, Peter *(Galloway)*
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Evans, Nigel
Fabricant, Michael
Farrelly, Paul
Field, Mark *(Cities of London & Westminster)*
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flook, Adrian
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
Garnier, Edward
George, rh Bruce *(Walsall S)*
Gibb, Nick *(Bognor Regis)*
Gibson, Dr. Ian
Gillan, Mrs Cheryl
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Goodman, Paul
Grayling, Chris
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Griffiths, Win *(Bridgend)*
Grogan, John
Gummer, rh John
Hague, rh William
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Hawkins, Nick
Heald, Oliver
Heathcoat-Amory, rh David
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hendry, Charles
Heppell, John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hinchliffe, David
Hoban, Mark *(Fareham)*
Hope, Phil *(Corby)*
Hopkins, Kelvin
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howarth, Gerald *(Aldershot)*
Hughes, Beverley *(Stretford & Urmston)*
Humble, Mrs Joan
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Jack, rh Michael
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Boris *(Henley)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Keen, Alan *(Feltham)*
Kelly, Ruth *(Bolton W)*
Kemp, Fraser
Key, Robert *(Salisbury)*
Khabra, Piara S.
Kidney, David
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lepper, David
Leslie, Christopher
Letwin, rh Oliver
Lewis, Ivan *(Bury S)*
Lewis, Terry *(Worsley)*
Liddell, rh Mrs Helen
Lidington, David
Linton, Martin
Lloyd, Tony *(Manchester C)*
Loughton, Tim
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McDonagh, Siobhain
MacDougall, John
McGrady, Eddie
McGuire, Mrs Anne
McIntosh, Miss Anne
McIsaac, Shona
Mackay, rh Andrew
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McLoughlin, Patrick
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall, Jim *(Leicester S)*
Martlew, Eric
Mates, Michael
Mawhinney, rh Sir Brian
May, Mrs Theresa
Mercer, Patrick
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morgan, Julie
Morley, Elliot
Moss, Malcolm
Mountford, Kali
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, rh Paul *(Torfaen)*
Murrison, Dr. Andrew
Norman, Archie
Norris, Dan *(Wansdyke)*
O'Brien, Bill *(Normanton)*
O'Brien, Stephen *(Eddisbury)*
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, George *(Tatton)*

Ottaway, Richard
Owen, Albert
Paice, James
Paisley, Rev. Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Portillo, rh Michael
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Prosser, Gwyn
Purchase, Ken
Quin, rh Joyce
Randall, John
Rapson, Syd *(Portsmouth N)*
Redwood, rh John
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Mrs Iris *(Strangford)*
Robinson, Peter *(Belfast E)*
Rosindell, Andrew
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Selous, Andrew
Shephard, rh Mrs Gillian
Sheridan, Jim
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Singh, Marsha
Skinner, Dennis
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smyth, Rev. Martin *(Belfast S)*
Soley, Clive
Spellar, rh John
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Squire, Rachel
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Streeter, Gary
Stringer, Graham
Sutcliffe, Gerry
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tami, Mark *(Alyn)*
Tapsell, Sir Peter
Taylor, David *(NW Leics)*
Taylor, John *(Solihull)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Tredinnick, David
Trend, Michael
Trickett, Jon
Trimble, rh David
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Walter, Robert
Ward, Claire
Waterson, Nigel
Watkinson, Angela
Watson, Tom *(W Bromwich E)*
Watts, David
Whitehead, Dr. Alan
Wicks, Malcolm
Wiggin, Bill
Willetts, David
Williams, Betty *(Conwy)*
Wilshire, David
Winterton, Sir Nicholas (Macclesfield)
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

NOES

Allan, Richard
Baker, Norman
Barrett, John
Beith, rh A. J.
Brake, Tom *(Carshalton)*
Breed, Colin
Burstow, Paul
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Davey, Edward *(Kingston)*
Doughty, Sue
Ewing, Annabelle
Foster, Don *(Bath)*
George, Andrew *(St. Ives)*
Gidley, Sandra
Green, Matthew *(Ludlow)*
Harvey, Nick
Heath, David
Holmes, Paul
Hughes, Simon *(Southwark N)*
Jones, Nigel *(Cheltenham)*
Kennedy, rh Charles *(Ross Skye & Inverness)*
Kirkwood, Sir Archy
Lamb, Norman
Laws, David *(Yeovil)*
Llwyd, Elfyn
McNamara, Kevin
Marsden, Paul *(Shrewsbury & Atcham)*
Moore, Michael
Oaten, Mark *(Winchester)*
Öpik, Lembit
Price, Adam *(E Carmarthen & Dinefwr)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Stunell, Andrew
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Tonge, Dr. Jenny
Tyler, Paul *(N Cornwall)*
Webb, Steve *(Northavon)*
Weir, Michael
Williams, Hywel *(Caernarfon)*
Wishart, Pete
Younger-Ross, Richard

Question accordingly agreed to.

House of Commons

Thursday 4 March 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

TREASURY

The Chancellor of the Exchequer was asked—

Schools Investment (Wolverhampton, South-West)

1. **Rob Marris** (Wolverhampton, South-West) (Lab): What assessment he has made of the effects of Government capital investment in schools in Wolverhampton, South-West since 1997. [158467]

The Chancellor of the Exchequer (Mr. Gordon Brown): Since 1997, Government support for capital investment in school buildings in Wolverhampton alone has been £43 million. In England as a whole, investment has risen from £700 million to reach £5.1 billion. Because over the next 15 years we are committed to ensuring that all secondary schools in Wolverhampton are upgraded, we will announce our capital investment programme soon.

At the start of this Question Time, it may help the House to know that the Treasury will publish Lord Penrose's report into Equitable Life on Monday. We will publish the report in full and my hon. Friend the Financial Secretary will make a statement to the House.

Rob Marris: I thank my right hon. Friend for that answer, and for providing schools in Wolverhampton with £43 million of capital investment over the past six years. Coincidentally, I also had the first question at the most recent Treasury questions. On that occasion, the Chancellor announced the date of this year's Budget. Will he firmly assure me that, in his Budget, he will maintain capital investment in schools in Wolverhampton, and that he is not planning massive cuts to overall spending?

Mr. Brown: I am grateful to my hon. Friend, although every reply that I give him is very expensive. I assure him that we plan to expand our programme of capital investment over the next spending round. It would be disastrous for the country and for education if we cut capital investment in our schools. If the education budget were to be cut, there would be cuts in further and adult education, in Sure Start, in nursery education and in universities. That is the Opposition's programme.

Spirit Duty Fraud

2. **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): If he will make a statement on the independent review of spirit duty fraud levels. [158468]

The Economic Secretary to the Treasury (John Healey): I have welcomed the review by the Comptroller and Auditor General, Sir John Bourn, of the estimates of spirits fraud. I have offered the full support and assistance of Treasury and Customs officials. The content of the review is a matter for Sir John.

Mr. Carmichael: I am grateful to the Minister for that reply, and for meeting the Scotch Whisky Association yesterday to discuss the issue of duty fraud. The association claims that the proposals that it is bringing forward would increase the tax take, and do so before the strip stamp that is being considered. The National Audit Office is also making an independent assessment of the scale of the problem. Will the Economic Secretary assure the House that we are not talking about a decision that has been made already, and that he is still listening to the industry on this question?

John Healey: The hon. Gentleman is right, and he will know that yesterday's meeting with the Scotch Whisky Association was just the latest of the many detailed discussions that my officials and I have had with the industry. The industry's alternative proposals have been worked up, and I expect to receive them at the end of the week. We will give them serious consideration, as it is clear that there is a very serious problem. No one can dispute that the public taxpayer is being defrauded of hundreds of millions of pounds that should go to the public purse. Organised criminal networks obtain large consignments of spirits that they then divert to the market through wholesalers and retailers, with the result that no one—not consumers, retailers or Customs officers—is any the wiser about the fraud that is going on. No responsible Government can do other than tackle fraud such as that in the way that is necessary.

Mr. Brian H. Donohoe (Cunninghame, South) (Lab): Does my hon. Friend agree that there are problems with strip stamps? Where they have been implemented, it has been shown that there is more fraud, rather than less. Will he say whether the alternative proposed yesterday by the industry was acceptable? He has often agreed to meet the all-party group in the past. Will he do so again, before the Budget, so that we can put to him one last plea to accept an alternative?

John Healey: It is simply not the case that strip stamps have failed in all the countries that have introduced them. More than 40 countries, including EU member states, operate strip stamp arrangements, for quality assurance as well as for the control of fraud. We have worked very closely with the trade on this matter, looking at the logistics and practical problems that might be encountered if we decided to introduce strip stamps in the UK. I shall indeed be sure to meet my hon. Friend and his colleagues on the all-party Scotch whisky group. I have done so before, and will do so again before the Budget. Since my right hon. Friend the Chancellor's announcement in the pre-Budget report, I have taken

part in a series of detailed discussions. I have met 14 separate companies in the industry. My officials and I have taken part in 38 separate meetings on these matters since the pre-Budget report. That is an unprecedented level of consultation, discussion and detailed joint working.

Angus Robertson (Moray) (SNP): Has the Minister read the letter from Glasgow-based security printers Gavin Watson Ltd., which was sent to the Chancellor on 12 December 2003, about what they say is the

"impracticability of the proposed Tax Stamps for spirits"?

What estimate has the Treasury made of the potential for fraudulent counterfeiting of strip stamps should this daft and dangerous scheme be introduced?

John Healey: I am aware of the letter, and of the reasonable concerns that exist about any system of strip stamps and the potential for counterfeiting problems. Advice from other players in the industry suggests that such a system can be introduced and the counterfeiting problem dealt with. The question for the hon. Gentleman is whether he is prepared to back the action that we have to take to stamp out the current level of spirit fraud. If the answer is yes, I look forward to his support after the Budget for the action that we ultimately take to deal with the problem.

Small Business Taxation

3. **Richard Ottaway** (Croydon, South) (Con): What discussions he has had with representatives of small businesses regarding proposed changes to the taxation of small incorporated businesses. [158469]

The Paymaster General (Dawn Primarolo): The Government will announce in the Budget their proposals for taxing owner-managed businesses. It would not be right to consult on proposals of this nature in the period immediately prior to the Budget.

Richard Ottaway: The Minister will be aware that since 1999 taxation policy for small businesses has been skewed in such a way that it is much more attractive for small businesses to incorporate than to remain unincorporated. She will be aware that in the past financial year the number of new incorporations went up by 43 per cent. Was that an intended consequence? If so, why has she hinted that she will reverse the policy?

Dawn Primarolo: The hon. Gentleman knows full well that the Government policy on incorporation and unincorporated companies is to introduce a series of measures that help both, for example the 40 per cent. first-year capital allowances. He will also know that the Government's policy is to ensure that incentives are focused on encouraging companies to retain profits in order to reinvest in themselves to help them grow. It is right that the Government should consider that principle now and ensure that the policies in place are delivering reinvestment in companies that are growing, providing jobs and increasing productivity and affluence.

Roger Casale (Wimbledon) (Lab): May I tell my right hon. Friend that many small businesses in my constituency have incorporated, encouraged by the prospect of stable economic growth, the ability to access research and development tax credits and the zero rate of tax on £10,000 profits? She has said that she keeps these matters under review. Will she make sure that any further changes are introduced fairly and build on the good consultation with the Federation of Small Businesses and the British Chambers of Commerce that this Government have established, in stark contrast to the deaf ears of the Tory party when it was in office?

Dawn Primarolo: My hon. Friend is right that the stable economic environment is necessary. The stability produced by this Government has ensured that regardless of companies' incorporation or otherwise, we have more companies, they are growing and they are contributing to the British economy. That stability has in part been secured by consideration of tax issues in detailed discussions with all the organisations involved, including the Federation of Small Businesses, with which we are in regular contact.

Mr. David Ruffley (Bury St. Edmunds) (Con): In 2002 the Chancellor told us that the small tax incentive for small incorporated businesses would cost not more than £265 million in the current financial year. Now independent experts tell us that it will cost the Exchequer at least four times that. As a result the right hon. Lady tells us that she is contemplating a U-turn—a change which will mean higher taxes on hard-pressed small business men and women. Will the right hon. Lady confirm that that proves that when it comes to tax, new Labour's figures simply do not add up?

Dawn Primarolo: As usual, the hon. Gentleman bases his assertions on figures that he cannot substantiate. As he well knows, the growth in jobs and in small businesses and the benefits to his constituency in seeing reductions in unemployment—down by 48 per cent.—are all part of the Government's strategy of ensuring we deliver economic stability, in which all companies, small, large, incorporated and unincorporated, can grow.

Brian Cotter (Weston-super-Mare) (LD): Does the Minister not realise that highlighting that possible change causes an enormous amount of concern to small businesses? There has been such excessive tinkering with the taxation system that instead of stability, which is what the Government said they wanted, we have instability; we are creating jobs for accountants rather than in small businesses.

Dawn Primarolo: We shall only have to wait until later today for an abject lesson in changing policies; my recollection is that the hon. Gentleman has supported every measure the Government have introduced to help small businesses, whether incorporated or unincorporated, because he realises the value of helping companies to grow, to reinvest in their business and create the jobs that we all need in our constituencies—including his.

Mr. Howard Flight (Arundel and South Downs) (Con): During the Standing Committee on the Finance Act 2002, I questioned the wisdom of the Government giving large tax increases to small businesses to incorporate and, indeed, the wisdom of favouring one legal structure over another. The Paymaster General responded very pithily to my question, in confirmation of that intent—the Chancellor might bother to listen to this—and told me that small business would not look a gift horse in the mouth.

In the light of IR591, 117 MPs signed early-day motion 501, asking the Chancellor to explain what has gone wrong with Government policy and what are now their intentions. The fact is that the Government deliberately—*[Interruption.]*

Mr. Speaker: Order. May I remind the hon. Gentleman that we are still only on Question 3? We must move on, but the Paymaster General can answer.

Dawn Primarolo: I am sorry to say that, as always, the hon. Member for Arundel and South Downs (Mr. Flight) is confused. The Government did not introduce tax increases; we introduced reductions in tax to help small businesses to grow so that they could contribute to economic stability and to the growth and development of our economy. As a measure of the hon. Gentleman's confusion, at that time he was forecasting a crash.

Government Debt

4. **Mr. Nick Gibb** (Bognor Regis and Littlehampton) (Con): What measures he is undertaking to reduce Government debt levels. [158470]

The Chancellor of the Exchequer (Mr. Gordon Brown): Because of the decisions we have made, including our fiscal rules, the sale of spectrum and the reduction of unemployment, public sector net debt, which was 44 per cent. of gross domestic product in 1997, is forecast to be just 32.8 per cent. in 2003–04, and below 40 per cent. for the whole forecast period. Last year, UK net debt, as a percentage of GDP, was the lowest among the G7 countries.

Mr. Gibb: That is all very well, but the Chancellor's net borrowing projections in the Green Book show no abatement to that borrowing over the long term. In 1996, he made the clear and public commitment that he had no plans to raise taxes at all. Can he now give a similar commitment—that despite current and projected debt levels he will not raise taxes to fund them, either in the remainder of this Parliament or, if the unthinkable were to happen and his party were to win the next general election, in the next Parliament?

Mr. Brown: We have kept all our manifesto promises on tax, and we will continue to keep all our manifesto promises on taxes. I will take no lectures on economic stability from the hon. Gentleman, who opposed the independence of the Bank of England.

Mr. Dennis Skinner (Bolsover) (Lab): Will the Chancellor of the Exchequer confirm that the debts of Britain are lower than those of France and Germany and that they are a hell of a sight lower than in America—Bush's kingdom? They will never be as bad as black Wednesday in September 1992, when the Tories lost £10 billion in a single afternoon—and they never even went near a betting shop.

Mr. Brown: Debt rose under the Conservatives from 28 per cent. of national income to 44 per cent. of national income in 1997. I shall give the House the figures for other countries: debt in Britain at the moment is in the order of £350 billion; in the United States of America, it is £3,000 billion; and in Japan, it is £2,000 billion. We have the lowest debt of all G7 countries.

Dr. Vincent Cable (Twickenham) (LD): First, I apologise to the Chancellor and to the shadow Chancellor because I must leave early in order to present the Liberal Democrat alternative Budget, which is based on sound finance, tough choices in spending and fairer taxes. I am sure the Chancellor will endorse those principles and even draw inspiration from them.

On Government debt, the Government have apparently identified large savings as a result of the Gershon review. Will those savings be banked, as I hope, in order to cut Government debt and the growing deficit, or will the Chancellor use them to fund additional spending commitments?

Mr. Brown: If, as the hon. Gentleman says, the Liberals are announcing hard choices today, it will be the first time in all my years in the House of Commons. When he examines his spending commitments, which he says he has reduced, he might examine his own website, www.vincentcable.com, where he states:

"Benefits from bees' natural pollination activities are enormous, worth billions of pounds . . . I have pressed the Ministry of Agriculture for a bigger research commitment."

We will take the Liberal Democrats seriously when they reduce their spending commitments, which they continue to make. As regards national debt, I think he will agree with me that the decisions that we made in 1997, including the sale of spectrum, our new fiscal rules and the manner in which we made the Bank of England independent, were the right decisions to keep debt low, and the Conservative party opposed all of them.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): May I remind my right hon. Friend that a lot of men and women on his Back Benches believe in Government debt if it services public expenditure, which guarantees the future health and education of our country? Will he carefully examine this morning's remarks by Sir Howard Newby, who points out that unless we urgently get extra investment into higher education, we will not be able to provide quality higher education for all the people in our country who need it?

Mr. Brown: Conservative Members do not seem to understand that we have managed to have low inflation, economic growth, low unemployment and low debt while maintaining all our commitments to public investment in education, health, transport and policing. It is sad that the Conservative party now says that it will cut budgets for science, defence, infrastructure, skills and even international development.

Sir Peter Tapsell (Louth and Horncastle) (Con): Before the Chancellor courted and then jilted prudence, had he ever found in his private life that the best way to reduce debt is to reduce spending and increase saving? Might that have a public implication?

Mr. Brown: As the hon. Gentleman knows, savings ratios are rising. Saving in this country is currently twice as good as in the United States. He tries to lecture us on the economy, but I remind him that he and Conservative Members opposed the major decision that we made in 1997 to make the Bank of England independent and create stability.

Llew Smith (Blaenau Gwent) (Lab): Will the Chancellor give the House estimates of total expenditure on the continuing war in Iraq and on Trident? What would our national debt be without that expenditure?

Mr. Brown: As regards expenditure on Iraq, Afghanistan and terrorism, I gave the House the figure in the pre-Budget report, and I shall report again in the Budget. Over the past few years, we have had to set aside an extra £3.5 billion for those commitments. That has been possible because we have had economic growth and have managed the public finances in such a way that whenever we have had to make exceptional commitments, we have been able to do so. The country will find it extraordinary that the Conservative party plans to cut the defence budget.

Mr. Oliver Letwin (West Dorset) (Con): As the Chancellor appeared not to want to answer the perfectly reasonable question asked by the hon. Member for Twickenham (Dr. Cable), let me try again. It is a simple question: does the Chancellor agree with his own efficiency adviser, Sir Peter Gershon, that there are £15 billion a year of efficiency savings that could be used to reduce borrowing and public debt without affecting front-line services? Yes or no?

Mr. Brown: I will announce in the Budget the initial conclusions of the Gershon review, and then we will announce further conclusions in the spending review. We will manage to cut substantially the costs of central administration as a percentage of public expenditure and of the national income from what it was in the Conservative years. However, it is necessary to combine policies for economic stability and growth with the need for continuing public investment, and it is unfortunate that the Conservatives now want to cut public investment.

Mr. Letwin: It is a pity that the Chancellor seems to be afraid of admitting that he agrees with his own efficiency adviser. What about the independent commentators, including the International Monetary Fund, the Organisation for Economic Co-operation and Development, the ITEM Club and the Institute for Fiscal Studies? Will he at least agree with them that if he does not use something like £15 billion of efficiency savings to reduce Government borrowing, a third-term Labour Government would need to raise taxes by about £15 billion to meet his own fiscal rules?

Mr. Brown: The right hon. Gentleman tries to anticipate the conclusions in my Budget statement. I can tell him that I will not make the mistakes that the Conservative party made, in wasting money on the exchange rate mechanism and the poll tax, and the other waste that we inherited and had to deal with in 1997.

Mr. Letwin: I really hope that underneath all the bluster, bravado and Punch and Judy politics, there is a quiet, still voice somewhere inside the Chancellor—I suspect there probably is—urging him to engage in rational debate. Can he truly not see that when his own efficiency adviser says that he has £15 billion a year of savings, we can either use the money to reduce Government borrowing to acceptable levels or we can go on another spending spree and raise taxes again?

Mr. Brown: The right hon. Gentleman will have to wait until we announce the conclusions of the Gershon review in the Budget and the spending review. He asks me today to anticipate what I will say to the House in the Budget and then in the spending review. What I can say to him is that we will not cut defence, we will not cut transport, we will not cut the science budget and we will not cut the international development budget: those are the policies of the Conservatives before they even know the public finance figures.

Charities

5. **Sir Nicholas Winterton** (Macclesfield) (Con): What changes he proposes for the taxation of charities.
[158471]

The Chief Secretary to the Treasury (Mr. Paul Boateng): The Government keep all aspects of taxation policy under review. Any possible changes to charity tax will be considered by the Chancellor in his assessment of what is required in the Budget.

Sir Nicholas Winterton: I am grateful to the Minister for that reply. Will he accept that admission charities such as the Macclesfield silk museums are in a different position to beneficial charities such as Oxfam when it comes to the recovery of gift aid benefit? Charities such as the silk museums are often able to function and survive only by imposing admission charges. Will he accept that the entry fees should be regarded as a donation to the charity, rather than a proportion being seen as a donation and the balance as a commercial benefit? Will he please review the situation, for the sake of the survival of many small museums?

Mr. Boateng: The hon. Gentleman knows that I cannot comment on specific individuals or institutions, but I share his enthusiasm for and commitment to the charitable sector and to the particular sector that he mentions. He will also understand that the proper focus of the gift aid scheme has to be on a continuing relationship between the donor and the charitable organisation. The changes announced by my right hon. Friend the Chancellor in the pre-Budget report, which are currently the subject of discussion with the sector, are designed to achieve that. Day admissions, as the

hon. Gentleman will know, are not really about ongoing relationships and, therefore, I cannot accept the thrust that underpins his question.

Mr. Stephen McCabe (Birmingham, Hall Green) (Lab): If there is to be a review of charities and tax, could we once and for all define what legitimate charities are, and stop the abuse by which organisations such as public schools may posture as charities to gain tax relief?

Mr. Boateng: The matters to which my hon. Friend refers are properly matters for the Charity Commission, not the Government. I know that he will join in the support on both sides of the House for the valuable role that the charitable sector plays.

Mr. Mark Prisk (Hertford and Stortford) (Con): Given the clear concern of hon. Members on both sides of the House and the unique role of charities, will the Chief Secretary explain why under this Government—despite all the many schemes and promises—the total tax paid by charities has not simply increased, but effectively doubled?

Mr. Boateng: What the hon. Gentleman describes as "all the promises" have delivered £2.3 billion-worth of tax reliefs and special provisions to charities each year, £506 million of which has been a result of gift aid. He will not find anyone in the charitable sector who accepts his analysis that the Government have not done more for that sector than any of their predecessors—they have certainly done more than the Government formed by the party of which he is a member. We have continued, and we will continue, to support the charitable sector. I hope that we enjoy from his party the support that our measures deserve, because we have not always had it in the past.

Employment (Scotland)

6. **Miss Anne Begg** (Aberdeen, South) (Lab): If he will make a statement on the level of employment in Scotland since 1997. [158472]

The Chancellor of the Exchequer (Mr. Gordon Brown): Employment in Scotland has risen by 119,000 since 1997.

Miss Begg: The north of Scotland is like the rest of Scotland—there are now more people in work than ever before. However, that means that a lot of businesses cannot find people to fill jobs because there is a labour shortage. The local Jobcentre Plus in Aberdeen, which covers Grampian, Moray and Orkney and Shetland, has been doing sterling work in getting lone parents and people on incapacity benefit off benefits and into work. Will my right hon. Friend assure me that this Government will not abolish the new deals or the work that has been done on new deals to get people into work to plug that gap in the labour market—unlike the Conservative party?

Mr. Brown: My hon. Friend knows that unemployment in her constituency is now only 2 per cent., that only 33 young people are unemployed and that there are 30 long-term unemployed. It is because of the new deal that it has been possible for people to get back into work. It is even more necessary in a highly skilled economy that the new deal operates to give people the skills that are necessary. It is sad that both the Liberal and Conservative parties want to abolish the new deal.

Mr. Russell Brown (Dumfries) (Lab): The Leader of the Opposition is in my locality today meeting pensioners. Quite clearly he will explain to them what a Conservative Government would do, but I am sure he will not explain how he would pay for it. Clearly the new deal is under threat—

Mr. Speaker: Order. The question is about unemployment, and there is too much emphasis on the Leader of the Opposition. [HON. MEMBERS: "Ah."] I did not mean that in a bad sense.

Charities

7. **John Barrett** (Edinburgh, West) (LD): What assessment he has made of the impact of the proposed changes to gift aid on conservation and heritage charities. [158473]

The Chief Secretary to the Treasury (Mr. Paul Boateng): No definitive assessment of the impact of the proposal to remove day admissions from the gift aid scheme exists. The Inland Revenue is discussing the implementation of the proposal with the sector.

John Barrett: The Royal Zoological Society of Scotland is just one of the many charities affected by the proposals. It is acting on the advice of the Minister's Department rather than exploiting a loophole. Will the Chief Secretary urge the Chancellor to postpone any changes to gift aid regulations until after meaningful consultation with the affected charities has taken place?

Mr. Boateng: The Inland Revenue is having continuing discussions with the sector on implementation. The need to ensure that gift aid is properly focused is something that the hon. Gentleman will well understand. He will also understand that under this Government, especially in relation to the heritage and conservation charities, we have seen a 20 per cent. increase in real terms as far as museums and galleries are concerned. Support for regional museums has gone up from zero to £30 million per annum. We look forward to the announcements that will come from the shadow Chancellor who speaks for the Liberal Democrats in due course, but I wonder whether his promises will be able to match our record of actual delivery to the sector.

Mrs. Ann Cryer (Keighley) (Lab): May I refer my right hon. Friend to a letter that I forwarded to the Treasury from the Brontë Society, of which I am a member? It is the trust that cares for the Brontë Parsonage museum in Haworth in my constituency, and it is concerned about the future of gift aid. The letter I forwarded reads:

> "Price increases are likely to have the effect of reducing visitor numbers—quite contrary to the government's declared policy and in contrast to the funding of free entry to National Museums."

Mr. Boateng: As I said to the hon. Member for Edinburgh, West (John Barrett), and I have to repeat to

my hon. Friend, I cannot comment on the tax affairs of specific organisations. I can say that there is no question of any organisation being obliged to increase its admission prices. That is not what is proposed. The proposal is to ensure that we maintain a proper focus on an ongoing relationship with the charity concerned.

My hon. Friend will agree with me—I have had the pleasure of visiting the museum to which she referred—that what will best serve the museum and conservation sectors are measures to improve and increase the number of donors who have an ongoing relationship with a particular charity. That is what the Government have done, to the tune of about £2.3 billion each year, of which £506 million is associated specifically with gift aid.

No one has done more for the sector than my right hon. Friend the Chancellor. It continues to be a sector with which we have very good relations. The Inland Revenue has been engaged for many years with the sector in the campaign to promote giving. We shall continue to seek to promote giving, and the measure does nothing to detract from that achievement.

Mr. Henry Bellingham (North-West Norfolk) (Con): I do not know how much time the Minister has on his hands, but perhaps he will be less busy after the Budget. Will he come to Norfolk to see some small independent charities—for example, the Cockley Cley Iceni museum or the Muckleborough tank collection, where you can drive a 1944 Sherman tank—and hear from the independent sector how strongly it feels about the policy on admission charges?

Mr. Boateng: I do not think that I should be let loose in any tank, let alone a 1944 Sherman tank. I shall endeavour, next time I am in Norfolk, to visit at least one of the museums that the hon. Gentleman has mentioned.

Judy Mallaber (Amber Valley) (Lab): May I, too, press my right hon. Friend to use the welcome deferral of the changes to the gift aid concession to reconsider the proposal? The National Tramway museum in my constituency is a wonderful and unique museum, and one of only seven designated museums with no assured funding. The original and helpful advice of the Inland Revenue, in allowing the concession, was welcome. Will my right hon. Friend please look at this matter again to ascertain whether it is possible to continue the concession on entry fees?

Mr. Boateng: I am grateful to my hon. Friend. I know that she has written to my hon. Friend the Economic Secretary, and she will receive a reply very shortly.

Mr. Robert Key (Salisbury) (Con): May I appeal to the Chief Secretary's better nature? I happen to agree with him that, on the face of it, admission charges are not an obvious candidate for gift aid. However, it was on the advice of the Inland Revenue that so many of the independent and other charities and museums decided to go into the scheme. Will the right hon. Gentleman assure us that any scheme that he comes up with after consultation with the charities concerned will at least be phased in and that no sudden change will be made? If that were to happen, it would lead to job losses and to a substantial loss of revenue, which would amount to several thousand pounds for a small museum.

Mr. Boateng: I hear what the hon. Gentleman says. I know how much he supports the sector, not only the institution in his constituency. My hon. Friend the Economic Secretary is considering the issue of timing. I refer the hon. Gentleman and other hon. Members who have raised the issue to something that was said by Kate Biggs, director of the Dean Heritage museum in the Forest of Dean, in a letter that she wrote to a national newspaper on 9 February:

> "I chose to wait and see how many other museums took up this scam—that's what I thought it was . . . This was always a loophole, and it was inevitable that it would be closed at some point."

It is important to recognise that some in the sector always took a different view of the provision. I urge all hon. Members, whose concerns I well understand, to reflect on what gift aid is about—keeping the focus on ongoing connection and giving, which are in the sector's best interests.

Unemployment (North-West)

8. **Andy Burnham** (Leigh) (Lab): If he will make a statement on the rate of unemployment in the north-west. [158474]

The Chancellor of the Exchequer (Mr. Gordon Brown): Unemployment in the north-west has fallen by 63,000 since 1997. Over the same period, both long-term and youth unemployment have fallen by more than three quarters.

Andy Burnham: The Chancellor will agree that that excellent record on jobs in the north-west is due not just to the new deal but to the £16.5 million that the Government give to north-west businesses through regional selective assistance. Is he aware of the suggestion floated this morning on the "Today" programme that the Department of Trade and Industry should effectively be closed down and regional selective assistance stopped? Does he agree that that dangerous policy would have a huge impact on job creation in our deprived communities, and will he rule it out altogether?

Mr. Brown: It is absolutely essential not only that we have the new deal to help with the creation of jobs, but that we have regional policies in place to assist with investment in the infrastructure for science, innovation and skills. It would be disastrous if the Liberal policy of abandoning regional aid were introduced, and it would be equally disastrous if the budget of the Department of Trade and Industry, including the budget for science, were cut, as proposed by the shadow Chancellor.

Helen Jones (Warrington, North) (Lab): My right hon. Friend will know that Government economic policies have reduced unemployment in Warrington to 1.7 per cent. and given us gross average annual incomes that are higher than those for the north-west as a whole. However, that disguises inequalities in the borough, and many of my constituents are still in fairly low-paid

employment. Will my right hon. Friend outline which policies he will pursue to ensure that we attract more high-tech, well-paid jobs to the north-west, and will he discuss with his hon. Friends in the DTI the value of the Omega employment site in my constituency—the largest industrial development site in the north-west—and how we can best pursue policies to develop it for the benefit not just of Warrington but of adjoining constituencies?

Mr. Brown: I am grateful to my hon. Friend. I have had a number of meetings with representative organisations in the north-west and elsewhere about regional policy and what more we can do to help science and innovation. In the north-west, the Science and Industry Council, chaired by Sir Tom McKillop, is working to attract new science-based industry to the area. We will continue to support those policies, but it is necessary to fund the new deal as well as regional and science policies. It is a pity that Opposition parties oppose that.

Personal Debt

9. **Mr. David Amess** (Southend, West) (Con): What discussions he has had with representatives of the Bank of England regarding the sustainability of current levels of personal debt. [158475]

The Chancellor of the Exchequer (Mr. Gordon Brown): I last met the Governor of the Bank of England on Tuesday. Interest rates are close to their lowest for 40 years and for the average household the cost of servicing debt is half what it was in the recession of the early '90s. Both the Bank and the Treasury will continue to pursue policies designed to ensure economic stability.

Mr. Amess: The Chancellor is fond of telling the country not to worry about the level of personal debt, but under this rotten and discredited Government it rose to £10.6 billion in January, despite the fact that personal savings have halved. Will the Chancellor admit to the House that there is a risk that through his policies he is storing up trouble for the future? Does he intend to leave that matter to the Monetary Policy Committee and will it be included in the Government's new inflation target?

Mr. Brown: At every point, the Conservative party tries to predict that the economy is about to go into recession, and the hon. Gentleman, too, is trying to suggest that we have created a problem that will make growth in the economy unsustainable. I repeat that the cost of servicing debt for households is half what it was at the beginning of the 1990s, because we have lower inflation and have managed to keep interest rates low. The Bank of England Monetary Policy Committee has just announced that interest rates are on hold this month at 4 per cent., and the Governor of the Bank of England has made clear his view of the sort of talk engaged in by the hon. Gentleman:

"I think some of the headlines are unnecessarily alarmist . . . the fraction of household incomes which are used up in debts service is lower now that it was then"—

the beginning of the '90s. He went on to say:

"There is no indication that the scale of debt problems have actually risen markedly in the last five years".

It is not just me saying so; it is also the Bank of England.

Mr. Ken Purchase (Wolverhampton, North-East) (Lab/Co-op): Notwithstanding that reassuring reply, does my right hon. Friend agree that there is a strong underlying and continuing problem with store card debt run up by young people, where the rates of interest—30 per cent. plus—can only be described as usurious? Does my right hon. Friend agree that finance companies are making bigger profits by providing financial services for these purchases than the manufacturers are managing to turn round from the goods they are selling? Will my right hon. Friend look at the problem and ensure that young people get a fairer deal when they go to the store for whatever they need?

Mr. Brown: We have received the Treasury Committee's report on consumer credit and shall be replying to it. At the same time, when we bring the Budget to the House, we shall have the Miles report on the mortgage industry. It is absolutely true that the DTI's consumer credit White Paper tries to deal with cases where there are unscrupulous lenders or where excessive costs are charged for borrowing.

In answer to the question that has been put to me about the macro-economic position, it is totally unreasonable for the Conservatives to claim that somehow the growth and stability that we have managed to create in the economy are unsustainable. Every time they have made that claim, they have had to retract it.

Mr. James Clappison (Hertsmere) (Con): Is not one cause of indebtedness the fact that many people no longer have savings to fall back on on a rainy day? Given the collapse in saving under this Government, as measured by the average savings ratio, which is way lower than it was under the last Government, will not the withdrawal of tax concessions on personal equity plans and individual savings accounts make this even worse? Why do the Government seek to do this? How many people will be affected?

Mr. Brown: The hon. Gentleman should get his facts right. The lowest recorded annual savings ratio was in 1988 under the Conservative Government, at 4.9 per cent. The savings ratio in this country today is 5.9 per cent.—more than double the savings ratio recorded in the United States of America. If the hon. Gentleman has real criticisms, they are against his colleagues.

Richard Burden (Birmingham, Northfield) (Lab): While my right hon. Friend is obviously right to draw attention to the Government's achievements at the macro level, he has acknowledged the real problem of personal debt for many people on low and fixed incomes, too many of whom fall prey to loan sharks. Does he agree that one important way of addressing this problem is to find pathways out of poverty? Although the Government have made a great contribution through tax credits, the new deal and so on, the private sector could make a big impact through greater efforts in community reinvestment to regenerate communities. What is my right hon. Friend doing to encourage that?

Mr. Brown: We are discussing with many voluntary organisations and charitable bodies exactly those issues:

how we can encourage through social enterprise more investment in communities that historically have low levels of investment and also low levels of employment. I agree with my hon. Friend that where we see unscrupulous lending practices we must act against them, and we shall make proposals on that matter. Where at the same time we see situations in which mortgage charges are too high—this is what the Miles report is looking at—we shall come forward with both information on the matter and proposals where they are necessary. But I have to tell my hon. Friend that those who allege that the stability of our economy was not hard won and hard earned are completely wrong. We have managed to create stability in this country at a level that was never achieved under the previous Government.

Mr. David Cameron (Witney) (Con): Further to the question asked by my hon. Friend the Member for Hertsmere (Mr. Clappison), what is the Chancellor's reaction to the head of Fidelity, who said that the Government's policy on saving was a complete mess? The Chancellor is fond of always saying that he will not take lectures from anybody. Will he listen to the person responsible for selling savings products to many people in this country?

Mr. Brown: The hon. Gentleman's party said that ISAs would not work—

Mr. Cameron: What about Fidelity?

Mr. Brown: This is my answer to Fidelity: 15 million policies have been taken out and £120 billion has been invested as a result of the creation of ISAs. That has been a success story, not the failure that the hon. Gentleman says it is. I have just given the figures for the savings ratio. It is about time that the Conservative party congratulated us on our economic record.

University Tuition Fees

10. **Mr. Graham Allen** (Nottingham, North) (Lab): If he will establish a tax-free education bond available to all parents, to help them save for university fees payable by their children when graduating; and if he will make a statement. [158476]

The Chief Secretary to the Treasury (Mr. Paul Boateng): We have no plans to introduce such a bond. Our proposals ensure that no parent needs to fund their children's variable tuition fees. Instead, graduates will make a contribution to the cost of their higher education, and only when they can afford to do so.

Mr. Allen: I thank the Treasury team for their management of the economy, which means that two thirds of the young people in my constituency come from homes that will benefit from a full £3,000 grant under the Government's proposals in the Higher Education Bill. Will my right hon. Friend consider a children's trust bond, which is a very good idea, and whether we could extend it into a lifelong learning bond that would be available to anyone who wanted to invest in further education or part-time learning or be a mature student? Will my right hon. Friend examine that idea, see whether it is possible to extend it and perhaps write to me before the Bill completes its progress through the House?

Mr. Boateng: We are grateful for the careful consideration that my hon. Friend gives to these matters, not least in Standing Committee. He will appreciate that our policies aim to improve the savings environment, create the right savings incentives and empower individuals to make financial choices throughout their lives. In relation to the children's trust fund, our policy has always been that fundholders are the best judge of their future needs. That is why we have not imposed any restriction on how those funds might be used. I am always open to correspondence with my hon. Friend, who has written to the Treasury on a number of occasions. I look forward to receiving a further letter from him and will respond to it as soon as possible.

Chris Grayling (Epsom and Ewell) (Con): The Chief Secretary knows that under the Government's proposals on student fees, the cost to the taxpayer of the increased student loan subsidy and of compensating less well-off students for the cost of paying fees exceeds the amount of money that will be raised by the university through fees, while students end up with much higher levels of debt. The only possible economic reason for the Treasury to do that is if it intends to claw back grant money from the universities in future spending reviews. Does the right hon. Gentleman intend to do that?

Mr. Boateng: I have no intention of anticipating the outcome of future spending reviews. However, spending on higher education will rise from about £7.5 billion in 2002–03 to nearly £10 billion in 2005–06—a real-terms increase of more than 6 per cent. each year. Compare that with the cuts that were the track record of the Opposition. Compare those figures with the record of the previous Administration, under whom funding per student between 1989 and 1997 dropped every year, and by 36 per cent. in total in real terms. That is their record. Ours is one of achievement and continued support for students and universities.

Overseas Development Aid

11. **Mr. Colin Challen** (Morley and Rothwell) (Lab): What assessment he has made of the main obstacles to delivering the targets set in the millennium development goals. [158477]

12. **Mr. Huw Edwards** (Monmouth) (Lab): If he will make a statement on progress to achieve the millennium development goals. [158478]

The Chancellor of the Exchequer (Mr. Gordon Brown): Since 1997 we have raised overseas development aid from 0.26 per cent. of gross national income to a projected 0.4 per cent. To achieve the millennium development goals, including 80 million more school places, will not only take economic reform, achieving value for money in aid and a settlement of the world trade talks, but cannot be achieved without those increases in overseas development aid.

Mr. Challen: I am grateful to my right hon. Friend for that answer, which shows that Britain is leading the way

in the attempt to meet those goals. I congratulate my right hon. Friend on the speech he gave to faith groups and non-governmental organisations on 18 February when, among many other things, he said:

"Too often we have set goals, reset them, and recalibrated them again so that all we end up doing is mitigating the extent to which we have failed."

That is an honest appraisal of why the goals are proving so difficult to meet. At current rates of development, my right hon. Friend has predicted that some of them will take over a century to achieve. Is he content that there is sufficient political will on the international stage to meet the goals? Perhaps if we described the millennium development goals as a war on poverty, we might have a greater chance of success.

Mr. Brown: My hon. Friend is right. The latest information is that the major millennium goals of getting every child into education, halving poverty and achieving a two-thirds reduction in infant mortality will not, on present trends, be met by 2115, far less by 2015. That is why we need extra resources and why we cannot escape the question of how we can create those resources. It is no use people saying that they support our international finance facility without committing themselves to further overseas aid. I wish that we had a consensus in the House of Commons for further increases in overseas aid, but unfortunately the Conservatives wish to cut the budget.

Mr. Edwards: May I tell my right hon. Friend that there is considerable support in my constituency for the millennium development goals, especially those to combat gender inequality and to promote maternal health? Those concerns will be highlighted tonight when Glenys Kinnock opens the Monmouth women's festival. Given that the UK assumes the presidency of the G7 next year, how will my right hon. Friend persuade the other wealthy countries of the world to support the international finance facility in order to achieve those goals?

Mr. Brown: My hon. Friend is absolutely right. Next year is important because it is the first year in which a millennium development target falls due to be met—namely, the target on reducing inequalities in educational opportunities for girls and women. That target will not be met. It is also the year when we hold the G7 presidency. We believe, given the establishment of the commission on Africa, that our G7 presidency will indeed be a development presidency. We are determined to make progress. One of the ways in which we shall do so is the conference that France and Britain have called for next month in Paris. Sixty countries will attend, and we hope to persuade them of the virtues of the international finance facility, which could, if it worked, double the amount of aid for the next 10 years.

Miss Anne McIntosh (Vale of York) (Con): Will the Chancellor be minded to link the millennium development goals with the Government's war on terror, which we support? In particular, will he push in world trade talks for alternative crops in countries such as Afghanistan, in order to wean them away from opium production?

Mr. Brown: I accept what the hon. Lady says about the problems of opium production in Afghanistan, which perhaps represents a bigger share of its economy than the formal economy that is registered there. That is why, at the G7 meeting, we discussed special measures to reduce the economy's dependence on opium. At the same time, it is necessary to persuade people that if they open up to trade and change the system so that they have stability and are open to investment, we are prepared to help them to solve problems, including those of education and health, that they cannot solve financially on their own. That must be part of a new deal between the developed and the developing countries. That new deal will, however, require money, so I hope that the Conservatives will reconsider their decision to freeze, then to cut, the overseas development budget.

Dr. Jenny Tonge (Richmond Park) (LD): I sincerely congratulate the Chancellor on the progress that he has made on this front. I hope that he would include in that the brilliant contribution made by the right hon. Member for Birmingham, Ladywood (Clare Short) when she was Secretary of State for International Development. Having said that, is the Chancellor concerned about the progress that is being made in getting other countries to contribute to the global fund and the finance facility that he recently set up?

Mr. Brown: America has agreed to increase by $5 billion a year the amount of overseas development aid that it provides. That is in its own millennium challenge fund. The European Union has agreed to increase overseas development aid from 0.32 to 0.39 per cent. of European gross domestic product. That is a big change in decision making by many European Governments. We are increasing our overseas development aid from 0.26 to 0.4 per cent. of GDP. Governments around the world have agreed to increase the amount of development aid that they provide.

However, because the cuts in aid over the past 20 years have been so severe, those resources are not sufficient to deal with the problems of education, of health or even of HIV/AIDS. That is why we need a new measure, and why we proposed the international finance facility. I am pleased that that has support from the Liberal party and support in principle from the Conservative party. However, that support depends in practice on our being able to increase the overseas development budget, so I again urge the Conservatives to reconsider their decision to oppose that.

Civil Service

13. **Mr. Gwyn Prosser** (Dover) (Lab): What measures he is taking to address low pay in the civil service.

[158479]

The Economic Secretary to the Treasury (John Healey): It is up to individual Departments to determine their own pay and grading systems. Then, through the pay remits system, they are provided with the means to deal with the particular recruitment and retention problems that they face.

Mr. Prosser: I thank my hon. Friend for that reply. I appreciate that the Chancellor's record on tackling poverty is second to none, but how is that reconciled with the rigid capping of pay offers, especially in the

Department for Work and Pensions, to low-paid civil servants, whose pay barely keeps up with the statutory minimum wage and whose take-home pay the Public and Commercial Services Union describes as "poverty pay"? Will my hon. Friend meet me and colleagues to find ways of paying those hard-working people a fair day's pay for a fair day's work?

John Healey: Of course I am happy to meet my hon. Friend and members of the PCS.

We are proud of our investment in public services and of what we have been able to do to get those who work and serve in the public services fairer pay and treatment. I stress to my hon. Friend that part of our job is to ensure that pay budgets across Government are realistic, affordable and directed towards improving services. That is why we are considering the efficiency review, relocating civil servants out of London and the south-east, and increasing local pay flexibility. Above all, Labour's monetary policy framework, which the Tories opposed, has led us to the longest period of sustained low inflation since the 1960s. Wage bargainers can now plan with the sort of confidence that they could not previously entertain. In those circumstances, I hope that we can deal with the concerns of my hon. Friend and the PCS.

Business of the House

12.31 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): Will the Leader of the House please give us the business for next week?

The Leader of the House of Commons (Mr. Peter Hain): The business for next week will be as follows:

MONDAY 8 MARCH—Commons consideration of Lords amendments to the European Parliamentary and Local Elections (Pilots) Bill, followed by a motion to approve a money resolution on the Gangmasters (Licensing) Bill, followed by a motion to approve the first joint report of the Accommodation and Works Committee and the Administration Committee on visitor facilities: "Access to Parliament".

TUESDAY 9 MARCH—Opposition Day [Unallotted]. There will be a debate entitled "Publication of the Advice from the Attorney-General on Iraq", followed by a debate entitled "Young People and Democracy". Both debates arise on a motion in the name of the Scottish National party and Plaid Cymru.

WEDNESDAY 10 MARCH—Second Reading of the Justice (Northern Ireland) Bill *[Lords]*.

THURSDAY 11 MARCH—Estimates [2nd Allotted Day]. There will be a debate on aviation services and a debate on biofuels. Details will be given in the *Official Report*. At 6 o'clock the House will be asked to agree all outstanding estimates.

FRIDAY 12 MARCH—Private Members' Bills.

The provisional business for the following week will be:

MONDAY 15 MARCH—Proceedings on the Consolidated Fund (No. 2) Bill. Remaining stages of the Fire and Rescue Services Bill.

TUESDAY 16 MARCH—Remaining stages of the Traffic Management Bill.

WEDNESDAY 17 MARCH—My right hon. Friend the Chancellor of the Exchequer will open his Budget statement.

THURSDAY 18 MARCH—Continuation of the Budget debate.

It may assist the House if I confirm that my hon. Friend the Financial Secretary will make a statement on Monday on the publication of the Penrose report. Next week, my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs will make a statement on Government policy on genetically modified foods.

[Thursday 11 March:

Transport: In so far as they relate to aviation (6th Report of Transport Committee, Session 2002–03, (HC 454—I and HC 454—II) and Government response to the Transport Committee's Sixth Report into Aviation.]

Mr. Heald: I thank the Leader of the House for the business statement, especially the announcement about the Penrose report. I have raised the matter with him on several occasions and on Tuesday I tabled early-day motion 741.

[That this House notes with concern the long delay in publishing the Penrose Report into Equitable Life and the consequent postponement of an oral statement or a debate on this important matter, which affects the life savings of hundreds of thousands of policy-holders and annuitants; and calls on the Leader of the House to ensure an early statement on the Penrose Report followed by a full debate.]

Given that it has taken the Leader of the House only two days to arrange the statement, will he announce on Monday that the review of Select Committees that early-day motion 760 mentions is imminent?

Chris Bryant (Rhondda) (Lab): Ha, ha, ha.

Mr. Heald: It is always good to have appreciation.

Will the Leader of the House arrange for a copy of the Penrose report, which is obviously complex, to be made available early to Opposition spokesmen? Will a full debate take place in due course on that important matter?

Is there any news about the date for a debate on the aviation White Paper or will the estimates day debate on 11 March be sufficiently wide to cover it?

Will the right hon. Gentleman confirm that there will be a full debate before action is taken to cap local authorities?

The Leader of the House will know of the increasing concern about the escalating number of allegations of abuse of all-postal voting ballots. What are the Government doing about that? He will know that the Electoral Commission sanctioned a strictly limited and controlled pilot of that system for the European elections in two regions, and that measures have been taken specifically to avoid election fraud. In Monday's European Parliamentary and Local Elections (Pilots) Bill, the Government are seeking to defy the commission and increase the number of regions to four. Can the Leader of the House tell us how the essential protections will be put in place in the two extra regions, given that there is so little time? Does that not raise the risk that unscrupulous parties such as the British National party, and politicians of that sort, will simply be given a free run to abuse the system?

Finally, the Leader of the House will know that today is world book day. Has he seen the survey that shows that hon. Members read more than journalists, but that they entirely avoid self-help and mind, body and spirit books? We are said to prefer biographies. In the current political climate, would he like to recommend a suitable self-help book to his colleagues on the Labour Benches? May I suggest "Feel the Fear and Do It Anyway" by Susan Jeffers or, as a suitable fiction title, "No Second Chance" by Harlan Coben?

Mr. Hain: On the future business of Parliament, may I ask the hon. Gentleman to assist the House? He will be aware that Lord Lloyd has tabled an amendment in the House of Lords—*[Interruption.]* This concerns the House of Commons as well. Lord Lloyd has tabled an amendment designed to put the Constitutional Reform Bill into Select Committee. That is unprecedented, against the express will of the Government and it will make it impossible to get the Bill through this Parliament. Will the hon. Gentleman prevail on his

[Mr. Hain]

Conservative colleagues in the House of Lords to ensure that that amendment is resisted? That is important, because that manoeuvre could wreck the passage of a Government flagship Bill. I am sure that he will want to join me in opposing that. [HON. MEMBERS: "Order."] Hon. Members say "Order", but it is important that a Bill supported by the Government is not wrecked as a result of that procedural manoeuvre.

I shall now answer the questions that the hon. Gentleman raised. On the Penrose report, as Leader of the House I always jump to attention on the hon. Gentleman's early-day motions. He has obviously had the desired result on that matter, but it was always the intention to make a statement on the report. I also confirm—I am sure that he will welcome this—that the Treasury will be publishing the report in full. I shall draw to the Financial Secretary's attention the hon. Gentleman's request to see an early copy of the report. As I understand it, it is a comprehensive report and no doubt his request will be taken seriously.

I cannot tell the hon. Gentleman when there will be a debate on the aviation White Paper, but there will of course be an opportunity to raise all his colleagues' points during the debate on Thursday, which should go some way at least towards satisfying his repeated requests on that matter.

On postal voting, I should have thought that, in an era of declining voter turnout, it was in all our interests to encourage greater turnout, whichever party those voters support, to improve the health of our democracy. We face the phenomenon of declining voter turnout across the democratic world. In areas where pilots for all-postal votes in local elections have taken place, turnout has dramatically increased. Is the hon. Gentleman saying, on behalf of the Conservatives—although I understand that this is the Liberal Democrat position as well—that they do not want more postal votes and better access for voters? What are they frightened of? Are they frightened of a large turnout of voters in the north-west of England, Yorkshire and Humber, the east midlands and the north-east of England? I should have thought that he wanted greater voter turnout.

On fraud and abuse, the Electoral Commission has made it perfectly clear that it is satisfied that the pilots can go safely ahead without any real risk of serious abuse. On the point about having four regions instead of two, the commission listed other regions, including the north-west of England and Yorkshire and Humber, as possible candidates for pilot schemes if the Government so chose. Millions of voters will be given extra opportunities as a result of this, and I cannot for the life of me understand why the Conservatives are seeking to deny those voters in the north of England the chance to vote more conveniently and easily in elections that are for local government and the European Union.

The hon. Gentleman asked for a full debate on the council tax before any capping takes place. The Deputy Prime Minister has made it absolutely clear that, if he has to cap high council tax local authorities, he will do so. It is encouraging that at the moment the average increase seems to be about 6 per cent., which is much lower than it was last year and in previous years. The Deputy Prime Minister intends to bear down on those councils, including Conservative councils, that are pressing for gigantic council taxes at a time when we have put record investment into local government and when the increase in grant settlement for Conservative-controlled local authorities is actually larger, at about 6.1 per cent., than that for Labour local authorities, although I am not sure that I should remind my colleagues on the Labour Back Benches of that. There is no excuse for large council tax increases.

I welcome the hon. Gentleman's question on world book day. May I remind him that the survey also shows that Members of Parliament read in bed?

Mr. Paul Tyler (North Cornwall) (LD): Will the Leader of the House tell us when we can expect the long-delayed Bill to evict the remaining hereditary peers from the House of Lords? Will he also tell us whether the report in today's edition of *The Independent*, headlined, "Lords reform in disarray after officials bungle drafting of Bill", is correct? Will he now confirm that, as this is a major constitutional issue, it will be taken in full in Committee of the whole House? Does he recall that, in the votes last year, the option of an all-appointed House, which was advocated by the Prime Minister and the Lord Chancellor, was defeated in this House by 87 votes—a large majority? As the Leader of the House was on the right side in those votes, I am sure that he will also recall that 332 Members voted for a majority elected second Chamber. It would clearly be a contempt of this House if those votes were ignored, and if a Bill were produced that had the effect of creating an all-appointed second Chamber, without any steps being taken within Parliament to make progress towards completion of reform.

In those circumstances, will the right hon. Gentleman assure the House that he is taking seriously our proposition for a draft Bill for pre-legislative scrutiny by a Joint Committee to examine ways in which we could fulfil the mandate of his Government and his colleagues? He will have seen that many Members on both sides of the House have endorsed that proposal as a way forward. Will he tell us what steps he proposes to take to allow the House of Commons, and the House of Lords, to make progress? I hope that he will agree, as he has been on the side of the reformers, that we have had plenty of consultation and independent analysis, and that it is now time for Parliament to complete this process and bring this long-running Whitehall farce to a successful conclusion.

Mr. Hain: I thank the hon. Gentleman and his colleagues for voting to extend by an extra day the time that the Higher Education Bill will be considered in Committee. I must also express my amazement that the Conservative Opposition voted against that programme motion, thereby seeking to deny the extra discussion on higher education in Committee that they have been pressing for. That is an extraordinary position.

On the reform of the House of Lords, I assure the hon. Gentleman that there is nothing untoward about the situation in respect of the Government's Bill. It is going through its proper process before being introduced into Parliament, and that will take place when we are ready to complete that process. In respect of the issue that he has quite properly raised in the past on the nature of

House of Lords reform, he knows that I voted in a similar Lobby to him on a number of occasions a year ago. It is vital, however, that he join us in seeking to tackle the essential obstacle and anomaly in the current situation, which is the presence of 92 hereditary peers. I cannot for the life of me believe that the Liberal Democrats, with their long-standing policy on this matter, would actually vote against a Bill that sought to get rid of those hereditary peers. I just cannot believe that—or maybe I can, depending on the position that the Liberal Democrats take.

I know that the hon. Gentleman has had discussions on this matter with the Secretary of State for Constitutional Affairs. He has also quite properly raised with me the matter of a third stage of House of Lords reform, to which I am strongly committed. The Lord Chancellor has indicated that it is our intention to proceed down that road. The hon. Gentleman says that there has been plenty of consultation, but the problem is that there has been no consensus. All the options were defeated a year ago, including the option for a fully appointed Chamber. I note, however, that the House of Lords, as I pointed out previously, voted pretty well overwhelmingly for a fully appointed Chamber. I would therefore find it extraordinary if the Conservatives, Cross Benchers and hereditaries were to seek to defeat a Bill that would maintain for the time being the present situation of an all-appointed Chamber but improve and modernise it by establishing an independent commission, and remove the anomaly of people making laws because a long-deceased ancestor happened to be awarded a peerage for no reason at all.

Ms Julia Drown (South Swindon) (Lab): Will the Leader of the House arrange a debate on debt relief and aid, in relation to which several issues are of serious concern at the moment—*[Interruption.]* Yesterday's debate was on trade justice, and this is an issue that needs further debate. Everybody agrees that Ethiopia needs top-up debt relief, yet the US Treasury spokespeople are saying that more debt relief would simply encourage more borrowing. If we are to achieve the millennium development goals to which all countries are signed up, we need more debate and more action on these issues. In particular, I would like the UK to take the lead and increase aid to 0.7 per cent. of gross domestic product, which some other countries have managed to do, and which we should also be able to do.

Mr. Hain: I very much agree with my hon. Friend's sentiments. I know that she will also want to applaud the way in which our Government have nearly doubled the overseas aid and development budget after years of merciless cuts by the Conservatives when they were in government. We are leading the international campaign to tackle world poverty, reduce the burden of debt and promote trade justice, which is in sorry contrast to the Opposition's plans to cut the aid budget by £250 million in the first two years of a possible Conservative Government—an astonishing attack on the poor of the world.

Mr. Robert Key (Salisbury) (Con): In each of the last three weeks, either the glass doors between the colonnade and Portcullis house, which I understand are manufactured by a company called Portal, or the unreliable escalator up to the Portcullis house main floor, manufactured by Otis, have been unserviceable. The taxpayer spent more than £250 million to improve the infrastructure and working conditions for Members and their staff. Every day, thousands of journeys are made between these premises, so although the Leader of the House is clearly not responsible for the unreliable equipment supplied to the House by those companies, will he please inform the House, Members of Parliament and the hundreds of staff who use those facilities what is going wrong and, when they are broken, how long it will be before they are mended, because we are not serving our constituents well in this way?

Mr. Hain: I very much welcome the hon. Gentleman's question and share his frustration and irritation. It is not right that this should be occurring. My brief from the Serjeant at Arms says that there is a shortage of spares, and that a store of spares is being built up on site to help to avoid such delays. I am sure that the fact that the hon. Gentleman has raised the issue on the Floor of the House will ensure that matters are speeded up.

Mr. John Lyons (Strathkelvin and Bearsden) (Lab): My right hon. Friend will recall early day-motion 247 in my name, welcoming the success of the national minimum wage but calling for it to be extended to 16 and 17-year-olds.

[That this House welcomes the success of the national minimum wage in giving protection to millions of workers across the United Kingdom; and urges the Low Pay Commission to extend the minimum wage to young full-time and part-time workers by including 16 and 17 year olds in the legislation at the earliest opportunity.]

A report from the Low Pay Commission is now with the Government. Can he find time for a debate on the national minimum wage and its possible extension?

Mr. Hain: I know that my hon. Friend has long argued for that, and the Government have been examining the situation carefully and awaiting the report from the Low Pay Commission. I can tell him that an announcement is due in the coming weeks, and I hope that he will find it an encouraging one.

Andrew George (St. Ives) (LD): I was very interested to hear that the Secretary of State for Environment, Food and Rural Affairs will make a statement on genetically modified crops next week. This is the first time that the Government have devoted any Government time to the issue. Has the Leader of the House seen the cross-party motion in my name that appears as No. 46 on today's Order Paper, calling for full parliamentary scrutiny and a vote on Government policy in respect of GM crops? The Leader of the House told the hon. Member for Lewisham, Deptford (Joan Ruddock) on 29 January that

"as soon as we are in a position to do so, we are committed to having a debate. I am sure that there will be no question of proceeding with any decision until the debate has occurred."—[*Official Report*, 29 January 2004; Vol. 417, c. 398.]

Can he assure the House today that we will have an opportunity for a debate on a Government motion, not just question or statement, and put it to a vote in this House?

Mr. Hain: I remind the hon. Gentleman that no GM seeds can be planted this year, because the planting

[Mr. Hain]

season has passed. The urgency of such a debate has therefore slipped a little. Nevertheless, I am glad that he welcomes next week's statement, and I stand by what I said: the Government are indeed committed to arranging a debate, and we shall do so as soon as is practicable. A number of issues are involved, including the fact that my right hon. Friends the Secretary of State for Environment, Food and Rural Affairs and the Minister for the Environment are committed to attending a number of Agriculture Council meetings that are crucial to Britain's interests. It is a question of arranging a time when at least the Minister for the Environment can be present, but I assure the hon. Gentleman that we are on the case.

Julie Morgan (Cardiff, North) (Lab): Is my right hon. Friend aware that Cardiff was named the first fair trade capital in the world earlier this week? That means that a certain number of shops, supermarkets and local authority and other businesses stock fair trade goods. Will he join me in congratulating Cardiff council and the other organisations involved, and can he think of ways in which the Government can help other cities to follow Cardiff's example? May we have a debate about that?

Mr. Hain: I am delighted to join my hon. Friend in congratulating Cardiff on a flagship achievement in what is indeed a flagship city—the fastest-growing capital city in Europe. Anyone who has been there recently—and the Modernisation Committee is going on Monday—will have seen a dynamic city that is growing fast and proudly taking its place as one of Europe's leading cities.

Mr. Nigel Evans (Ribble Valley) (Con): Two weeks ago I visited BAE Systems in Samlesbury in my constituency, and talked to trade union representatives who were worried about the fact that the Government were dragging their feet over the announcement of tranche 2 of the Typhoon programme, formerly known as the Eurofighter. This week I read in a newspaper that the Secretary of State for Defence was minded to cancel tranche 2 and reduce the number of Typhoon aircraft that the Government would buy. That would have a huge impact on manufacturing jobs and defence manufacturing capability. Will the Leader of the House arrange for the Secretary of State to come here as soon as possible and make an announcement about the programme's future?

Mr. Hain: The Secretary of State will of course be here to answer questions on his allotted day. I understand the hon. Gentleman's concern about the company in his constituency, and the Secretary of State will obviously take careful note of what he said. I might ask, however, how the programme could proceed under a Conservative Government if one were elected, given that the Conservatives are committed to cuts of £2.5 billion in defence spending in their first two years in office.

David Taylor (North-West Leicestershire) (Lab/Co-op): Many Labour Members were brought up on council estates and would attest to the importance of affordable homes in good condition with accountable landlords. We were reassured when my right hon. Friend the Member for Tyneside, North (Mr. Byers), who was then the relevant Minister, said that decent homes would still be a requirement where local authority landlords were retained by tenants. The present Minister for Housing and Planning has apparently announced a change in Government policy that will allow investment only where the private finance initiative, stock transfer or an arm's-length management organisation is operating. Will my right hon. Friend ask him why there is no fourth option, why the policy has changed, and why no statement has been made to the House?

Mr. Hain: I am sure that my right hon. Friend the Minister of State will note my hon. Friend's remarks, which obviously came from the heart.

Total housing investment will be £11 billion over the next two years—a big injection of extra capital and support for housing. That contrasts markedly with the shadow Chancellor's plans to cut spending on housing by £400 million in the first two years of a possible Conservative Government.

Bob Spink (Castle Point) (Con): Street youth crime, thuggery and antisocial behaviour are becoming the most urgent, pressing issue in our communities. May we have a debate that will show us how to galvanise police and local authorities into action to tackle this blight on our communities?

Mr. Hain: I agree, and I think that the hon. Gentleman's sentiments will be echoed on both sides of the House. In all our constituencies this has become a real plague—or blight, to use his phrase. That is why we have introduced tough antisocial behaviour legislation. It is imperative for police, local authorities and other agencies to apply those laws rigorously and to ensure that we tackle the problem at root and also avoid criminalising, in a pre-emptive way, youngsters who are causing trouble and indulging in yobbery. I am sure that he will welcome the Government's proposals.

Mr. Harry Barnes (North-East Derbyshire) (Lab): Is my right hon. Friend aware that the Office for National Statistics has published information showing that 250,000 people disappeared from electoral registers in 2003, despite a growing population? The last time that we had a serious debate on this issue was when we were considering what became the Representation of the People Act 2000, when rolling registers were introduced. They were a thinned-down version of what I proposed in my Representation of the People Bill in 1993, which was supported by the current Prime Minister, the Deputy Prime Minister, the late John Smith and many members of the current Cabinet. May we have a debate on what is still a serious situation so that we can put it right? People cannot even abstain if their names are not on registers.

Mr. Hain: I congratulate my hon. Friend on his long campaign, which has brought about a much better way of registering voters. We are now trying to increase opportunities to achieve what he wants. As I said earlier in connection with postal voting pilots in the north and

the east midlands, it is vital for more and more people to have a chance to vote, so that the health and vibrancy of our democracy is improved.

Mr. Nigel Dodds (Belfast, North) (DUP): Yesterday, the Northern Ireland Chief Constable reported a serious level of continuing IRA violence on the streets, particularly punishment beatings and shootings aimed at young people. That comes on top of the Tohill abduction, which has caused a crisis in the political situation. May we have an urgent statement from the Government revealing what action will be taken against the IRA, and in particular to remove the privileges and perks that it currently enjoys under the Belfast agreement, which have been denied to other paramilitary organisations in breach of their ceasefires?

Mr. Hain: The hon. Gentleman will have an opportunity to table a question to the Secretary of State for Northern Ireland for answer on Tuesday, and I hope that he will take advantage of it. But, as the Government have consistently made clear, it is imperative for all parties to ensure that they are not half in and half out of the democratic process. The incident mentioned by the hon. Gentleman was very serious; that is one of the reasons why the British and Irish Governments have asked the Independent Monitoring Commission to examine the allegation that Provisional IRA members were involved in an abduction, in the context of the preparation of its first report on paramilitary activity.

Anne Picking (East Lothian) (Lab): I am sure that my right hon. Friend knows that feelings are running high on miners' compensation schemes and the fact that miners are losing out. There was an excellent Adjournment debate on the subject yesterday morning. We are rightly exposing the unscrupulous practices of lawyers, but we must also make clear to miners and their families that the end of this month is the cut-off date for them to make claims. Will he use his good offices to encourage them to do just that?

Mr. Hain: I welcome my hon. Friend's question. As a former Energy Minister who was responsible for introducing reforms to speed up the process, and as a representative of a former coalfield community, I am passionate about miners' compensation schemes and rewarding all who are entitled to rewards. It is indeed essential for solicitors and, indeed, trade unions not to double-charge. At the same time, we are talking about the biggest compensation scheme in Britain's history—probably in the history of Europe, if not beyond it—in which more than £1 billion has been given to help sick miners and their families on account of the appalling circumstances from which miners have suffered.

Sir Nicholas Winterton (Macclesfield) (Con): I am sure that the Leader of the House would want to be evenhanded. He described Cardiff as a flagship city on account of its fair trade policies, so would he also attribute flagship status to the borough of Macclesfield, which has taken a similar decision? However, that is not my real question.

To return to postal voting pilot projects, Conservative Members are concerned that the Electoral Commission's recommendations were for two pilots, but the Government are seeking to extend them to four. I met the chairman and chief executive of the Electoral Commission yesterday and they told a colleague and me that they had recommended two pilot projects, and that it was the Government's decision to extend them to four. They were concerned that sufficient safeguards were not in place to guarantee the security and integrity of the electoral roll. They believed that, because of the vulnerability and abuse of the electoral register, it would not be a good idea to extend to four pilots at this stage.

Mr. Hain: I understand that the hon. Gentleman met the Electoral Commission recently. If he reflected carefully on the matter, he would confirm that the Electoral Commission, in addition to the two top regions of the east midlands and the north-east, identified further regions in the second tier, which the Government could, if they wished, bring into the postal voting system. I remind the hon. Gentleman that the allegations of corruption and abuse are in respect of the existing system, which is different from the proposed system. If the Electoral Commission were seriously worried about abuse and corruption, it would not have recommended two regional pilots in any case.

What I find baffling, particularly from a strong democrat such as the hon. Gentleman, about such a question, is that the north-west and Yorkshire and Humberside will be taking part in a referendum on an all-postal-vote basis a few months later to establish whether the people want regional government. What is the difference between having an all-postal-vote pilot in June and one in September?

Mr. Heald: It is question of timing.

Mr. Hain: It is not a question of time. The truth is that, if the Bill goes through, many millions more people in the north of England will be able to vote with ease from their homes—and Conservative Members should support that. On Macclesfield, I am delighted that it is a free trade—or rather, a fair trade—area and I congratulate the hon. Gentleman on that.

Mr. Ian Cawsey (Brigg and Goole) (Lab): This week it has been announced that a longstanding nursing home in Hook in my constituency is to close and, despite its proximity to the local school, reopen as a unit for people with personality disorders. There is considerable local concern and anger that that could happen without any local consultation. Does my right hon. Friend agree that the local community and its representatives should have a large role in deciding the appropriate nature of such resources, and will he allow time for a debate on the procedures that govern such matters?

Mr. Hain: I am concerned to hear that there has been no consultation. I would have thought that consultation should happen—and should already have happened—in that case. I am sure that those responsible will take note of the important point that my hon. Friend has raised.

Pete Wishart (North Tayside) (SNP): I am sure that the Leader of the House is greatly looking forward to Opposition day debates next week, particularly the

[Pete Wishart]

SNP/Plaid Cymru motion that suggests that the Attorney-General should produce and publish his advice on the war in Iraq. Given that that provided the legal basis on which we went to war, can the Leader of the House confirm that the Solicitor-General will reply to the debate and, if not her, the Prime Minister?

Mr. Hain: The arrangements for which Ministers handle which debates are decided at the appropriate time, and the hon. Gentleman will receive due notice of that. However, the proposition that the Attorney-General, surrounded as he is by Law Officers advising him in great numbers, would have given advice that was anything other than absolutely straight and full of integrity is an absurd and preposterous one. That is what lies behind the allegation that the Scottish nationalists and their colleagues in Wales wish to propagate—and it is not acceptable.

I believe that we need to arrive at a better position for public life. Currently, virtually any judge is branded a liar, virtually every Cabinet Minister is branded a liar, and the only people who escape branding as liars in the current frenzy of public debate are journalists. They are the ones who are supposed to be telling the truth. Perhaps we should have a debate on the standards of journalism in this country.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Is my right hon. Friend aware that by the time Members return from the Easter recess, more than half of the Refreshment Department staff who serve Members of Parliament as opposed to members of the Government will have received their notice? They will be paying for the changing of our hours, although we are constantly told that the Refreshment Department is making a bigger profit than before. It really is outrageous that the facilities for Members are increasingly limited, while other facilities—desperately needed though they are—are given priority.

Mr. Hain: I know of my hon. Friend's views on sitting hours, and she takes a strongly held position on the matter. She is free to continue to argue it, but it is an entirely separate matter from the position of catering staff. I share her concern about that, and I am sure that she will want to address her concerns to the Chairman of the Catering Committee, which is responsible for those matters. She is absolutely right, though she reluctantly conceded it, that income from catering in the House has increased since the change of sitting times. The relationship between the reformed hours and catering provision is not straightforward.

Mr. Andrew Mackay (Bracknell) (Con): As someone hoping to catch the Deputy Speaker's eye in Westminster Hall next Tuesday afternoon and someone who initiated a debate on Zimbabwe in Westminster Hall 15 months ago, I put it to the Leader of the House—he has an outstanding record of opposing the Mugabe regime—that many of us are deeply disappointed that, with the deteriorating position in Zimbabwe, we have not had a full-scale debate on the Floor of the House. Westminster Hall is not sufficient to debate such a serious matter. I know that the Leader of the House agrees with me, so can he persuade the Foreign Secretary to initiate in Government time a full-day debate on Zimbabwe on the Floor of the House as soon as possible?

Mr. Hain: I am sure that the right hon. Gentleman will welcome the fact that the Foreign Secretary—he and I have been in touch with the right hon. Gentleman's office, partly as a result of the quite proper questions that he has recently put to us—is carefully considering the need for a debate in the Chamber. We all share—the right hon. Gentleman and I especially—an absolute revulsion for the state to which Zimbabwe has descended under Robert Mugabe's tyranny. Frankly, with rape and terror camps being established, where people are trained to wage terror on the long-suffering people of Zimbabwe, it seems to me that Robert Mugabe is rapidly catching up Idi Amin as the Hitler of Africa.

Mr. Kevin McNamara (Hull, North) (Lab): I draw my right hon. Friend's attention to last Session's early-day motion 63:

[That this House expresses its sadness that more than 1,748 members of Her Majesty's armed forces have lost their lives through non-natural causes since 1990 and sends condolences to all their families; notes that almost 200 deaths have been caused by discharge of firearms and further that some 200 are described as self-inflicted; notes the growing public perception that the Ministry of Defence response to these deaths is inadequate and distressing to the bereaved; applauds the courage and determination of the friends and families of Scan Benton, James Collinson, Geoff Gray and Cheryl James who died at Deepcut barracks in Surrey; and of Paul Cochrane, Ross Collins, Richard Donkin, Tony Green, Dale Little, Aled Martin Jones, Alfie Manship, Gary Riches, Richard Robertson, Alan Sharpies, David Shipley and Christopher Young who have subsequently come forward to make public their own grievances and frustrations at the hands of the military authorities; believes the Army has a duty of care and protection towards all personnel, particularly young soldiers; believes that the culture of secrecy surrounding the varied cause of these deaths must give way to greater transparency; believes that the environment in which these deaths continue to occur and the absence of a system for prompt, effective and independent investigation of deaths has led to a breakdown in public confidence that can only be restored through a full and independent public inquiry; and urges the Government to establish a tribunal of inquiry without delay.]

The corresponding provision this Session is early-day motion 78.

They deal with the demand by more than 200 hon. Members for a public inquiry into the Deepcut and other deaths.

My right hon. Friend will be aware that the Surrey police today issued its report, urging a broader investigation and inquiry. In its statement, however, the Ministry of Defence, while agreeing to make an early statement before the House, has not indicated the nature of the inquiry. Will the Leader of the House draw to the attention of the Secretary of State for Defence the fact that, when asked what a broader inquiry was, the Surrey police replied that it was one

"independent of Government and Army, transparent, with powers to call for people and papers, held in public and intimately involving the families of the victims."?

Mr. Hain: First, I pay tribute to my hon. Friend's persistence in bringing this matter to public scrutiny. He referred to this morning's statement on the matter, which stated that each of the four deaths in that appalling series of incidents was an individual tragedy in its own right. The MOD is working energetically to see what lessons can be learned, and I understand that the Select Committee on Defence will establish its own inquiry into the matter. I am sure that that will be welcomed by all concerned.

Mr. Graham Brady (Altrincham and Sale, West) (Con): I reassure the Leader of the House that previous pilots on all-postal ballots in the borough of Trafford in my constituency have resulted in far more Conservative votes than Labour votes. We are not concerned about the electoral implications for the Conservative party of moving to all-postal ballots. However, we are concerned that it is impossible to guarantee the confidentiality of such ballots, and to ensure that intimidation will not take place. May I urge the Leader of the House to reconsider the matter? Will he look again at the advice from the Electoral Commission, and will the Government consider accepting the wise counsel on this issue from another place?

Mr. Hain: I have two points to make, although the hon. Gentleman can raise many of these matters in the debate on Monday—

Mr. Heald: Don't worry—he will.

Mr. Hain: The shadow Leader of the House says that the hon. Gentleman will do just that. The principles are clear. First, increased turnout is in all our interests. The hon. Member for Altrincham and Sale, West (Mr. Brady) said that postal voting caused the number of Conservative voters to rise. Although that is bitterly disappointing to me, it is a consequence of increasing turnout. We all have a vested interest in securing high turnout, in the north-west and Yorkshire and Humberside, as well as in the east midlands and the north-east.

Secondly, if the enterprise were as risky as has been claimed, why has the Electoral Commission recommended that two regions go ahead with postal voting? If there were problems of abuse, lack of confidentiality and corruption, the commission would have said that no pilot schemes should be held. It has not said that, however: it has said that we should go ahead with two schemes and that if we judge that there are sufficient resources and so on to enable four pilots to be held, we should go ahead and hold those as well. That is exactly what it said.

Huw Irranca-Davies (Ogmore) (Lab): We celebrated St. David's day this week, and it is appropriate that hon. Members walk beneath his portrait as we come into the Chamber from the Central Lobby. Also this week, the *Western Mail* announced that the greatest Welshman ever was Nye Bevan, the hero of public services. Will my right hon. Friend consider holding a debate in the near future on the valuable role played by public sector workers? If the Opposition came to power, those workers would come under attack the very next day, and their P45s would be in the post.

Mr. Hain: I join my hon. Friend in congratulating Aneurin Bevan on winning the race to be Wales's outstanding hero. He was the runaway winner, which is marvellous. As my hon. Friend noted, Bevan introduced the national health service, which has been a gift to all of us. Under Labour, more nurses, doctors and consultants have been recruited. We are beginning to put the NHS back on its feet again, after years and years of cuts. If the Conservatives were to come to office, there would be more cuts in the NHS, and a reduction in the number of nurses.

Mrs. Patsy Calton (Cheadle) (LD): Given the lack of public confidence in the network reinvention process for post office closures, will the Leader of the House read, and act in support of, early-day motion 725?

[That this House calls on the Department for Trade and Industry to halt forthwith the Network Reinvention Programme of post office closures while an investigation is carried out into flaws in the notification, consultation and decision-making process, which led to inaccurate information being presented to the public and to consultees, including honourable Members and at least one metropolitan borough council, and which have led furthermore to a decision to close a post office being made on the same day that honourable Members and a council were notified in writing by Post Office Limited's Head of the North West that more time was being taken to review that closure, and which have led to the designation of a rural post office as urban without reference to clear criteria including those in the Performance and Innovation Unit report of 2000; notes that Royal Mail now recognise inadequacies in the process and that subsequent closure consultations will be modified but that current consultations will not be changed; regrets the failure of the Post Office and Postwatch to use clear and unambiguous language in their replies to honourable and Right honourable Members; and further regrets the failure of Post Office Limited to transmit a clear, strategic, coherent vision of the future of the Post Office at the heart of local communities.]

Mr. Hain: The hon. Lady will know that there is an Adjournment debate on the subject next Thursday, in which she can try to catch the eye of the occupant of the Chair.

Mr. Parmjit Dhanda (Gloucester) (Lab): Earlier, my right hon. Friend mentioned the Third Reading of the Fire and Rescue Services Bill, which provides for the regionalisation of fire call centres. That is understandable, as it will help procurement, and make possible the synthesis of the radio communications systems that are used. However, before the Bill was published, Government policy was that we should move to joint service systems covering the ambulance, police and fire services. That approach has been adopted in the tri-service centre in Quedgeley in my constituency, at a cost of £6 million. If there is to be a move to the regionalisation of fire service call centres, will my right

[Mr. Parmjit Dhanda]

hon. Friend provide time for a debate so that Gloucester can put its case—which I believe to be irresistibly strong—to house that regional fire centre?

Mr. Hain: My hon. Friend has mounted a very impressive and persuasive argument. I am sure that my right hon. Friend the Deputy Prime Minister will want to listed carefully to it. Indeed, I think that my hon. Friend has already raised the matter with him. I wish him all good luck in his attempt to win the argument.

Mr. Roger Gale (North Thanet) (Con): The Leader of the House is clearly wedded to the idea that postal voting will re-engage the public in elections, but will he really excite the British public by pledging that there will be a postal vote covering the whole of the UK in respect of any future European constitution?

Also, the right hon. Gentleman will have noted that today's edition of *The Guardian* reports that Lord Hutton feels extremely aggrieved at the way in which the conclusions of his report into the death of David Kelly were taken out of context, misreported, and therefore misunderstood by the British public. To assist in the rehabilitation process, will the right hon. Gentleman ask the Prime Minister to place in the Library of the House what he has so far refused to place there—a copy of his letter to Greg Dyke dated 19 March, and details of telephone calls by Mr. Alastair Campbell to the BBC between 12 March and 14 April?

Mr. Hain: The hon. Gentleman is engaging in exactly the sort of activity that *The Guardian* says so astonished Lord Hutton. I urge him, and everyone else, to accept that the Hutton report was an independent report by an outstanding judge of independent mind. A refusal to accept the report's conclusions has bedevilled the debate in recent weeks, and that is also what seems to lie behind his question.

Liz Blackman (Erewash) (Lab): I chair the all-party group on autism, and very much welcome many of the initiatives that have been taken to improve support services for autistic people. However, I draw my right hon. Friend's attention to a report published this week entitled "Mapping Autism Research". It highlights the need for more and better co-ordinated research into the causes of autism, and the effectiveness of interventions. In other words, we must find out more about what works. May we have an early debate on this issue, and will my hon. Friend draw the report's findings to the attention of his ministerial colleagues?

Mr. Hain: I am sure that my ministerial colleagues will have their attention drawn to the report, not least because the Under-Secretary of State for Health, my hon. Friend the Member for South Thanet (Dr. Ladyman), is sitting nearby on the Front Bench. He will have heard the eloquent case that my hon. Friend has just made. I have experienced the problems associated with autism through a child in the family of one of my friends. We are beginning to deal with the problem in a way that is much more comprehensive than was the case in the past. I am sure that the points made by my hon. Friend will be borne in mind.

Peter Bottomley (Worthing, West) (Con): The US authorities have still not formally notified the British Government about the arrest of Krishna Maharaja, who is a British citizen. Will the Leader of the House consider asking a Foreign Office Minister to make a statement, next week or the week after, on the recent judgment that the fact that Khrishna Maharaj may have evidence showing that he is innocent is not a reason for ordering his retrial?

Mr. Hain: I shall certainly draw the hon. Gentleman's request to the attention of the relevant Minister. Our relations with the US are traditionally very close, and need to be maintained in a spirit of partnership. I am sure that the hon. Gentleman will want to join me in congratulating Senator John Kerry on his decisive victory in securing the Democrat nomination for the election campaign.

Mrs. Betty Williams (Conwy) (Lab): Will my right hon. Friend comment on recent media speculation that the port of Mostyn on north Wales might not be used to transport Airbus wings to France? If true, would not that be a terrific blow to north Wales?

Mr. Hain: I am very disturbed by the report, and by the apparent action of the Environment Agency. I have visited the Airbus plant, which is the biggest manufacturing plant anywhere in Europe. It is a vital part of the economies of north-east Wales and the north-west of England. I hope that the matter can be sorted out by the Welsh Assembly, the Environment Agency and the other parties involved. As my hon. Friend said, it is proposed that the wings should be transported by way of Mostyn docks. I have visited those docks: their navigational access to the river Dee is very important, as it would allow the wings to be transported down to Toulouse, where this big new aircraft is to be constructed. I therefore hope that the problems can be resolved speedily.

Mr. Michael Jack (Fylde) (Con): Further to the very important point made by my hon. Friend the Member for Ribble Valley (Mr. Evans), the Leader of the House may not be aware that last week the television cameras were once again camped outside the gates of the BAE Systems factory at Warton in my constituency, reflecting growing uncertainties about aspects of the company's future and the Eurofighter project in particular. Two months ago, when the defence White Paper was published and I raised the issue with the Leader of the House, he kindly acknowledged the importance of there being a debate on the White Paper. Given how events are now moving and the uncertainties affecting potentially 40,000 jobs in the north-west, may I ask him for that debate so that all the issues can be thoroughly discussed?

Mr. Hain: I am sure that the Secretary of State for Defence will note the right hon. Gentleman's impassioned plea on this point. I, too, recognise the crucial importance of the defence industry to the north-west economy, including his constituency. The Secretary of State will want to bear that in mind and, I know, always does bear that in mind in any decisions that he takes.

Mr. David Chaytor (Bury, North) (Lab): Following the previous question and the earlier question from the

hon. Member for Ribble Valley (Mr. Evans), as we approach the date of the Chancellor's Budget statement, could my right hon. Friend find time for a debate about the full implications of the Opposition's plans to freeze and cut defence spending, not just on the Eurofighter project, but on smaller projects such as the important Territorial Army base in my constituency or the future expansion plans of the Lancashire Fusiliers regimental museum in my constituency? Can he find time in the near future for a debate on all aspects of the Opposition's plans to cut defence spending?

Mr. Hain: I am very concerned indeed to hear that future Conservative Government plans may threaten the Lancashire Fusiliers museum, which is a fine museum, and the Territorial Army headquarters. If £2.5 billion worth of cuts are implemented in any Government programme of defence cuts, such projects will be casualties. It is absolutely vital that we alert people to that fact.

Mr. Edward Garnier (Harborough) (Con): May I return the Leader of the House to a matter for which he does have some responsibility, namely the business of this House? May I repeat the request made by my right hon. Friend the shadow Leader of the House for a speedy debate on the air transport White Paper, in particular in so far as it reflects on the proposed expansion of cargo night flights into and out of east midlands airport? The flights will come low over my constituency and disturb the residents of the many villages.

The Leader of the House may not be aware that on 23 February I was due to have a meeting with the Under-Secretary of State for Transport, the hon. Member for Harrow, East (Mr. McNulty), but unfortunately it had to be cancelled. His private office asked me to write or email to make another appointment. I did so twice on the following day and have followed up that request. On 27 February the private office told me that the Minister's reply was being drafted. Does it really require a great deal of effort to reply to a letter or email to fix a ministerial appointment? I am happy to see the Minister in the Tea Room; I do not have to go to the Department to discuss this hugely important issue. If I cannot have a meeting with the Minister, surely we should have a debate on the Floor of the House.

Mr. Hain: I am worried to hear of the hon. and learned Gentleman's experience and I am sure that the Minister concerned will want to meet him as soon as practicably possible, particularly as the hon. and learned Gentleman has been pressing the matter repeatedly and the Department is aware of his concerns about east midlands airport and the implications of the aviation White Paper. He might try to raise the matter again a week on Monday during the debate to which I referred at the beginning of business questions.

Glenda Jackson (Hampstead and Highgate) (Lab): May we have an early statement on negotiations with the Government of Tanzania regarding asylum claims? On 25 February the Prime Minister told the House:

"We are in negotiations with the Tanzanian Government on how we can process claims for asylum nearer to the country of origin."—[Official Report, 25 February 2004, Vol. 418, c.277.]

Yet on 2 March in a written reply to me, the Minister of State at the Home Office, referring to these negotiations, says:

"These partnerships are not about processing asylum claims nearer to the country of origin."—[Official Report, 2 March, Vol. 418, c.892W.]

Given the extreme sensitivities surrounding asylum claims and immigration at the moment, surely it would be in the best interests of the Government to come to this House and define precisely what they are hoping the aforementioned negotiations will achieve.

Mr. Hain: Obviously, the Prime Minister and the Secretary of State will want to note my hon. Friend's points, but I am sure that she will agree that it is sensible to negotiate with all countries to make sure that the problem of asylum is dealt with more speedily and satisfactorily, closer to where people originate from. I am sure she will also be pleased that the number of asylum seekers to Britain has halved under the policies that we are implementing and that removals are 24 per cent. up on last year, to record numbers. We are getting a grip on this problem, but getting other countries to help in whatever way they can is part of that process.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): May we have an early debate on the outrageous activities that have been taking place at the Royal Free hospital since 1995, where the inflammatory bowel disease study group has been carrying out lumbar punctures and a battery of other invasive tests on autistic children without proper research or clinical ethical approval, which was granted only for clinically investigative activities on children with disintegrative disorder? Yet the paper published in *The Lancet* yesterday, partly retracted by some of the authors, reveals that none of the children subjected to these tests had disintegrative disorder.

This is a serious matter because children are not allowed by law to be used as research guinea pigs. Clearly, any consent to these investigations may well be invalidated by the lack of such ethical approval. Does the Leader of the House feel that the time is now right for a national health service or an independent inquiry? Can we at least have a statement from the Secretary of State for Health on this matter?

Mr. Hain: I am sure that the Secretary of State for Health is aware of the issue. Certainly, the matter will be taken careful note of, given the way in which the hon. Gentleman has raised it today.

Several hon. Members *rose*—

Mr. Speaker: Order.

Points of Order

1.27 pm

Mr. Ivan Henderson (Harwich) (Lab): On a point of order, Mr. Speaker, of which I have given you notice. I ask for your guidance and advice to Members of this House regarding parliamentary protocol in the case of Members asking questions in this House on behalf of constituents of other Members when contacted by them. The hon. Member for East Worthing and Shoreham (Tim Loughton) recently visited my constituency, met a group of my constituents and returned to the House and asked several questions about my primary care trust, right down to localised issues regarding individual GP surgeries. I understood that if constituents contacted a Member representing another constituency, the issues would be referred back to the relevant Member of Parliament to raise them on behalf of his constituents. Can you, Mr. Speaker, make a ruling or give us guidance for the future on how to deal with issues regarding other Members' constituents?

Mr. Oliver Heald (North-East Hertfordshire) (Con): Further to that point of order, Mr. Speaker—

Mr. Speaker: Order. I will answer the point of order. I am grateful to the hon. Gentleman for giving me notice of his point of order. There is a well understood convention in the House that unless otherwise agreed between the Members concerned the interests of electors should be represented only by the constituency Member. It is not possible, however, for me as Speaker to ensure that this convention is enforced at all times. It is best to leave it to the good sense of Members to work out any problems between them. I hope that this is of help to the hon. Gentleman.

Peter Bottomley (Worthing, West) (Con): On a separate point of order, Mr. Speaker. During the years of Labour Opposition, their spokesmen asked a series of questions, sometimes generally and sometimes on individual health authorities covering constituencies. I hope that the convention of this House will remain that Opposition spokesmen for health may ask questions on health anywhere in the country. If we do not keep that, the limits on Opposition spokesmen would be greater than they were when the Labour party was in Opposition.

Mr. Speaker: That is different from the situation that the hon. Member for Harwich (Mr. Henderson) put to me. I see no problem in what the hon. Gentleman raises.

Jonathan Shaw (Chatham and Aylesford) (Lab): On a point of order, Mr. Speaker. Last night, we held an important debate on the protection of vulnerable children, during which the hon. Member for East Worthing and Shoreham (Tim Loughton) was asked about Conservative expenditure and insisted, at column 972, that the Conservatives would match all Government expenditure in the areas of education and health. However, the shadow Chancellor has said that the Conservatives intend to match expenditure on health and schools, which is very different. Is it not essential, Mr. Speaker, that hon. Members and people who listen to our proceedings be given accurate information?

Mr. Speaker: I am not allowed to take part in the debates of the House, even the day after.

Bob Spink (Castle Point) (Con): On a point of order, Mr. Speaker. I seek your help and advice, as you are a defender of Members' interests and, like me, seek to give the best possible service to your constituents. Whenever possible, I try to answer all my mail on the day I receive it, but Ministers are increasingly in the habit of predating mail sent to me—sometimes by as much as 14 days before. This morning, I received a letter from the Department of Trade and Industry dated 24 February. As my constituents may think that I, rather than Ministers, have my eye off the ball, will you draw Ministers' attention to the fact that they should not predate mail sent to Members so that we can give our constituents the service they deserve?

Mr. Speaker: I think that the Ministers concerned will read *Hansard* and note the hon. Gentleman's concern.

Mr. Heald: On a point of order, Mr. Speaker. You will be aware that when the statement about new proposals for a supreme court was made, the impression was given that the judges had been consulted and that all was well. However, you will know that the noble and learned Lord Woolf gave a speech in which he made it extremely clear that he is very unhappy about those proposals. Given those circumstances, Mr. Speaker, have you received a request from a Minister to come to this place to make a statement explaining why those two impressions are so different?

Mr. Speaker: The Bill is before the other place and it is a matter for debate in that House.

BILL PRESENTED

Independent Milk Ombudsman, Etc.

Mr. Simon Thomas presented a Bill to make provision for the appointment of an Independent Milk Ombudsman and for his functions, including undertaking investigations and research into the price structure of the milk market; to make provision about the milk industry; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 18 June, and to be printed. [Bill 66].

ESTIMATES

Motion made, and Question put forthwith, pursuant to Standing Order No. 145 (Liaison Committee),

That this House agrees with the Report [2nd March] of the Liaison Committee.—*[Gillian Merron.]*

Question agreed to.

Carers (Equal Opportunities) Bill *[Money]*

Queen's recommendation having been signified—

1.32 pm

The Parliamentary Under-Secretary of State for Health (Dr. Stephen Ladyman): I beg to move,

That, for the purposes of any Act resulting from the Carers (Equal Opportunities) Bill, it is expedient to authorise the payment out of money provided by Parliament of any increase attributable to the Act in the sums payable out of money so provided by virtue of any other Act.

The motion relates to a private Member's Bill promoted by my hon. Friend the Member for Aberavon (Dr Francis). As the House will be aware, although the Government agree with the general intention underlying the Bill—that carers be supported to ensure their own health and well-being through assessment and access to better information—it is our opinion that the provisions as currently drafted would not necessarily deliver that outcome.

Our concerns include instances where the Bill, as it stands, appears to seek to duplicate existing legislation and where we are unable to see what it will actually mean on the ground for councils or carers. I appreciate that my hon. Friend's intention in the Bill is to support the Government's objective to support carers by creating conditions that will help to combat carers' experiences of social exclusion, promote carers' health and well-being, provide better information and ensure that they are offered a carers assessment. Those overarching aims mirror those set out in the Government's national strategy for carers, published in 1999. It is important to note that the strategy remains a document representative of the needs and wishes of carers. In addition, the Bill would foster better joint working between local councils and other public bodies such as the national health service, to deliver a more coherent service for carers—an area in which I acknowledge that things have not moved as fast as we would have liked.

Let me make it clear to the House. This is a private Member's Bill and as such has no funds attached to it. The proposals set out in the Bill, including any amendments, will have to be covered by existing resources, but the fact that there is a money resolution shows that there may be costs associated with the Bill's provisions and that we need an opportunity to debate them. I should also make it clear, however, that the Government believe that, subject to amendments, the Bill will not place an onerous burden on councils.

The Bill mainly places duties on councils to consider carers and to include them in their normal processes, including their dealings with the health service. Overall, it is about culture change—reinforcing the approaches developed in earlier legislation—and could be described as the "think carers" Bill.

First, I shall deal with the parts of the Bill where we believe we can work with my hon. Friend the Member for Aberavon to deliver tangible benefits to carers. I shall then turn my attention to those aspects of the Bill that, as they stand, either require us to be needlessly prescriptive to councils or duplicate existing duties—

Madam Deputy Speaker (Sylvia Heal): Order. I hope that the Minister is not going to go into the merits of the Bill itself rather than talking about the money resolution.

Dr. Ladyman: No, Madam Deputy Speaker, I intended—

Tony Baldry (Banbury) (Con): Has the Minister seen the cost benefit analysis of the Bill produced by Carers UK? If so, is there anything in that analysis with which he disagrees?

Dr. Ladyman: I am not aware that I have seen that particular analysis, although I have seen much of the data that it contains. I certainly agree with the general principle of Carers UK—that looking after carers is an extremely cost-effective way of delivering care to those in need.

I was about to say, Madam Deputy Speaker, that I intended only to identify the issues that would enable me to make the case that by the end of its Committee stage the Bill will not place an onerous burden on the Exchequer.

An amended clause 1 will ensure that assessment is undertaken in a manner that understands and explores the possibility that carers should be able to participate in life beyond their caring duties and think beyond what they need to continue to care. We all recognise that there is plenty of best practice information and guidance about what constitutes an effective carers assessment for people working with carers of both adults and disabled children. However, we believe that it is appropriate that we have a means to ensure that the few who do not routinely inform carers of their rights to an assessment follow the practice of the majority who do.

The introduction of the duty to inform in clause 3 will ensure that, for example, during the process of a community care assessment, professionals will have a duty to inform carers that they may have the right to request an assessment of their needs. The right to the assessment exists under the Carers (Recognition and Services) Act 1995 and the Carers and Disabled Children Act 2000, and the clause would merely ensure that carers were made aware of that right. Evidence suggests that that will not significantly increase the number of requests for carers assessments. It is realistic to expect that the majority of carers providing regular and substantial care are already known to social services. It is important to emphasise that we believe that any small increases in the number of carers assessments is likely to be gradual and in line with our stated policy objective of improving performance on carers assessments.

Clause 4 will also place a duty on authorities to consider requests from social services to develop services for carers and their families in a more holistic manner. The emphasis on whole systems and joint working means that it is vital that councils have the ability to draw on the powers and expertise of other

[Dr. Ladyman]

parts of the health and social care system. Carers are a heterogeneous group; their needs reflect not only the varied people they care for but their own diversity.

Most people accept that partnership working between health and social services is crucial in the planning and provision of services for those who want to continue to live independently in the community. Indeed, working collaboratively is routine in most places, and the clause will help to ensure that the role of carers is recognised in the partnership. We estimate that any costs to local government of implementing those clauses would be very small, and would be funded from existing resource allocations.

The parts of the Bill that cause us concern were well documented in the Second Reading debate on 6 February. They relate to obligations that have the potential not only to place new financial burdens on councils but to limit their ability to respond to local circumstances. For example, the uncertain scope of clause 1(1), which does not make it clear what social services would actually be required to do if they were under this duty, and the provision of the regulation-making power in clause 1(3) both have unpredictable cost implications. Clause 2 would have us dictate to councils the form and content of their community plans, and it would require a consultation and review process, which would have direct costs to councils.

Finally, with regard to clause 5, my Department considers that, in substance, that duty already exists under section 22 of the National Health Service Act 1977 and that it will impose no additional costs on authorities. As a consequence, we will table an amendment to remove it from the Bill.

It is appropriate to address the issue of existing resources because the cost of the Bill must be met from those funds. The House will be aware that we increased the national resources for personal social services by 20 per cent. in real terms between 1996–97 and 2002–03. That is an average real-terms increase of 3 per cent. per annum, and we will continue to increase resources until 2005–06 by an average of about 6 per cent. per annum in real terms. I would be in dereliction of my duty as a Minister if I did not point out that that compares with an average increase of 0.1 per cent. per annum under the previous Government.

Next year, total social services resources for adults are set to increase by 8.2 per cent., or £775 million. That increase includes a 6.8 per cent. rise in formula spending shares, as well as extra resources that have been provided to local authorities to enable them to expand community-based social care services. That will both improve services for carers and raise the skills and quality of the social care work force. That will ensure that support for carers is provided by appropriate and high quality services.

In addition, resources for children's social services have increased from almost £3.7 billion in 2003–04 to slightly more than £4 billion in 2004–05. That provides for an overall increase in total resources of some 8.7 per cent. In addition, every council will receive additional resources for children's social services as a result of the Government's decision to provide councils with an additional £100 million.

Specifically with regard to supporting carers, the carers grant came from the commitment in the strategy to provide funding to ensure that carers had access to short breaks. Subsequently, and in response to requests from carers, the conditions have become more flexible to increase choice and control, improve the responsiveness, quality and accessibility of services and increase holiday and leisure options. It is a tangible sign of our ongoing commitment to carers that the grant has increased annually since it started. It is worth £100 million this year and is set to rise to £125 million in 2004–05 and £185 million by 2006.

Hon. Members may be concerned by the removal of the ring fence around the carers grant next year. The money will still be paid as targeted grant with the intention that at least that amount of money should be spent on carers. That means that the Government are reducing the prescriptive nature of grant provision in response to councils' requests. The removal of the ring fence allows councils to provide appropriate and responsive services to address the needs of local carers. Just to make sure that councils are in no doubt, however, that will be measured by the development of a new carers performance indicator.

In the light of that significant increase in funding for councils and the support expressed to my hon. Friend the Member for Aberavon by the Local Government Association and the Association of Directors of Social Services, the Bill has, with amendments, the potential to support that group of people to whom we owe such a lot, without imposing additional costs during a time of fiscal restraint. Councils must recognise the crucial role that carers play in enabling individuals to remain independent in the community for as long as they want. However, it must also be appreciated that that often comes at a price for the carer in terms of their health, well-being, self-esteem and employment prospects. I hope that councils will understand and recognise the drive behind the Bill.

The Bill will need work if it is ultimately to receive Government support. My hon. Friend the Member for Aberavon and I are both committed to doing that work, and the determination is there to ensure that the seeds of change sown by earlier legislation will develop our public services for the benefit of carers and those for whom they care.

1.44 pm

Mr. Paul Goodman (Wycombe) (Con): The official Opposition support the Bill, and the Minister will remember that we backed it on Second Reading. It offers the prospect of equal opportunities and real help for carers, and I congratulate the hon. Member for Aberavon (Dr. Francis) and his Bill team, which includes my hon. Friend the Member for Banbury (Tony Baldry), on introducing it. If we support the ends of the Bill, it follows that we must support the means. Therefore the Minister will not be astonished to hear that we do not propose to oppose the money resolution—indeed, we expect it to be unopposed.

Naturally, we want to probe the Minister a little further about some of the details that he announced, and I shall begin with a point raised by my hon. Friend the Member for Banbury. Carers UK supports the Bill and believes that it would bring few costs and several

benefits. It cites the benefits as reduced health costs, increased work participation rates, reduced state benefits and increased revenue from tax and national insurance.

On costs, Carers UK argues that clause 1, which lays upon local authorities a duty to promote equality of opportunity for carers, would not be burdensome. It cites provisions in the draft Disability Discrimination Bill, which lays a similar duty on public bodies in relation to people with disabilities, as being more costly.

Clause 2 seeks to ensure that provision for carers is written into community strategies, and Carers UK states that that would not add substantially to the costs of drawing up those strategies.

Clause 3 is perhaps the nub of the Bill. It would require local authorities to inform carers that they have the right to an assessment of need, and it would not add substantially to local authorities' costs. On that issue, Carers UK cites evidence gleaned from the Scottish Executive—that duty is already written into the law in Scotland—and the Minister appeared to agree with that point when he spoke on Second Reading.

We recognise that the Minister does not appear to have read the Carers UK documents, but he will have noted the points. Perhaps he can tell us whether Carers UK is broadly right to argue that the Bill will bring few costs and several benefits and that the money resolution, which we believe will be passed today, will not bring substantial costs to the Exchequer.

Being relatively new to money resolutions, I have examined the money resolution carefully. It states:

"That, for the purposes of any Act resulting from the Carers (Equal Opportunities) Bill, it is expedient to authorise the payment out of money provided by Parliament of any increase attributable to the Act in the sums payable out of money so provided by virtue of any other Act."

I thought, perhaps wrongly, that I saw the Minister smile slightly as he read out those words, which might, to those of us who are new to money resolutions, appear somewhat obscure. The Minister then said that money would come from existing resource allocation. I confess that I am still unsure which particular budget or budgets he expects funds that may be paid out in pursuit of the ends of the Bill to come from. Perhaps he can clear up that matter for me when he replies. He might also wish to spell out whether local government will be fully compensated for what he described as the "very small" costs it is likely to incur.

Finally, the Minister will recall saying on Second Reading:

"I am delighted that the hon. Member for Wycombe (Mr. Goodman) committed the official Opposition to supporting the Bill, at least in principle. We will need to work together to improve it, and I shall say a little more about that in a moment. My hon. Friend the Member for Aberavon, the Committee and the Government will need the help of the official Opposition to ensure that what emerges from Committee is a Bill that we can all support."—[*Official Report*, 6 February 2004; Vol. 417, c. 1070.]

During that debate—the Minister has echoed this point today—he was broadly satisfied by clause 4 and perhaps clause 3, but he had considerable reservations about clauses 1, 2 and 5; in other words, he had reservations about three of the five clauses. It therefore seems reasonable to suspect that he proposes to table substantial amendments to the Bill; in essence, he approves of the principle of the Bill, but he intends to demolish several sections of its main architecture.

Madam Deputy Speaker: Order. I remind the hon. Gentleman, as I did earlier, that we are debating the money resolution rather than the content or merit of the Bill.

Mr. Goodman: Indeed so, Madam Deputy Speaker. I merely wished to express the hope that we might have early sight of any amendments that the Minister might table.

1.50 pm

Dr. Hywel Francis (Aberavon) (Lab): I am delighted to acknowledge the support of my hon. Friend the Minister for the principles underpinning the Bill and I welcome the money resolution. I also acknowledge the strong support from the hon. Member for Wycombe (Mr. Goodman) on behalf of the official Opposition. We all know of the immense contribution that unpaid carers make, which was estimated recently at £57 billion. The Bill and the money resolution are modest acknowledgments of the labour of love of 7 million carers.

As we have heard, Carers UK has undertaken a cost-benefit analysis of the Bill and I hope to make use of that analysis in Committee. I will certainly share with the Minister the papers that have been provided. While it is difficult to quantify precisely the costs and benefits of the Bill, it is beyond dispute that our objective is to reduce health costs, spending on state benefits, and the costs associated with economic inactivity. It follows that we aim to increase work participation rates, which will mean increased revenue from tax and national insurance.

Most important, our aim is to improve carers' health and general well-being. Only carers will be able to measure the true value of the proposed legislation, with its objective of enhancing the lives of carers beyond their caring duties. That is why it has strong cross-party support, as indicated by the fact that early-day motion 602 now has the support of more than 100 Members. It has also received strong support from the Minister for Health and Social Services in the National Assembly for Wales and from outside this House, as we have already heard, from carers, carers' organisations, local authorities, employers and trade unions. For all those reasons, hon. Members on both sides of the House have asked me to welcome the money resolution warmly today.

1.52 pm

Mr. Paul Burstow (Sutton and Cheam) (LD): I, too, welcome the money resolution. I listened to the Minister with interest, and I wish to congratulate the hon. Member for Aberavon (Dr. Francis) on his work in bringing the Bill this far. I also congratulate people outside the House on the detailed work that they have done on the cost benefit analysis that has informed today's debate and, perhaps more important, will inform debate in Committee.

There is no doubt that carers not only make a huge difference to the quality of life of those for whom they care, but provide economic benefits to the country as a

[Mr. Paul Burstow]

whole in the savings to the NHS. The hon. Gentleman mentioned the figure of £57 billion. The Minister mentioned several of the clauses of the Bill and the concerns that arise about their financial impact. For example, he mentioned clause 1, which I also examined on Second Reading. That clause is drawn so as to focus solely on social services departments, but the Bill would confer a duty similar, if not identical, to those that already exist in race relations legislation and those that are planned for future disability legislation. The regulatory impact assessment for the disability legislation made it clear that substantial burdens would not arise out of a more general duty on public bodies to deal with matters pertaining to promotion of equality for people with disabilities, so it is hard to understand how there could be a greater cost arising from applying a narrower duty in respect of carers. I hope that in Committee it will be possible for the Minister to elaborate on how his Department reached the conclusion that it should be concerned about the financial consequences of clause 1.

It is worth stressing that substantial economic benefits will flow from the Bill, if it is successful, not least because—according to the Policy Research Institute—we shall need an additional 2.5 million members of the work force, less than a quarter of which requirement will be met by school and college leavers. In other words, we must attract back to the work force people who, for one reason or another, are not economically active. That means that we must find ways in which we can make it easier for carers to return to work by removing barriers in their way. The Bill is a vital ingredient in achieving that aim.

The Minister also mentioned clause 3, which provides a duty to inform. It is an important keystone provision, because it is the right to know about one's entitlement to an assessment that unlocks so many of the services that carers need. I hope that before the Bill passes into Committee, the Minister will place in the Library a copy of the Department's assessment of its financial impact, so that we can properly scrutinise it as part of our deliberations. I hope that he will also circulate that information to those Members who are fortunate enough to be selected as members of the Committee, so that we can ask the appropriate questions.

In undertaking the assessment, did the Department separate out the costs that would arise directly as a consequence of the Bill and those that would arise as a consequence of the Bill's making people aware of statutory rights that they already have and for which money resolutions have already been passed? In effect, Parliament has already said that money should be available to fulfil the assessment requirements in previous legislation and the service implications that flow from them. It would be useful if the Minister could confirm that point.

I endorse the comments of the hon. Member for Wycombe (Mr. Goodman) when he said that we need early sight of any amendments that the Government will table to the Bill, so that we can have a genuine and informed debate about whether they would help to improve the measure or would gut it of its central purpose. The Department published national priorities guidance in 1998 that required general practitioners to identify carers by April 2000. As I said on Second Reading, that target was reset in 2002, and the Minister kindly undertook to write to me on the issue after the debate. He did so, but unfortunately in his desire to respond as quickly as possible he was unable to give me the specific figures that I sought. I hope that he will now be able to provide those figures.

The money resolution should be passed. This is an important Bill, which will change things for the better for carers, their families, those for whom they care and the wider society.

1.58 pm

Tony Baldry (Banbury) (Con): As one of those who spoke on Second Reading, I wish to make a few observations. I hope that the Minister will not misunderstand me when I say that his body language today was rather different from his body language on Second Reading. I can only assume that he has received some minutes from the Chief Secretary to the Treasury saying, "While the Government support the Bill in principle and you can say kind words about it, you must make jolly sure that no extra burdens result from it." The Minister nods in assent.

There is nothing more frustrating for the House, and especially for Ministers, than private Members' Bills suffering death by a 1,000 cuts, in Committee or on Report, with the Whips putting up compliant Back Benchers to talk a Bill out or make other difficulties for it. Another problem that may arise is that a Bill gets through but the implementation date is delayed.

All that I ask of the Minister—he is genuinely an extremely reasonable man—is that he talks to the Bill's promoter before the Standing Committee on Wednesday to find out whether it would be possible to reach a compromise and agreement on the amendments that the Government want—

Madam Deputy Speaker: Order. I must reiterate the remarks that I made earlier. We are debating the money resolution.

Tony Baldry: But, Madam Deputy Speaker, I suggest that the way in which the Minister moved the money resolution and the language that he used laid the ground for a course of action that we have all seen before. Having heard the way in which he laid the ground today, I am trying to suggest that it might be for the greatest happiness of the greatest number if there could be some discussion before next week's Standing Committee to determine whether it would be possible to find agreement to enable the Bill to move forward meaningfully. A lot of people will be extremely disappointed if it is not possible to pass the Bill as a measure that will make a genuine improvement in the situation for carers in this country.

2.1 pm

Dr. Ladyman: With the leave of the House, Madam Deputy Speaker, I shall respond briefly to the debate.

Several hon. Members asked whether the Government think that the Bill, as drafted, would substantially increase costs to the Exchequer, but to a lesser extent than the amount that we would gain from its benefits. I absolutely and totally accept that there are

huge benefits to be gained for society as a whole if the Bill succeeds in its purpose of making it easier for carers to care and get back to work. They would thus pay more taxes, and fewer benefits would have to be paid, and they would be more content and able to continue in their caring role.

I stress that the Bill is a private Member's Bill and, as such, a budget is not associated with it. If we were considering a Government Bill, there would be detailed assessments of costs and we would have a detailed money resolution so that the House knew exactly how much it would cost. However, if a private Member's Bill is to succeed it must be tightly defined, tightly written and specific. We must all understand exactly what such a Bill means. My worry about the Bill—clause 1 is a good example of this—is that its current wording does not make it clear exactly what councils would be expected to do. We know what hon. Members and the people who drafted it want it to do and we know what carers want it to do. Our job, as a Parliament, is to ensure that the Bill says what we want it to do.

Dr. Francis: May I invite my hon. Friend to sit with me and redraft clause 1(1)? I am sure that we would arrive at a good and effective compromise.

Dr. Ladyman: My hon. Friend is absolutely right. He and I have already been working together closely on amendments that will be tabled in my name. My officials and I have been working closely with other Departments and Carers UK to ensure that, as the hon. Member for Banbury (Tony Baldry) said, the finally amended Bill does what we want it to. The amended Bill will be unambiguous, so we shall be able to determine precisely the costs that it will impose. If the amendments are agreed in Committee, I have no doubt that the whole House will want to back the Bill on Third Reading and that the Government will be able to back it. We will then all see clearly what it will achieve, it will be welcomed by carers, and it will be all the better for the work that we shall put in.

I give hon. Members the assurance that the Government are committed to getting the Bill right. We are not trying to emasculate it in any way whatsoever. We are tabling fairly extensive amendments to specific clauses, which I shall try to make available as soon as possible. However, as the hon. Member for Banbury suggested, it will be necessary to convince other Government Departments, Carers UK and carers generally of the merits of what we are trying to do. That takes time, but the work is being done. With that assurance, I hope that hon. Members will agree to the money resolution and that we can get the Bill into Committee to do the extensive work required so that we end up with a Bill that will really do a heck of a lot of good for carers.

Question put and agreed to.

Resolved,

That, for the purposes of any Act resulting from the Carers (Equal Opportunities) Bill, it is expedient to authorise the payment out of money provided by Parliament of any increase attributable to the Act in the sums payable out of money so provided by virtue of any other Act.

Women, Equality and Human Rights

[Relevant documents: the Sixth Report from the Joint Committee on Human Rights, Session 2002–03, HC 489-I, on the Case for a Human Rights Commission, and the Minutes of Evidence taken before the Committee on 8th December 2003, HC 106-i, Session 2003–04.]

Motion made, and Question proposed, That this House do now adjourn.—*[Charlotte Atkins.]*

2.5 pm

The Minister for Women and Equality (Ms Patricia Hewitt): This weekend, millions of women throughout the world will take part in events to mark international women's day. I am delighted that, once again, we are holding this special debate in the House. The fact that we hold such an annual debate and have not one, but two, Ministers for women, and have many more women Ministers in the Government than previously marks quite a change in the culture of politics and government in our country.

I recently had the opportunity to glance at the riveting diaries of Alan Clark, which are being broadcast at the moment. They give us a gem of an insight into what was going on in the Department of Trade and Industry a little under 20 years ago. Alan Clark was speaking to Peter Morrison, the newly appointed Minister of State for Industry, and perhaps I may quote from the diaries. They say:

"Peter was full of how, already, he was sorting out his civil servants. They were trying to put upon him 'a female' as head of his private office.

'I couldn't possibly have that', he said.

'Really?'"—

said Alan—

"'I've had nothing but women in charge of mine . . . I find it rather congenial.'"

I am sure he did. The diaries continue:

"'But you see', replied Peter, 'she couldn't carry my guns.'"

These days, I am glad to say, we have not the first but the second woman Secretary of State for Trade and Industry, and the majority of officials who are promoted to the senior civil service in the DTI are women. That represents quite a change in the culture.

Peter Bottomley (Worthing, West) (Con): Just to protect Alan Clark's reputation, the right hon. Lady might have noticed that he treated men and women the same. For example, when my wife, the right hon. Member for South-West Surrey (Virginia Bottomley), was elected, he said that she immediately lost her looks, just as he had when he was elected.

Ms Hewitt: I am sure that the whole House and, indeed, the hon. Gentleman's wife will be grateful to him for that reminiscence. I think that there were some respects, at least, in which the late Alan Clark did not treat men and women the same, but we shall go no further down that track today.

It is impossible to separate national and international issues. We live in an increasingly interdependent world in which one country's war becomes many other countries' refugee and migration challenges, and one country's pollution or oil spillage becomes many other countries' environmental disasters. Our belief in

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equality and respect for the equal worth of every individual is not confined to Britain any more than our commitment to the values of opportunity, security and democracy.

The point about the interdependence of our world is constantly brought home to me—I am sure that this is true of many hon. Members—in my constituency surgery. Last Friday, a constituent from Sierra Leone visited my surgery. Some years ago, he was forced to flee the appalling violence that has plagued that country and now lives here. He first came to see me some time ago during his desperate search to bring his wife here, and I am glad to say that, with the help of my right hon. Friend the Minister for Citizenship and Immigration, she has now arrived. Let me take this opportunity to pay tribute to my right hon. Friend. She holds one of the toughest jobs in government and is always measured, fair and helpful.

Last Friday, my constituent brought his wife to meet me. She told me how she had been driven apart from her husband and how she had spent five weeks walking along bush roads through Sierra Leone to escape and come here. She showed me the knife scars on her face and arms that were left by the soldier who raped her and who then used the same knife to force upon her genital circumcision. For that lovely, gentle woman and for millions of others throughout the world, human rights and equality are a distant dream. When so many of our newspapers and journalists have nothing good to say about asylum seekers, let us remember, in honouring international women's day, the purpose of the Geneva convention on refugees and the need today, just as much as in the aftermath of 1945, to protect people who have been persecuted.

Of course, we cannot offer refuge to everybody who needs it and seeks it: no one country can do that. We must work with our European partners and with the wider international community to try to deal with the causes—the conflicts, the tyranny and the desperate poverty—that force millions of people to flee their homes. I am proud—I think we all are—of what our Government and our armed forces have done to help restore peace to Sierra Leone and to start rebuilding its shattered society, economy and system of government. My right hon. Friend the Home Secretary is ensuring order and integrity within our asylum system, so that decisions can be made swiftly and fairly and the legitimate claim of a refugee is not held up or compromised by those who think that claiming asylum might be a quick route to economic migration.

Tony Baldry (Banbury) (Con): A piece of good news is that on Wednesday the Secretary-General will open the War Crimes Court in Sierra Leone—a special court. Should not the message go out throughout the world that those most responsible for war crimes will, in due course, be brought to justice, whether in Rwanda, Sierra Leone or elsewhere?

Ms Hewitt: The hon. Gentleman is right. His point will be endorsed by the whole House. I am delighted to say that we have played a role in helping to create that war crimes tribunal and the new constitutional court. My right hon. Friend the Secretary of State for International Development will travel to Sierra Leone in a couple of days to attend the opening of the court.

Last year, the conflict in Iraq was a major theme of this annual debate, and this week has seen more terrible acts of terrorism in the country. We know from our bitter experience of terrorism in Northern Ireland that, on their own, the police and security services can never defeat terrorism, essential and heroic though their efforts are. The only way to achieve peace and security is through the difficult and painstaking process of politics, of building political institutions that can start to bring people together, to reconcile conflict without violence and to create legitimate government. That is what we are supporting the people of Iraq to achieve.

It was surely no coincidence that this week carnage followed almost immediately upon the Iraqi governing council agreeing proposals for the transitional constitution. Any prospect of a free and democratic Iraq is what the extremists hate and fear most.

I have spoken previously in the House about the efforts that we are making as a Government to support women in Iraq. I hope that the whole House will welcome the fact—largely unreported—that the transitional law that was agreed by the governing council this week acknowledges the vital role of women in Iraq, and asks for the electoral system to be designed so that one quarter of seats in the new national assembly will go to women. This is not western feminists imposing their agenda on Iraq, as the hon. Member for Henley (Mr. Johnson), in the magazine that he edits, would have us believe. Iraq has a long tradition of women's education and leadership. Most of its doctors, teachers and university lecturers are women. Without their strength and the contribution of other Iraqi women, economic and social development will be impossible.

No doubt the governing council has in mind the examples of Pakistan and Afghanistan, which have quotas within their constitutions for women's political representation. Indeed, Pakistan is well ahead of the United Kingdom when it comes to women's representation in Parliament. However, I know that the women in Iraq who have been arguing the case for quotas in electoral law were delighted and grateful for the support that they received from the British Government, both on the issue of representation and in the work that we have been doing in supporting Iraqi women's groups and centres in different parts of Iraq, including the new shelter for Baghdad that has opened recently for women who have suffered violence.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): Does the right hon. Lady agree that the example that has been set in Iraq would be strengthened if perhaps it moved across the boundaries to Kuwait, Saudi Arabia and the United Arab Emirates, where no women are represented in the majiis? Does the right hon. Lady share my aspiration that the example that we have set in Iraq might set an example for other Arab countries in the area?

Ms Hewitt: The hon. Lady makes an important point. While each country has to deal with these issues in its own way, I think that the women of Iraq and the Iraqi governing council have shown the importance that they

place on women's representation in creating a secure and democratic Iraq. We in Britain have appreciated the importance of positive action to ensure that political parties and political institutions represent the entire community and not just half of it.

I began by referring to migration, which is as old as human history. Today, when transport and communications have been revolutionised, far more men and women are moving throughout the world in unprecedented numbers, from south Asia to Saudi Arabia, from the former Soviet states to western Europe, from south to north America, from north Africa to Europe and so on. Some of them, like the constituents to whom I have referred, are fleeing intolerable conflicts; others—often educated women—are seeking better lives. They are drawn by the prospects of jobs and opportunities that are lacking at home.

In many ways, women's experience of migration is very much the same as men's. However, because in almost every culture and country it is women who are primarily responsible for children and the work of families, and because women have different life experiences and less economic power, their experience of migration is in important ways different from men's. They are more likely to migrate as the dependants of husbands or partners. They are more likely to end up in marginal employment. They are more vulnerable to sexual exploitation. Girls and young women are kidnapped and sold or duped into brothels, waking in pain and spending their days being humiliated, threatened and beaten.

Only last year, in London, seven women from Moldova and Romania were found who had been forced into prostitution. They were sex slaves in the modern economy. They thought that they were coming to Britain to get a job and a better life. They ended up on a journey of rape and beatings, and in one case forced marriage. The man at the centre of that monstrous crime ring, Luan Plakici, was convicted and sentenced recently to 10 years' imprisonment. I pay tribute to my right hon. and learned Friend the Solicitor-General, to the Crown Prosecution Service, to the Home Office and to the Metropolitan police for their work on that case and on other cases to expose and bring to justice those involved in the appalling crime of global trafficking. All the Government Departments involved are working together, and as a result arrests and prosecutions have increased. We are trying to prevent trafficking by spreading awareness of the problem among vulnerable groups not only here but throughout the world.

That is one side—the dark side—of global migration. For millions of women, it is not like that at all. They and many others have chosen to migrate in search of better lives, to make themselves better off and, as centuries of migration have shown, to make the countries to which they migrate better off as well. The long history of migration from Britain to the rest of the world and back to Britain has created today's multicultural country, and the growing diversity of our country, particularly our cities, is a great source of cultural, social and economic strength. In the global economy, we are increasingly competing not just for investment but for skilled people. The fact that we are one of the most open trading nations in the world and are an increasingly diverse and generally welcoming country is a huge source of strength. Many of our public services, particularly the national health service, have long depended on the work of migrants, especially migrant women, going back to health professionals from Jamaica and other parts of the West Indies who were recruited in the 1950s—ironically, at the behest of Enoch Powell, who was then Minister of Health. As I have recently said in the House, migrants from central Europe and the countries of the former Soviet Union are already making, and will continue to make, an enormous contribution to our economy.

We need to be sure, however, that our gain is not made at the expense of the countries of origin, which is why the NHS, for instance, has an agreement that it will not recruit nurses or other staff from vulnerable countries, including South Africa, which needs every skilled health worker that it can train. I recently discussed that with Beverley Malone of the Royal College of Nurses, who is profoundly aware of the problem, but there is a danger that agencies operating in other parts of the health and caring services will recruit nurses from countries where they are desperately needed—indeed, they are already doing so—and that those nurses will find their way into employment here.

We have benefited enormously from the entrepreneurs, both women and men, who have come to our country from overseas, particularly south Asia and the Caribbean. Those entrepreneurs and the new generation of British-born Asians and Afro-Caribbeans provide us with great competitive advantage, as they move into the professions and set up their own businesses. They can use their long ties of family, culture and language with many other parts of the globe, both for their own benefit and that of the whole country. Parween Warsi, for example, moved to Britain from north India in 1975 and started to make samosas for local restaurants. She is now chief executive of S and A Food and is one of Britain's most successful business women. She employs 1,300 people, and has a turnover of more than £100 million a year. She and many others like her are helping to transform and strengthen our economy.

Members on both sides of the House should embrace and celebrate our diversity and the contribution that women make to it. However, there are strains and difficulties in our changing communities, and many hon. Members are worried about the way in which our Muslim communities have become the target of prejudice. We must remember that Islam, the fastest growing religion in the world, has conferred enormous benefits on the globe. The scholar Bernard Lewis reminds us that at the peak of Islamic power only China had a civilisation comparable in its level, quality and variety of achievement. In the west we use Arabic numerals, which, in fact, are the fruit of the great mathematical learning of India, but they were brought to the west by the Islamic scholars of the middle east. Our values in Britain include respect for different beliefs and faiths, so it is possible to be both Jewish and Muslim, or Jewish and Christian, or Sikh and secular, and be proud of both traditions. Anyone who says that it is not possible to be a good Muslim and a good British citizen is simply talking nonsense.

Having talked to young British Muslim women in my own city of Leicester, I know how frightened many of them are that intolerance will win. They fear that we might follow the path taken in France and ban in

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schools the expression of religious belief and identity. We all understand the tradition of secular public space and republicanism in France, but it is a different tradition from Britain's. We will not follow that example, and I do not think that anyone on either side of the House would want us to do so. The Government continue to allow girls to wear the hijab in schools, just as we allow Muslim women police officers to wear the hijab or male Sikh officers to wear the turban. I welcome the decision by the governors of a school in Luton to overturn an initial decision to try to ban the expression of religion in the school.

There should be no conflict at all between equal rights for women and respect for different cultures and beliefs, but sometimes there is. I wish to make it clear that we will not accept excuses for violating the rights of girls and women. Domestic violence is a crime. As a society, we are no longer prepared to accept the excuse that prevailed for years that the man was entitled to hit his partner or that she provoked it. Indeed, in the Domestic Violence, Crime and Victims Bill we are initiating the biggest overhaul of the law in this area for more than 30 years. Murder is murder. One in four murders committed in Britain are the result of domestic violence, and they take place in all communities and cultures. However, they cannot be excused or the charge of murder diminished by calling them, in any culture, an "honour killing". We will condemn them and prosecute those who commit them in all our communities. Equally, genital mutilation, for whatever reason, is a violent criminal assault. I welcome the fact, as will all hon. Members, that the new law that came into force yesterday will make it a criminal offence for anyone in Britain to take a girl abroad for that purpose, even if the practice remains lawful in the country to which she is taken.

In the past seven years, we have secured genuine advances for women in our country. The national minimum wage benefits nearly 1 million low-paid women workers. The pension credit entitles every single pensioner to £102, and there is more for couples. Of particular benefit for women, who have always formed the majority of the poorest older people in our community, is the state second pension, which will do much to reduce the risk of women falling into poverty when they retire because of the caring responsibilities that they currently have. The new child tax credit already benefits 6 million families. As a result of improvements that we have made in the NHS, Britain has experienced the biggest fall in deaths from breast cancer anywhere in the world, which is a remarkable achievement.

We have introduced the biggest-ever package to support working parents, with increases in child care places, new maternity pay and leave, and new legal standards on family friendly working. After less than a year, those initiatives are already helping parents to choose how they balance work and family responsibilities. There is a new push to deal with unequal pay. Those of us who campaigned for the introduction of the Equal Pay Act 1970 and the Sex Discrimination Act 1975 feel intensely frustrated that despite the advances that have been made there is a persistent gap in the earnings of men and women, particularly in part-time employment. That is why my right hon. Friend the Secretary of State for Work and Pensions and I have been taking steps to strengthen the law in this area, in particular with the new equal pay questionnaire. It is also why we are now taking steps to speed up and simplify enforcement of equal pay cases, particularly in those large actions—almost class actions—brought on behalf of groups of workers. We shall simplify the procedures, after consulting in the spring. I hope that we can bring new regulations on how the employment tribunals deal with equal pay cases into effect on 1 October this year, at the same time as the new employment tribunal regulations.

As we have discussed on several occasions in the House, we have been taking steps across the public sector to undertake equal pay reviews and ensure that the Equal Opportunities Commission has resources to promote equal pay reviews in the private sector.

Joan Ruddock (Lewisham, Deptford) (Lab): My right hon. Friend has done so much for women that I feel anxious about putting another request to her and asking for more. There is already a public sector duty to promote racial equality, and one is planned for disability. Can she yet respond positively to the campaign by the Equal Opportunities Commission for a public sector duty of gender equality?

Ms Hewitt: I pay tribute to my hon. Friend for the enormous work she has done, both as one of the first Ministers with responsibility for women and more recently with women in Afghanistan.

My hon. Friend raises an important point. I am glad to say that we are clear in principle that we shall extend the duty to promote equality within the public sector to the issue of gender equality. We need to see when we can make parliamentary time to put that into legislative effect, but we have accepted the principle.

Mr. John Bercow (Buckingham) (Con): Given that the right hon. Lady told the House on 1 May last year that, as a result of the important equal pay reviews that the Government had conducted, serious problems of unequal pay had been unearthed, will she update the House on progress in the implementation of action plans submitted to the Cabinet Office on this matter? While she is about it, will she be good enough also to address the issue of whether the Government intend to extend the search for equal pay reviews to contractors and subcontractors to government, a subject in which her deputy took a great interest in Westminster Hall on 25 June last year, but which she acknowledged to be tricky? I would welcome an update.

Ms Hewitt: As the hon. Gentleman will know, because we have published summaries both of the equal pay reviews and the action plans, we are now taking steps within every Government Department. For instance, in this year's pay negotiations, some of which will cover more than one year, we are taking steps to deal with the equal pay problems that have been unearthed. Some, which are in a sense easiest to remedy, occur within particular grades. They will be dealt with through pay restructuring and the pay increases now being put in place. Others are more difficult to tackle, because they arise in part from job segregation, a point that I shall come to.

We are considering whether equal pay reviews should be extended to contractors and subcontractors. Many different organisations make a strong case for using what used to be called contract compliance to ensure not just better pay and equal pay, but compliance with environmental standards and so on. As the hon. Gentleman will readily acknowledge, we need to balance the benefits that could arise from that action with the possible costs to the businesses involved. I hope that he will acknowledge the need to do a proper regulatory impact assessment before contemplating going down that route.

One of the biggest underlying problems of the persistent equal pay gap, particularly as it affects part-time workers, is job segregation.

Mr. Bercow: I genuinely appreciate the right hon. Lady's giving way again. I am not seeking to be difficult. Her point about the regulatory burden is important, and it would be very curious if I, who have often challenged her on it, were to dissent from what she says. May I, on a more modest level, put the matter to the right hon. Lady in the following terms? Recognising that the process of government is difficult, we nevertheless want to make progress. Does she accept that, as a matter of principle, any contractor or subcontractor discovered to have breached the existing law would manifestly be unsuitable for continued work for the Government?

Ms Hewitt: That is a very modest proposition, with which I would certainly assent, as I am sure my colleagues in the Treasury would. We shall continue to look at this and see how we can spread the good practice that we have initiated in central Government departments much more widely.

I turn to the problem of job segregation. Six out of 10 women in paid work are working in just 10 occupations—typically, those that pay the least. Within the pay grades and structures of those occupations, women also tend to be concentrated at the bottom, so we need to look at the choices that girls and women are making about the subjects they pursue at schools and the careers and jobs that they then go into, as well as at what we can do about the pay levels within those occupations where women are already concentrated.

David Winnick (Walsall, North) (Lab): In the most senior ranks of the judiciary women are largely absent. Of the 12 Law Lords, just one is a woman; of the five heads of division, one is a woman; of the 37 Lords Justices of Appeal, two are women; and of the 107 High Court judges, only eight are women. Would it not have been useful if last night Lord Woolf had dealt with that matter instead of making his outburst? On one point, of course, he was right, and I voted against the Government accordingly on Monday. Is it not unfortunate that, despite all the progress that has been made, there are so few women among the most senior judges? Whatever progress has been made—and it is very limited—it has been made only since 1997.

Ms Hewitt: My hon. Friend raises an extremely important point about the paucity of women in the senior ranks of the judiciary. We could say exactly the same about the virtual absence of women within the boardrooms of our top companies, although I am glad to say that there are finally more than 100 women directorships within the FTSE 100. But there are still far too many companies with very few women in senior positions. My noble and learned Friend Lord Irvine, the former Lord Chancellor, and my noble and learned Friend the Secretary of State for Constitutional Affairs have taken and are taking steps to encourage and promote women within the judiciary.

Just as we are concerned about the under-achievement of boys in school, we have to remain concerned about the lack of girls going into non-traditional areas of work, such as engineering and technology. Indeed, 95 per cent. of those graduating in engineering are men, while 90 per cent. of students taking a health and social care vocational qualification are women. We know very well the utterly different pay paths and career and training opportunities that will follow from those two facts.

Therefore, I welcome the fact that the Equal Opportunities Commission is now undertaking a general formal investigation to see how women and men continue to end up in these traditional gender roles and to probe some of the barriers to change. I also welcome the fact that over the last 10 years, remarkably, the percentage of women graduates in science, engineering and technology subjects has increased from well below 5 per cent. to nearly 30 per cent. Over the same 10-year period, the number of girls taking technology at A-level has increased by just over a third. We need to go on encouraging girls and young women to choose those harder but none the less intensely interesting and human subjects.

I had the opportunity this morning to hear Professor Sir Harry Kroto, one of our Nobel prize winners and an extraordinary chemist, speaking about the dramatic improvements that breakthrough discoveries in his field of chemistry and nanotechnology, and more widely in science, can make to human well-being and to conquering disease, improving our environment and feeding starving people around the world. If we could create that sense of excitement and human possibility among young women and girls, we would see far more of them choosing to go into those subjects. It is important that they do, and that we continue our efforts to bring women who already have those qualifications back into science and technology-based employment, because as we look ahead in this increasingly competitive global economy we need to increase the number of businesses and the number of jobs based on science and technology. That is how we will raise, in the jargon, the value-added of our economy, create better-paid jobs and keep ourselves competitive in a competitive world. We will struggle to do that if we are recruiting from only half the human talent pool.

The work we are doing on equal pay and family friendly working, and the improvements we are making in child care, are all about ensuring that women can fulfil their potential and make the contribution they want to make, earning a living for themselves and their families but contributing to broader economic success. Those improvements are also about ensuring that women and men have much greater choice in how they balance earning that living with bringing up their children.

Much has been done—and despite having spoken for a considerable time, I am conscious that there is much else I could have said, which other hon. Members will no

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doubt cover this afternoon—but much more needs to be done. Before closing, I want to acknowledge and pay tribute to the work that my right hon. Friend the Deputy Minister for Women and Equality has done as she leads the creation of our new commission on equality and human rights. She will have more to say about that later. That new body, which will bring together all the strands of our work on equality and put it in the much broader context of human rights, is the result of the most significant review of our work on equality in a quarter of a century. I am very grateful not only to my right hon. Friend, but to the chairs of the Equal Opportunities Commission, the Commission for Racial Equality and the newer Disability Rights Commission and other members of the taskforce for the enormous amount of work that they are putting into creating the new single commission.

Finally, this is a wonderful opportunity to pay our own tribute to the women who, in each of our constituencies all over the country, work day in, day out to improve the lives of their families, friends, communities and wider neighbourhoods. We heard just before this debate a little about the so often unacknowledged work that women do as carers of elderly or disabled relatives. Millions of women work in voluntary organisations, faith groups, tenants and residents' associations, as women councillors—too few of them—and as governors of schools, on the boards of hospital trusts and so on.

I am thinking in my own constituency of Councillor Manjula Paul Sood, who is the only Asian woman councillor in one of the most multiracial and diverse cities in our country, and who has played a leading role in the interfaith forum that has helped to ensure that Leicester continues to enjoy strong and good community relations. I am thinking of Dr. Angela Lennox, who founded a pioneering health and community centre in one of the most disadvantaged wards of our city in the constituency of my hon. Friend the Member for Leicester, South (Mr. Marshall) and who is now a director of the urban regeneration company that is helping to rebuild the city.

In my own city we will be celebrating tomorrow and on Saturday through LeicestHER day, which is now in its third year and brings together 1,000 women from all walks of life across the city and the county—groups such as Turning Point in my constituency in Braunstone, which is one of the most disadvantaged wards in the entire country, the Bhagini centre, also in my constituency, the Sharma women's centre and many others. It is a great pity that the new city council in Leicester, which is a coalition of the Liberal Democrats and the Conservatives, has decided, despite all the representations and pleas, to cut the funding to those and many other groups and within a month force their closure.

Mr. Bercow: It must be the Liberals' fault!

Ms Hewitt: I assure the hon. Gentleman that the two groups are working hand in glove and the responsibility is equally shared. I hope hon. Ladies on the Opposition Benches will urge the council, which has received a very generous above-inflation settlement, even at this late stage to rethink funding cuts that will devastate some of our most vulnerable communities.

All of us know the wonderful women and organisations in our own constituencies. Today is a day to honour and celebrate the contribution of women and to dedicate ourselves anew to spreading prosperity and opportunity, justice and security to women all over our country and all over the world.

2.46 pm

Mrs. Caroline Spelman (Meriden) (Con): We welcome the opportunity to discuss the position of women, close as the debate is to the date of international women's day on Monday and the women's world day of prayer tomorrow. There has been some role reversal today between the Minister and myself. In previous years, when I was responsible for the international development brief, I focused primarily on international aspects, whereas the Minister focused on domestic aspects. Because we had a debate in Westminster Hall on Tuesday on the international role of women, I shall focus on the domestic aspects today. I am well supported by my hon. Friend the Member for Buckingham (Mr. Bercow), who will no doubt draw on his experience of handling the international development brief, and by my hon. Friend the Member for Banbury (Tony Baldry), the Chairman of the International Development Committee, who will provide an international perspective.

Fairness and equality are surely two of the most fundamental human rights, yet the very fact that we are having the debate underlines the fact that there is still some way to go in delivering those rights. There are so many sections of society where it could be said that equality has yet to take full effect. Although the issues that I shall raise today concern discrimination experienced by women in the workplace, it is important to acknowledge that the pursuit of equality applies to a broad spectrum of people disadvantaged in society, from those with physical disabilities through to those discriminated against on the grounds of race, religion or gender.

Discrimination in all those guises is a symptom of a society that is ill at ease with itself. The example given by the Minister of only one Asian woman in local government representation is one indication that, as a society, we are not yet at ease with ourselves in this area. The continuation of gender discrimination when over half the UK population is female should trouble all of us in the House, men and women.

One of the totem issues is the gender pay gap, which literally short-changes so many women. Speaking of the gender pay gap often brings to mind examples of women in senior professional roles being paid significantly less than their male counterparts. That is an enduring problem that provides stark examples. In the financial services industry there is a pay gap of more than 40 per cent. between men and women. There are industries where, even at the top of their professions, women have not succeeded in closing the gap, as we would hope. It is an enduring problem that has still to be satisfactorily addressed. It is right to focus on it today. One need only look at the statistics from the Equal Opportunities Commission, which found that example of the pay gap in the City.

Women have struggled for decades successfully to enter professions that have been traditionally male dominated, yet have often found that once they have done so they face a battle to be paid the same as men. Similarly, as regards women at the start of their careers, it should be a source of shame to us all that in the world's fourth largest economy a gender pay gap develops within just four years of an evenly matched male and female graduate joining the work force.

Mrs. Angela Browning (Tiverton and Honiton) (Con): Is my hon. Friend concerned about the propensity of women graduates automatically to go into secretarial and clerical jobs straight from university, which they do in much higher proportions than do men? Does she agree that more effort could be made to help women when they consider career options as they approach graduation?

Mrs. Spelman: I thank my hon. Friend. I am sure that she will recall that when were considering our career options at university we had the famous careers advisory service. It is not so much legislation that is required as giving women advice to encourage them to aim high with the qualifications that they have. I am afraid that that problem has not been solved since she and I graduated.

Mrs. Browning: I have to tell my hon. Friend that I have the advantage of not having had a university education. I went into further education, which stood me in good stead through the years.

Mrs. Spelman: There may be a lesson in that for us all.

Before I entered the House, I spent many years in business, notably in a sector that is definitely regarded as male dominated—agriculture. I was particularly lucky, because I had a good education and what my husband described as an in-built determination, both of which helped me to hold my own in a male dominated working environment. That proved a particularly useful grounding in view of my later transition into politics. Although I was fortunate enough not to experience real discrimination, I always knew what my rights were and the avenues that were open to me to secure them if they were not being afforded to me.

The women whom I want to spend most of my time discussing are not so well placed. The Minister singled out the example of women in low-paid, part-time employment. Those women tend to fall into the category not of high fliers in the City or in the legal profession, which is now attracting more women than men—an interesting transition—but of employment in what are sometimes regarded as low-skill jobs where there is a high degree of occupational segregation. In other words, high concentrations of women are employed in the same professions. The Minister identified that as one of the main contributory factors in the gender pay gap—I am glad that we agree on that.

Occupational segregation has been singled out by the Equal Opportunities Commission and the Fawcett Society. I pay tribute to them for their work on trying to expose and overcome the issue, with which hon. Members on both sides of the House will be familiar. It has come to represent one of the major obstacles to eradicating low levels of pay for women because the absence of men from a particular profession makes the comparison of salaries between genders impracticable. That creates a type of professional inertia, whereby shortfalls in women's wages are masked because they are not apparent in the context of a female dominated payroll.

A case in point is the social care sector. Last month, I had the privilege of addressing the annual Topss conference in Nottingham, where I heard many people discussing the problems facing women employed in social care. More than 92 per cent. of the social care work force are women, and 50 per cent. work on a part-time basis. The average salary for women employed in social care is £5 an hour. That offers an interesting comparison with a woman working in a bar in a town centre, who could be expected to earn approximately twice that amount. That leads me to ask what value we as a society attach to the roles carried out by women. The social care sector is in crisis, and the additional costs imposed on the profession through regulation have not helped the situation. Striking a balance between closing the pay gap and carrying out an impact assessment of the sector's capacity to afford it will be difficult, but not insurmountable.

At the conference, I was given to understand that many women who are employed in social care are required by the provisions of the Care Standards Act 2000 to undergo checks with the Criminal Records Bureau. That is understandable because they are dealing with vulnerable people, but in many cases they are required to pay for their own checks—I learned that that can cost them as much as a day and half's salary. That is a significant cost for a group of women who are not well paid as it is.

Twenty years after my party introduced the equal pay for equal work amendment to the Equal Pay Act 1970, there are still appalling examples of women being underpaid for the work that they do because occupational segregation by gender has led to a failure in the benchmarking process.

Mrs. Claire Curtis-Thomas (Crosby) (Lab): Does the hon. Lady agree that the advent of the minimum wage dramatically improved the lot of women working in the care sector? Prior to its introduction, they earned approximately half their current income, so it has made an enormous difference to them.

Mrs. Spelman: Of course I acknowledge the help that the minimum wage has brought to low-paid women, and I shall talk about its impact later. In the social care sector it has had a ratchet effect, so the lot of the lower paid may not have improved in relation to others further up the career ladder because the salary base has been raised across the sector. However, I acknowledge that in absolute terms their pay has increased.

It is an uncomfortable irony that in professions that remain male dominated, and which women have to overcome great odds to penetrate, it is far easier to identify and resolve gender pay inequalities than it is in professions that have traditionally been the natural territory for female employment.

Occupational segregation is particularly acute in the field of part-time employment. As 44 per cent. of the female population are employed in a part-time capacity,

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the number of people affected by the phenomenon could hardly be described as small. The current differential in hourly pay between men working full-time and women working part-time is an astonishing 40 per cent. In practical terms, that means that for every £1 that a man earns each hour when he is working full-time, a woman working part-time can expect to earn 60p. According to figures produced by the Equal Opportunities Commission, the divergence between men and women working full-time stands at £559 per month. That is not only a dispiriting statistic, but the model by which progress towards equality of pay is judged. I am sure that Members on both sides of the House agree that we have to do much more to address that.

I share the concerns of Incomes Data Services, which stated in its report of December last year:

"The earnings opportunities for part-time women and their relative position in the labour market should not be overlooked as attention is focused on the narrowing of the full-time gender pay gap."

I accept that this year there has been an improvement on last year in terms of the overall gender pay gap, but we cannot afford to be complacent about that group of part-time workers. I am glad that the Minister raised that issue.

There are various reasons why women choose to enter part-time work. It is often because they have to balance work with the needs of raising a family and are best able to do so by working part-time rather than full-time. Another reason is that for many families, the woman's income is the secondary household income and consequently the reduced salary is more readily accepted as the dividend for a greater work-life balance. That acceptance is a terrible betrayal of all those families in which, for whatever reason—bereavement, separation or injury—the mother's job is the sole or primary household income.

For others, part-time employment is not always a result of lifestyle choice, but of necessity and limited alternatives. That applies especially to lower-skilled part-time jobs, which enable women with a limited educational background to enter the workplace without always requiring specialist skills and experience. Women with limited employment opportunities and education are often badly disadvantaged in a predominantly single-sex working environment. Some women are prepared to take jobs with skills demands that are significantly below their professional abilities solely because it is the only way in which to secure the flexibility in working patterns that their family life demands.

The impact of occupational segregation in the part-time sphere would be significantly reduced by an expansion in the range of part-time jobs. That would not only give women workers more options to choose employment best suited to their abilities, but help to dilute the female concentration in part-time work and enable greater scrutiny of the part-time gender pay gap. A greater range might lead to an increase in male part-time employment.

Occupational segregation in full-time and part-time employment does not only present problems with pay scales in the immediate term but fosters longer-term difficulties in training and professional development, which create barriers to salary advancement. Eighty per cent. of care staff in England have no qualification for their work and only one fifth of those who embark on modern apprenticeships in social care complete the course. Last month, research by the Learning and Skills Council found that of unfilled positions, 20 per cent. were due to lack of applicants with the requisite skills. That is not uniquely applicable to women, but it is worth being aware that the current occupational segregation of men and women perpetuates the skills shortage.

Let us consider two examples. The construction industry has a 99 per cent. male work force. In engineering, only 8 per cent. of the work force are women. In both industries, more than 30 per cent. of the vacancies are due to a lack of available candidates with the relevant skills. Clearly, the continuing gender domination in those professions means that more than half the population is excluded from such opportunities.

Society has not progressed a great deal from 20 years ago, when Kylie Minogue's debut character Charlene in "Neighbours" caused widespread consternation by wanting to pursue a career as a mechanic. Sadly, the concept of women entering those professions remains something of an anathema, to the detriment of our work force as a whole.

Occupational segregation is a large factor, but not the only factor in denying many women the salary that they deserve. I should like to consider another important element. Many women are simply not aware of their statutory entitlements and even more do not know how to engage grievance procedures to rectify the position. Again, the problem is not exclusive to women in low-paid, less vocationally skilled professions, but it is more common among them. I am worried that we are still not doing enough to reach out to a section of working women who, for various reasons, cannot secure their rights in the workplace.

There has been much debate recently about the role of immigration in fulfilling the United Kingdom's work force needs. Let us try to consider the matter without digressing into the entirely different issues of asylum seekers and refugees. It is clear that there are many low-paid, low-skilled, often manual jobs in this country that our indigenous population is simply not prepared or is reluctant to do. Consequently, the incoming migrant populations fill the labour gap, but they are the least likely to be aware of their salary entitlements and are unlikely to comprehend the logistics of taking their position to a tribunal. Language is an obvious factor in perpetuating such disadvantages.

However, even among indigenous female employees, many women, such as those who joined the work force later in life, do not feel sufficiently empowered to challenge the position. Empowerment is important because it relates to the broader issue of women often being insufficiently assertive in the workplace. That applies across the board and is part of the explanation of the overall gender gap. It often stems from the different priorities that women attach to their working conditions and a more general reticence to discuss, let alone compare, wage packets and ask for more.

As I acknowledged earlier, the minimum wage has raised the most basic salary levels for many women. However, we must also acknowledge that the minimum

wage for some women in some low-paid sectors is in danger of becoming a de facto standard industry wage. That is undesirable. It would be disappointing if the minimum wage became a device whereby employers could abrogate all responsibility for paying their staff anything more than £4.50 an hour.

It might be helpful to identify the sort of women who are most vulnerable to salary discrimination. Often, they include those with limited academic education and those who are returning to work after taking time out to bring up a family. I am sure that many women would identify with me when I say that often, when one takes time out of the workplace, there is a loss of self-confidence, which makes it difficult for a woman to assert herself early on to secure better terms of pay.

Mr. Bercow: My hon. Friend is making a typically thoughtful speech. Will she say something further about crude pay discrimination: unequal pay for exactly comparable work—a phenomenon that she has recently helped to highlight—in the public domain? Will she also comment on the related problem of historical anomalies in the way in which posts are graded in organisations? That should concern us all.

Mrs. Spelman: Those important questions warrant lengthy exploration. Although I am conscious of the time, I shall dwell on them for a moment. Legislation can do so much for comparable pay. Conservative and Labour Governments have introduced such legislation but, clearly, it has not proved sufficient. As I was in the throes of explaining, we must also overcome cultural factors, such as reticence to push for comparable terms of pay and a reluctance to ask what a man in the same job is being paid. I have the advantage of being a woman whereas my hon. Friend is a man, so only I can look inside my soul and begin to answer why women generally tend to be less assertive.

I shall risk saying that perhaps women regard work somewhat differently from men. Perhaps they are generally less concerned about status, and about status being measured by pay. Their job satisfaction comes from a range of factors. Perhaps it is important for men to have status that is measured in terms of pay. However, one factor is common to both sexes. If one does not know what one's colleague is paid, one does not have the information to conduct the necessary negotiations to ask for a fair return. Information is power. However, I would not go so far as to say that the problem would be immediately solved by some mandatory rule about publishing all rates of pay. In some organisations with best practice, such as management consultancy, where there is a great deal more transparency in the standard salaries and bonuses paid, it can become difficult to justify, in a rote way, variation at the bonus level. It is often linked to the company's profits. It is difficult to apportion how well the company is doing to the different amounts of effort that employees put in. That often cannot be resolved by a simple number.

Ms Meg Munn (Sheffield, Heeley) (Lab/Co-op): Does the hon. Lady agree that aspiration is also crucial? The Government are seeking to do more to encourage the aspiration to go to university of many young people from poorer backgrounds, but traditionally many women and girls, when at school, have not had their aspirations raised in relation to the sort of employment that they could achieve. They have therefore entered and continued in, perhaps for life, jobs that have not stretched their abilities, so this country has not fully benefited from their skills and talents.

Mrs. Spelman: The hon. Lady is in complete agreement, in essence, with my hon. Friend the Member for Tiverton and Honiton (Mrs. Browning), whose point was exactly the same. We need to empower women, when they are young by raising their aspirations in relation to equal opportunities, and in later life by helping them to become more assertive in asking for a fair wage. If low-paid women knew that, for every hour that they work, they earn only 60p for every £1 that a man earns for doing exactly the same full-time job, they would be quite angry. That would be a healthy reaction, which could spur on the assertiveness that they need to ask to be paid on equal terms. That would be quite justifiable.

Vera Baird (Redcar) (Lab) *rose—*

Mrs. Spelman: We have already had quite an extensive digression on how culture interacts with legislation. Our society's culture, and the question of why women are in their current position—which we all acknowledge is unacceptable—is an important debate, but it is open-ended because we all know that it is not easy to change culture. That is not as simple as passing legislation, and it will take many different effects to bring it about. If the hon. and learned Lady's point is separate from that, I shall give way, but otherwise I would prefer to proceed.

Vera Baird: I want to comment on the point about asking for better pay.

Mrs. Spelman: I shall give way.

Vera Baird: I am grateful to the hon. Lady for giving way. Does she agree that one of the best ways of facilitating a more aggressive search for better pay for women is to encourage them to join trade unions? Will she congratulate the Government on their recent allocation of substantial money to the trade union movement to enable it to modernise and to cope adequately with the demands that we must encourage in women?

Mrs. Spelman: I anticipated that intervention when I was writing my speech, as hon. Members might expect. I do not think that trade union membership is a panacea. The trade union movement has been around for a long time, but we still have a pay gap between all men and women of 18 per cent., and a significantly larger one at the lower end of the pay scale. I learned from the Topss conference that average annual membership of a trade union costs about £200 a year. That is a factor for low-paid women. I acknowledge that Labour Members are likely to make that point, but I invite them to recognise that trade union membership is

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not a magic answer. Just becoming a member of a trade union will not necessarily change the culture in our society.

Mrs. Curtis-Thomas *rose—*

Mrs. Spelman: I should like to proceed, if the hon. Lady does not mind.

Sometimes, for whatever reason—such as a different ethnic, linguistic or cultural background—women are not aware of their entitlements. I have mentioned migrant workers, who are in a particularly weak position and in need of much help. Perhaps one of the saddest examples is of older women who, for historical reasons, belong to an age of deference. Although as people in public life we might feel that that age of deference is long gone, those women's upbringing in that period means that their whole attitude towards employers is of an unquestioning approach to authority. Such women are often subject to discrimination. It is right to acknowledge that that exists in our society. Those women are often further prevented from speaking up because they were denied the learning opportunities that men of their generation were offered. To put it in stark terms, some of those women are afraid of making waves with employers because they fear redundancy and recognise that their prospects of securing alternative employment, as they near retirement age, are increasingly limited.

Retirement itself presents no quick release from the injustices experienced by many women because, as we all well know, the pension system in the United Kingdom discriminates significantly against women. It is increasingly clear from the demographic pattern in this country that we will have to take more urgent action to remedy that. Women live between seven and 10 years longer than men on average, yet pension provision for women—who will have to depend on it more—falls short of what men receive. More than twice as many women as men of pensionable age rely on means-tested benefit, and the Age Concern survey that I mentioned last week during questions to the Minister for Women and Equality shows that the average income of retired women consists of just 32p for every £1 that men receive. Again, that is a powerful piece of information that could spur on many older women, if they were aware of it, to more assertive action. Incidentally, I pay tribute to the female members of the pensioners convention in my constituency, who very definitely are assertive.

Perhaps the most alarming statistics of all are that 91 per cent. of all those without a full basic state pension are women, and that one in four single women pensioners now live in poverty. The reasons for that are numerous and complicated—complicated enough to warrant a debate of their own—but inflexibility in the eligibility criteria for state pension provision is clearly a major factor. One problem with the pension credit is that it assumes that everyone is entitled to the full contributory pension, but sadly that is not the case for many women, who have not met the qualifying criteria. Unless I am very much mistaken, the Pensions Bill that has just received its Second Reading, which I have scanned, does not specifically address the problem of the underprovision of pensions for women.

Gender discrimination clearly permeates the lives of women throughout the working and retirement periods, and it is the challenge for us all, not least women such as me who are involved in the legislative process, to try to arrest that. Should we fail, we will be condemning future generations of women to levels of pensioner poverty that are completely at odds with the advantaged position of a wealthy western power.

As with all the biggest problems that society has to overcome, there is no simple solution to this one, and it would be erroneous to suggest that the problems that I have mentioned can be overcome solely by legislation. The reality is that we need to complete the cultural changes that were initiated 86 years ago when women were first given the vote. Our country's mindset still has some way to move forward from the preconception that women somehow justify their inferior salary, or in some way deserve the disadvantages that they often experience in the workplace.

Legislation can in many ways precipitate and advance such changes, but it cannot be the sole driver. Attitudes are changing and inequalities are becoming increasingly unacceptable, but if we consider that, more than 30 years after the Equal Pay Act 1970 was introduced, women are still being paid on average 18 per cent. less than men in a full-time context, and 40 per cent. less than men in a part-time context, it behoves all of us in the House to strive for a better deal for women.

3.18 pm

Ms Meg Munn (Sheffield, Heeley) (Lab/Co-op): I welcome this debate on women, equality and human rights. It is very timely, and there are important issues to be discussed in this field.

I shall focus my speech on specific issues relating to women with learning disabilities. It is estimated that, every year, 1,400 people with learning disabilities are victims of sexual abuse. Most of those are women. Furthermore, all too often in such cases, the abusers of women with a learning disability are not brought to justice. I welcome the Government's measures, introduced in the Sexual Offences Act 2003, to protect people with learning disabilities from sexual abuse. Those will come into effect this May. Wherever possible, the rights of such women should be protected along with the rights of other people through mainstream legislation, as in the 2003 Act, but there should also be specific measures that recognise those women's specific needs, where that is appropriate.

The criminal law should not intrude unnecessarily on the private lives of adults, and people with a learning disability should have the same right to engage in sexual activities as others. We must recognise, however, that some people, especially those with a severe learning disability, may be particularly vulnerable to abuse because of their circumstances. That could affect their ability to consent to sexual activity in the same way as other adults. Our law must provide full and robust protection when sexual activity is not consensual.

It is important that women with a learning disability have the right to engage in sexual activity, but we must also ensure that they have protection against abuse and rape. In providing such protection we must recognise their particular vulnerability. They are twice as likely as

other people to be victims of crime, and it is estimated that they are four times as likely as people without a learning disability to be the victim of a sexual offence.

Every woman with a learning disability is an individual. Every woman has different needs and different abilities, which should be recognised. However, we should also acknowledge that people with a severe learning disability might not be able freely to consent to sex because they do not understand the nature and consequences of sexual activity. They might also have limited choices and a limited understanding of relationships. That is what makes them so vulnerable, because they could be viewed as an easy target. They could be easily influenced, bribed, intimidated or threatened by others.

People in a position of power or who are caring for women with a severe learning disability could use that position to coerce or deceive them. Such people could, for example, use threats such as, "I will tell your parents" or "I will tell your friends." That might worry the woman in that situation, whereas an adult without a learning disability might just ignore it. Such actions can take on much greater significance for a person with a learning disability. They are particularly vulnerable to people in a position of authority who care for them. The hon. Member for Meriden (Mrs. Spelman) mentioned some of the measures in the Care Standards Act 2000 that have been put in place to protect not only adults with a learning disability but children and older people, and such measures are important for the reasons that I have just outlined.

Julie Morgan (Cardiff, North) (Lab): Does my hon. Friend agree that it is very difficult to balance the acknowledgement of the needs of women with learning disabilities with the need to protect those women?

Ms Munn: Yes, that is a difficult balancing act. However, the fundamental idea—the human right, indeed—that underpins everything I am saying is that people with learning disabilities are people first, and that they should have the same rights as everyone else. It is our responsibility to ensure that our legislation does all that it can to enable people to achieve that equality, however difficult that may be. We recognise the difficulties encountered by people trying to achieve that, and we must therefore take the issue seriously. It is high time that we highlighted it to a greater extent.

Before the Sexual Offences Act 2003, the law was clearly unsatisfactory, and terminology such as "mental defective" was demeaning to vulnerable adults. I am pleased that progress has been made in this area. By making provision on specific offences in relation to the sexual abuse of people with a learning disability, the legislation gives protection while maintaining the right of people to engage in consensual sexual activity.

Mrs. Curtis-Thomas: I am grateful to my hon. Friend for the remarkably sensitive approach that she is taking to the very real problems experienced by many people with learning difficulties. Does she agree that there have been very few Acts passed by this Government that are as important as the Sexual Offences Act in terms of ensuring that such people—particularly women—are protected and afforded the same rights under the law as everyone else in this country can expect?

Ms Munn: I certainly agree with my hon. Friend. I shall say something in a moment about how forthcoming legislation will be able to do more for people in this situation.

Although the new offences have been created and there is now greater protection, we must be ever-vigilant, because there are still cases in which the Crown Prosecution Service or judges might decide not to proceed. For example, they might take the view that a person's word cannot be relied on. The woman or man involved might not have very good communication skills, and extra help and support might be needed to enable them to express what has happened to them. These important issues must be considered if justice is to be done.

When that does not happen, the legal system fails to protect people with a learning disability. It not only fails to achieve justice for someone who has experienced an awful offence, but it could leave the person who has committed the offence free to reoffend elsewhere.

Mrs. Betty Williams (Conwy) (Lab): Does my hon. Friend agree that there is still a grey area in the legislation, in that if a young woman aged over 18 were to fall victim to a very influential male friend, her parents—who might be very close to her, having looked after her until she attained the age of 18—would have very little power to intervene? There are cases in which young women find themselves in court in serious circumstances because they have fallen victim to an influential male friend.

Ms Munn: I thank my hon. Friend for highlighting those circumstances. I am about to move on to talk about the experiences of adults with special needs—be they learning disabilities or other needs—who go to court following an offence being committed and a charge being brought. The all-party parliamentary Voice group—which is supported by the organisation Voice UK, of which I am the chair—met earlier this week. We discussed court processes and heard from Dame Helen Reeves, who heads Victim Support, about the work that that organisation has done to provide a witness support service. She explained the process by which any person who has to give evidence in a trial—especially a trial of a difficult or sensitive nature—can be helped to prepare for their appearance in court. She also highlighted the difficulties involved in providing that service to people with learning disabilities.

A woman who has been subjected to a sexual offence, or her carers, might not have realised that support was available, or the witness support service run by Victim Support might not have been notified that the woman had special needs. A woman could arrive at the court without anyone having done any preparation or put in place support services to enable her to do her best to give evidence in difficult circumstances.

Mrs. Curtis-Thomas: I agree with so much of what my hon. Friend is saying. I also acknowledge that, without the legislation passed by this Government, we would not

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even be discussing this issue today. The machinations and detail of what happens pre-court would simply not be an issue. It is an issue now, however, and the desperate shortage of people with a detailed understanding of the wide continuum of learning difficulties is exacerbating the problems involved in getting many cases to court. Does my hon. Friend have any idea how we can solve that problem? Perhaps we could work towards the inclusion of people involved in education and the criminal justice system—I do not know. Does she have any ideas?

Ms Munn: I thank my hon. Friend for her intervention. That was precisely the issue discussed at the Voice group meeting earlier this week. Some money has been invested in a programme to try to support the development of better services for people with learning disabilities. I understand, however, that Victim Support is still not able to access that funding to train volunteers in that special work. It has volunteers who are experienced in the court process and in preparing people to give evidence in court, but they do not have experience of working with people with learning disabilities. The organisation sees a real opportunity to begin to work in partnership with the organisations that are experienced in working with adults with learning disabilities, to develop those services and move the situation forward.

What we see at present are poor assessment of people's needs, uneven availability of services and lengthy delays in cases coming to court. As we know, delay in a case coming to court is stressful for anybody. For a person with a learning disability, however, understanding why that delay is taking place and having to give evidence perhaps a year on from when the offence took place is not only clearly traumatic but, in their particular circumstances, may cause more difficulties in terms of their ability to give evidence.

As we have discussed, protecting women from abuse cannot be done only through changing the law. Once the law is implemented and used by the police, the provision of support and counselling services alongside that is crucial for people with learning disabilities who have been abused. I want to move on to discuss further opportunities in the legislative programme to improve the situation of those with learning disabilities who have suffered abuse.

The Domestic Violence, Crime and Victims Bill is particularly welcome for all sorts of reasons. One of the issues that it addresses is common assault, which is not currently an arrestable offence. In effect, that prolongs the amount of time before the police can take action in relation to specific offences of violence that are deemed to be common assault. That can extend the amount of time in which the person who is subject to assault is susceptible to further offences or victimisation. It is therefore welcome that the Bill proposes that common assault be made an arrestable offence, which would give the police immediate powers to act when a person believes that immediate and unlawful violence will be used against them.

The Bill also includes as possible offenders people who have frequent contact with the victim. In that regard, I suggest that further protection could be given to people with learning disabilities who suffer this kind of violence, of whom the majority, as I have said, are women. If that were extended to include "paid and volunteer carers"—an amendment of four words—it would offer greater protection. People with learning disabilities these days live in a range of settings. It is welcome that developments over many years mean that people are able to live in settings that maximise their independence, rather than our assuming that they should live in a setting in which everything is provided and in which they are not encouraged to do as much as they can. That is in line with the Government's expectations set out in the White Paper, "Valuing People". Many people with learning disabilities will therefore be living at home with their parents, with other relatives, or in small group homes—environments that would not necessarily be deemed to be part of the regulated residential sector. Adding an amendment to include paid and volunteer carers would therefore provide much greater protection across the range of residential facilities in which people with learning disabilities live.

Secondly, I suggest a further amendment to the part of the Bill that deals with the offence of causing or allowing the death of a vulnerable adult. There should also be an arrestable offence of causing or allowing the mistreatment or neglect of a vulnerable adult. I argued that there are benefits to having this offence in the new legislation rather than seeking to deal with it through mental health or mental capacity legislation, as that recognises that people with learning disabilities are people first, who have specific needs that arise from their disability. I also urge that those offences be deemed serious enough to have sentences that reflect such seriousness. The same offence against children has a maximum sentence of 10 years, which is what we should expect. In addition to not only providing more justice in such circumstances, that should also empower the police to do their job of providing greater protection to adults with learning disabilities.

Violence, neglect and ill treatment of women and men with learning difficulties in their own homes are horrifyingly widespread. Perpetrators are not brought to justice, which is a scandal that we must do more to tackle. I want to pay tribute to the organisations that have been campaigning hard in this area, such as Voice UK, VIA—Values In Action—Respond, and Turning Point. I also congratulate the Government on the work that they did to bring in the Sexual Offences Act, and urge them to consider the suggested amendments for the Domestic Violence, Crime and Victims Bill. The Government take seriously the issues of women, equality and human rights, and this legislation will move forward the rights of women and people with learning disabilities, giving them a stronger voice and strengthening their human rights.

3.36 pm

Sandra Gidley (Romsey) (LD): I welcome this debate, which now seems to be an annual fixture, which is a very good thing. In past years the debate has focused a little more on national issues, whereas the slightly different title of the debate this year prompted more thoughts on international issues. I will therefore cover some of those issues. My speech will be shorter than I intended because we now have a debate on Tuesday on women in the

world, to which some of the material may be easily transferred. I therefore hope that more Members will be able to speak.

We cannot ignore the United Kingdom completely, because, sadly, we have not yet got it completely right. I therefore make no apologies for starting with matters close to home. I want to acknowledge particularly the work of the Equal Opportunities Commission, which seems to be going from strength to strength. Hon. Members have already alluded to some of the work. I was going to talk at some length about the pay gap, but much of the material has been covered. Clearly, it is not right that the gap is still 18 per cent., although it is narrowing, as has been acknowledged. In relation to full-time work of a man and part-time work of a woman, however, the gap is still 40 per cent. I want to place it on the record that I appreciate that the Government can do only so much.

Even more alarming, the pay gap on graduation is 15 per cent. That is exercising my mind considerably at the moment, as my daughter is due to graduate. I was interested by the comments of the hon. Member for Meriden (Mrs. Spelman) about the psychological and social pressures on women to choose certain types of work. When I consider my daughter and her peer group, it is apparent to me that the men are much more interested in career paths that value money and status, while the women tend to look for careers that will give them personal satisfaction. I do not know whether that is a throwback to the old-fashioned attitude that women can afford to adopt such careers because a man will keep them eventually. I sincerely hope not, and I think that such attitudes are probably a thing of the past. Nevertheless, there is evidently a bias towards a particular type of work in each group. Schools could do something about that. I am not suggesting that they should raise aspirations, for it is admirable to aspire to a job that contributes to society in some way, but it might be an idea to consider how we value certain roles.

I am keen on the idea of pay audits. Not all my colleagues agree with me, so I am not exactly spouting a party line. I think it is quite healthy not to spout a party mantra all the time, as it happens. In my opinion, if there is more transparency in the way in which men and women are paid, women will vote with their feet. They will prefer to work for companies in which they see that women are valued equally and given equal bonuses, with no covert discrimination. Companies will eventually realise that if they cannot take their pick of the best women out there—who are often the best people out there—they will lose out.

Much has been said about occupational segregation. The child care industry, for instance, is predominantly female. It is also very poorly paid, which, sadly, demonstrates the value that is attached to it. It seems perverse that we should pay so little for a service that involves our handing over something as precious to us as responsibility for our children. The fact that women on low pay want to be able to afford child care so that they can go on working does not mean that it too should be a low-paid profession.

How can we encourage more women to take up science? I think things have improved over the years, although the figures may not suggest that. I remember getting into a strop as a 14-year-old schoolgirl because I could not study physics. I did not particularly want to study physics, but it was anathema to me to be told that I could not. I studied a range of other science subjects. Only when I took my books off to the library and refused to take part in geography or Latin lessons did the teachers decide to provide a physics teacher. That would not happen in a school today. We have made some progress in developing the curriculum.

I made a stand about something else as well. I did not want to do cooking; I wanted to do woodwork. In fact, I did not especially want to do woodwork either, but I thought that we would have a session with the boys. The plan backfired, because all the boys were made to do cookery, and the impetus behind the little campaign that I had initiated as a 13-year-old—at a different school, I hasten to add—was lost. Nowadays the curriculum is designed much more evenly.

Mrs. Betty Williams: We have made great strides with the help of WISE—Women into Science and Engineering. The school curriculum, among other things, has improved greatly over the last five years. We have people such as Marie-Noëlle Barker to thank for that.

Sandra Gidley: I was about to mention WISE. Before I became an MP, I had the pleasure of spending half days on a bus with girls from the local school whom I was encouraging to study science—although I myself became a politician, which seems perverse. Sadly, however, that brilliant initiative has not reached enough girls. That school would often select a higher stream of girls to go on to the bus, and I think schools should think about providing equal access.

IBM launched another welcome initiative. It is in the Winchester constituency, just across the border from mine. It invited a number of young women aged 13 and 14 on to its premises for a week to engage in various science-based activities. The aim was to encourage them to work for a science-based company in the future—not necessarily as scientists, but in a science-based environment. They chose some girly ways of getting science messages across, but it was an excellent initiative and it would be helpful if the Government could encourage more companies to follow that example. All the girls I spoke to at the end of the week were very enthusiastic about the scheme. It opened their eyes to an area of work that they had previously thought was completely closed off to them.

Mrs. Curtis-Thomas: I presume that the hon. Lady is aware of specialist school status, specifically schools that have been awarded technology status. That was done, more often than not, in conjunction with local industrialists who really want an industry-based or industry-supported education system because there is a desperate need for more young men and women to enter the professions of science, technology and engineering.

Sandra Gidley: I am aware of specialist colleges, but I was not aware that they had any particular success at recruiting females, so I shall examine the matter further. The hon. Lady certainly makes an interesting observation.

I shudder to mention Parliament, but I have to acknowledge the fact that we now have more female MPs. Hand on heart, they are not mainly in my or the

[Sandra Gidley]

other Opposition party, which is a disappointment. Nevertheless, I acknowledge that the greater presence of women has had a positive influence on policy so far. The number of women in the Cabinet was mentioned, but it is too easy to take one's eye off the ball. Recently, when the Chairs of Select Committees stood in front of the Prime Minister, I was struck by how few females were present; little attention seems to have been paid to that. I hope that the position will improve.

A recent Equal Opportunities Commission campaign focused on discrimination against women in pregnancy. Last year, more than 1,000 women took legal action because they felt that they had been dismissed simply because of their pregnancies, but the Equal Opportunities Commission described it as the tip of the iceberg. That is probably a realistic comment on the position. Some women who are thinking of becoming pregnant restrict their career choices because they are worried about the real incidence of discrimination.

I believe that the fines are nowhere near adequate. In a recent fairly high-profile case, a woman who worked for a law firm won, but the fine imposed on the company was a fraction of her annual salary—water off a duck's back for the company concerned. That makes it easy for companies to dismiss such women. The woman thought that she had a reasonable settlement until she discovered that, in the same week, a young girl who had worked for a firm for only two weeks had received a much greater financial pay-off because she had suffered some form of sexual harassment. It did not, however, involve touching—only talking and making observations about the young woman concerned. I do not want to diminish the seriousness of sexual harassment in any way, but it does seem odd that we place less weight on discrimination in pregnancy than on a relatively minor case of sexual harassment. The scales of justice do not seem equally balanced in respect of the fines.

I welcome the plans to form a single equality body. There is considerable evidence to show that other inequalities such as race and disability are often exacerbated for women.

I also want to mention domestic violence. That is not just a women's issue, but I make no apology for mentioning it today, because the reality is that far more victims are women. The Domestic Violence, Crime and Victims Bill is welcome, but it does not address all the problems. One possible improvement to the proposals has already been mentioned.

The thematic shadow report of the committee on the convention on the elimination of all forms of discrimination against women on violence against women in the UK may be a bit of a mouthful but it is interesting and timely. The authors state:

> "Given that a number of the issues highlighted in the report have been recognised for at least five years, there is an argument that the UK Government is consistently and knowingly failing to meet due diligence standards of human rights protection with respect to its female population."

I shall highlight only some of the various concerns that the authors express. The report asserts that violence is not just a matter of gender, but that there appears to be little involvement by Departments responsible for constitutional affairs, health, housing and education. It also says that there is an inadequate understanding of links between violence against women and their economic, social and cultural rights.

Most important, the report states that there is no strategic plan of action in England and Wales in respect of violence against women, although Scotland and Northern Ireland have done better. The result is an over-emphasis on domestic violence when it comes to policy, research and provision, but a failure to make connections between forms of violence, in terms of consequences and underlying causes. Very often, there is either a lack of knowledge in a particular area, or a duplication of effort. The Government must make an effort to join all the bits up.

The report also found that there was minimal resourcing in the specialist non-governmental organisation sector, and a consistent lack of sanctions against violent and abusive men. I appreciate that the Domestic Violence, Crime and Victims Bill seeks to address some of those problems, but it is probably not enough.

The emphasis on domestic violence means that other forms of violence and exploitation are in danger of being ignored. For example, the conviction rate for rape is very low, at about 5 per cent. It is also difficult to secure convictions in offences such as the sexual abuse, exploitation or trafficking of children, and the questions of prostitution and pornography are also thorny.

The CEDAW report also deals with trafficking. Mention was made earlier of people's increased mobility. That exacerbates the trafficking problem. People can legitimately move around more easily, but there are many more opportunities for trafficking, and women's inequality and vulnerability mean that they are much more likely to be recruited to or entrapped in it. That again is linked to gender aspects of conflict and poverty, and life experiences such as childhood sexual abuse, domestic violence and poor status.

In this area, the Government's attention has been poor. They funded a small exploratory study called "Stopping Traffic", but little progress has been made on its recommendations. The Sexual Offences Act 2003 was a missed opportunity. I was a member of the Committee that considered the Bill, and many attempts were made to amend it. Proposals included providing a period of reflection for trafficked victims, with financial support and possibly even temporary residence. I point out to the House that the temporary residence proposal was supported by an EU directive, and that the 2003 Act does not comply with the definition of trafficking contained in the UN convention against transnational organised crime protocol.

I visited Italy last year, where provision in respect of trafficking is streets ahead of ours. Trafficking is a bigger problem there, but a number of safe havens are provided for victims. They can stay at those places in safety for a while, and are not immediately deported back to their country of origin. That has resulted in a much higher conviction rate of traffickers. We in this country lag behind in that. Sweden, too, thinks it important to provide for this period of reflection. As a consequence it has a higher conviction rate of traffickers and is stamping down on the problem.

There seems to be an unwritten, almost unsaid, feeling that people will automatically want to stay here and will use this as an excuse to press for staying. That has not

necessarily been the experience of other countries. It is necessary to separate trafficking from immigration; they are two very different problems. If a very right-wing Government in Italy can manage that, it is not beyond the capabilities of this Government. When will the United Kingdom Government ratify the UN convention against transnational organised crime and the protocol on trafficking in women and children?

Finally, I turn to post-conflict problems. The Minister mentioned Sierra Leone. I sincerely hope that work is done there. Examples from Afghanistan and Iraq do not augur well for the future. I pay tribute to the hon. Member for Lewisham, Deptford (Joan Ruddock). She was in her place earlier and I was hoping that she would speak. She has done much work to highlight the plight of Afghan women. In a recent magazine article she tellingly made the point that in the past Afghan women were educated and were not the helpless, burqa-clad figures portrayed by the media. She went on to say, and I hoped she might expand on this, that she feared that we were breaking our promises to Afghan women and that the continuing abuse of human rights of women was on a grand scale: widespread forced and under-age marriage of girls aged 10 to 16, a defence for honour killings still in place, and increased violence in the home. A new threat is the ever-present threat of rape or sexual assault by members of armed groups. The lack of physical security has had a huge impact and prevents women from participating in the political reconstruction process. I do not believe the picture is much better in Iraq. The Minister spoke of extremists, but I am not sure that extremism can be blamed for all the problems that are emerging and need to be dealt with. We have to face some of the attitudes of society head on. The telling point was made earlier that we have to make it clear that human rights and the wishes of a religion are not incompatible. There should be some way of accommodating both. That is difficult to achieve, but the most difficult things are often the most worth doing.

Despite an agreement that women should make up 25 per cent. of the Iraqi national assembly—that is welcome and better than here—the 18-member committee that is drafting the constitution does not include a single woman. There is evidence that women who have tried to run for local office have been told by men at candidate registration offices that women cannot be candidates. On the streets of Iraq more women and girls—

Mrs. Curtis-Thomas: May I express my sorrow to the hon. Lady that in this important debate she stands alone, with none of her colleagues present? That is a sad reflection of the commitment of her party to this issue.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The hon. Lady has made a number of interventions. We are fairly short of time in this debate and that was one of the least helpful.

Sandra Gidley: That was an appalling intervention, and untrue. I am discussing a very real problem facing women in post-conflict Iraq, yet the hon. Lady seeks to trivialise it in this way. She should be ashamed of herself.

Many Iraqi women genuinely believed that they would gain more rights after the war. It is a huge disappointment to many of us that the opposite appears to be the case. Suspicions have arisen lately about the efforts of religious parties in the governing council to push through resolution 137, which would abolish a 1959 law that, according to the Justice Minister, Mr. al-Shibli, drew on the most generous protections for women and children from different schools of sharia. The resolution would stipulate that, for example, a Shi'ite woman should have her divorce adjudicated by Shi'ite law, while adjudication for a Sunni woman would be under Sunni law.

In effect, one law would become many, according to religious adherence, but such a move would strip every woman of some of her current rights. For example, Shi'ite inheritance law is more generous to women than Sunni, but divorce protection is better under Sunni law. There are many similar examples. The Americans who run Iraq have frozen the legal system for now, but many supporters of the proposal have indicated that they want to reintroduce it when Iraq regains its sovereignty, as they believe that it respects religious diversity in Iraq. As women, we should pay particular attention to that situation.

In Iraq, the same problems of gender-based violence are emerging as are occurring in Afghanistan. Many women have lost their job, especially in the public sector. In September 2003, it was announced that subsidies to farmers in Iraq—many of whom are women—would be reduced, which could drive many of them out of business. An Iraqi madam, quoted in *The Daily Telegraph* on 26 October 2003, said:

"Most of my girls are from the countryside. They are not well educated, so the money is good for them."

It is not difficult to work out that if farming collapses, owing to the withdrawal of subsidies, there will be thousands—possibly tens of thousands—of young women crowding into cities and thus vulnerable to recruitment to brothels. None of us would support that consequence of the war but it will be a reality if alternative employment is not made available for those women, so any support for Iraqi farming communities will be helpful.

The Minister may not be able to respond to all the points that I have made, but I hope that she will discuss them with the Secretary of State for International Development. I hope that he is paying more attention to UN resolution 1325 than his predecessor, who could not even remember what it was about when asked during DFID questions. I have yet to see a focus on that resolution, which would include women in post-conflict resolution and peace-building. Much evidence shows that when women distribute resources, they ensure that those resources go to the most needy—women and children—but if resources are distributed by men, there is a greater likelihood of the chain being corrupted in some way. That is not new information; most non-governmental organisations working in the field acknowledge it, although women do not appear very much in that aspect of post-conflict work.

This subject is so wide-ranging that it is difficult to choose a focus. I look forward to the other contributions to the debate.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. May I suggest that a guide time of about 10 minutes might enable all those Members who seek to catch my eye to do so?

[Mr. Deputy Speaker]

4.4 pm

Julie Morgan (Cardiff, North) (Lab): I am pleased that women have the opportunity to hold this annual debate, and it is a pleasure to be called to speak.

International women's day is a good time to assess where we are as women, especially as this year we are mid-way through the second term of the Labour Government. It is important to establish how women have fared under Labour and where we go from here—a point already addressed in some of the speeches made from the Front Benches.

I want to start by discussing women in Wales. In Wales, the first resounding success for women that springs to mind is the almost incredible achievement of a 50:50 gender balance in the Welsh Assembly. Who would have believed that that would happen in Wales, a country where iron and steel industries predominated, where mainly male-dominated unions held power and where politics was, as likely as not, sorted out between men in the pub? All that has changed.

In other political spheres—local authorities and this place—all parties have failed to ensure that women have a completely equal say. Labour has done better than the other parties in Westminster with our 94 women MPs. The Welsh Assembly is the only law-making body in the world where half the Members are women, and the credit for that must be given to the Labour party. Its determination to battle with the thorny issues of all-women shortlists and twinning for the Welsh Assembly constituencies has resulted in 18 Labour women Members in the Welsh Assembly, compared with 12 Labour men. All the other parties have women Members, including, for the first time since the last election, the Conservative party, but it is a fact that nearly two thirds of the women Assembly Members are Labour. I did not realise that the split was 50:50 until the Fawcett Society rang up on the day after polling day in May 2003 to point out that unique achievement.

Over the past couple of years, I have had the privilege of talking to women in many other countries, including the United States, Iran, Ethiopia and, more recently, India. They expressed astonishment at that achievement and asked how we managed to do it. I am pleased that my right hon. Friend the Minister for Women and Equality discussed equality and human rights all over the world, because one of the great privileges of being a Member of Parliament is meeting women internationally.

Many hon. Members will remember the moving stories told in last year's women's day debate. When we meet women in other countries and discuss issues such as equality and human rights, we usually find that we are trying to tackle the same problems. Women's representation is raised as a major issue all over the world. One must implement a mechanism to ensure that women have a say, and the women to whom I have spoken in countries all over the world seem to draw that conclusion.

I recently visited India with a group of women Members, some of whom are in the House today, on the first all-women MPs visit to India. Everywhere we went, women at all levels discussed the 33 per cent. representation of women in Parliament that all political parties in India seem to support, but which has never actually appeared on the statute book, and I want to put down a marker in the House that we support them in that aspiration. It will be interesting to see whether in the current elections any party commits itself in its manifesto to one third of representatives being women. The law applies at local authority level, and 33 per cent. of local authority councillors in India are women, which is a tremendous achievement—in Wales, only 21 per cent. of councillors are women.

Wherever we went in India, we were struck by the strength and enthusiasm of women. We visited a project funded by the Department for International Development, where money had been invested to pave the streets and put in taps and toilets. Women in the community had formed the committees, made the decisions and worked hard to make sure that the project really answered people's needs. We were overwhelmed by the enthusiasm that those women showed.

There is no doubt that having so many women in visible, high profile positions in the Welsh Assembly Government has changed politics in Wales. As other hon. Members have said, women do politics differently. It was easier to do that in Wales because we were starting up a new institution, and the same was true in Scotland. It is much more difficult to change an established institution such as Westminster, but we can change things here as well following the enactment of the Sex Discrimination (Election Candidates) Act 2002.

On this first international women's day since the Welsh Assembly elections, the Labour party and the Government should take enormous pride in what we have achieved in Wales and in this place, but things are far from perfect in Wales. We have no black or ethnic minority female—or male—members of the Assembly and statistics are bleak for other areas of life in Wales. For example, only 16 per cent. of secondary school head teachers are women; only 27 per cent. of senior civil servants are women; only 18 per cent. of local authority chief executives are women; and only 20 per cent of hospital consultants are women. We are not complacent: although we have achieved much in terms of elected representation, we have a long way to go in many other areas.

I shall now consider briefly—as many of the issues have already been mentioned today—what the Labour Government have achieved for women since 1997. Labour has improved conditions for women who work outside the home and the lives of women at home. More women are in employment than ever before, and the minimum wage has had a huge impact in Wales, bringing thousands of women out of poverty pay. Maternity pay has increased and the child care tax credit and child tax credit have been introduced. My right hon. Friend the Chancellor has allocated millions of pounds to child care. Women have more rights in the workplace and are better able to balance work and life.

I heard only yesterday from the Public and Commercial Services Union about the Inland Revenue in Llanishen in my constituency, which no longer has a core time for working. That means that women and men can clock in and out of work three or four times a day and go home as needed to care for children or—more likely—for elderly people, or to have the washing machine mended. That is a huge change that the Inland Revenue is operating in Cardiff and probably

throughout the UK, and it especially important for women, who always have to juggle responsibilities at home and work.

It is now politically acceptable to speak up for women in this Chamber in a way that it may not have been some years ago. Every month we can table questions to my right hon. Friend the Minister for Women and Equality, and she is one of five women in the Cabinet. We still have no day nursery at Westminster, and that is a disgrace, given the thousands of women employed here. I hope that we will be able to do something about that. At least the House of Commons now sits at more family friendly hours. For me, they are not family friendly because my family is in Wales, but at least the hours are more normal and the working day sets a better example. It may encourage other women to stand as Members of Parliament, because it is now more like a normal job. It is very important that we try to make this place more modern, so that it appeals to women and makes them want to come here and join us in trying to change things.

In the home, the scourge of domestic violence has finally been recognised and we have had some discussion of the issue today. This year, the Labour Government introduced the first legislation in 30 years on the issue. It is a worldwide problem. Last year I visited Ethiopia as part of the British Council's pairing scheme for African and Westminster women representatives. When I was there, I was asked to give a lecture on how we deal with domestic violence. I gave the horrific statistics, and at the end the first questioner could not believe that we still had to deal with the problem as such an affluent country. They could not believe that domestic violence was still an issue. However, we all know that domestic violence occurs in all societies, at all levels.

I shall not take much longer, as I know that other women wish to speak, but I wonder why—despite the undoubted major advances for women—things still seem precarious and hard for many women in this country. Those who have spoken, from both sides of the House, have indicated some of the difficulties. As Anna Coote said, in the second Val Feld memorial lecture in Swansea last year:

"As a woman, you can feel politically, socially and economically marginal."

I often feel that, as I am sure many of us do. In many ways, women are still on the edges of political life and discussion. All the leaders of all the parties in the UK are men. The international discussions that dominate the news are usually between men. We hope that women will get a toe in through the new constitutions in Afghanistan and Iraq, but the guarantee of 25 per cent. representation will be very fragile—although it is better than we have here.

The pay gap has already been discussed, and the Fawcett Society has given us ammunition to campaign even more strongly for equal pay. Women pensioners often live in poverty—statistics showing that have been cited today.

Despite the progress that women have made and the fact that the Government have led the way on making things better for women in this country—the situation has been transformed since 1997—there is an enormous amount left to do. That is not a reason to get depressed, feel down or feel we have not got enough. It is time to do all the things that women are often accused of doing in any case. We are accused of being awkward, of being interested in only one thing, of being a pain in the neck or of being hell raisers—such expressions are often used to describe women. I quote again Anna Coote from the lecture in honour of Val Feld, the wonderful feminist from Wales. She said that it is perhaps time not to take "'no' or 'maybe' or 'later' for an answer."

I am sure that all women present, supported by the men, will use their places in the House of Commons as creatively and assertively as possible to make things better for women. I hope that we will continue to build on the progress that we have made, and continue our journey to put women in the centre of politics in the UK. Our aim is not to become like the men or to do politics like the men, but to work in the unique way in which women do—getting on with the job.

4.16 pm

Angela Watkinson (Upminster) (Con): May I associate myself with the remarks of the Minister for Women about the barbaric practice of genital mutilation, which I am sure everyone in the House would deplore? I served on the Committee that considered the Female Genital Mutilation Bill, and although it had only one sitting I had the opportunity to meet some of the women who came to listen to our deliberations. I heard personal accounts that were quite horrifying.

I want to ask a fundamental question: what does equality really mean? Can it, or does it, mean equal rights with men, and, if so, in what way? It can mean equal treatment in law and education. It can mean equal access to employment, but equal access to all employment opportunities for all women—or, in some cases, any opportunities at all—is probably unattainable for a variety of reasons. Being equal in the eyes of the law will never make women the same as men because of the simple biological reasons of pregnancy and childbirth, and that is never going to change.

For women with children, family responsibilities are probably the main reason, but not the only reason, for occupational segregation and the gender pay gap. Women with children are far more likely than others to work locally, where rates of pay are lower, so that they can avoid lengthening their working day by having to travel to work. They are far more likely to have to limit their availability for work to fit in with their children's nursery or school hours, thus limiting further their earning potential.

Of course, some jobs simply do not appeal to women, especially those that require the physical strength and stamina commonly associated with men. There is nothing wrong with that. It is why the fire service, for example, is unlikely ever to increase significantly the number of women whom it employs as firefighters, despite having an open recruitment policy. Women simply do not apply in large numbers, but it is the policy that is important because it makes that area of employment available to women if they choose it and, importantly, if they are able to carry out the job; whether they choose to apply is less important.

Employment legislation has made enormous strides since the Equal Pay Act 1970 almost half a century ago. Before that Act, women were paid at a lower rate for doing exactly the same work as their male colleagues—

[Angela Watkinson]

I know because I was one of them. I was dismayed to discover how extensive that practice still is from comments made by hon. Members on both sides of the House; I had hoped that it was largely a thing of the past.

In many organisations, women employees were treated as only temporary staff because it was assumed that in due course they would marry and leave. Men with working wives were often derided by their colleagues as not being able to support their wives. Women were regarded as dependent per se. Those who did not marry were regaled with the delightful title of spinster. Even those who remained in post until they retired were still considered to be temporary staff. There was no personnel mechanism to ensure that they received equal treatment with their male colleagues, who were on the permanent payroll.

Maternity leave and pay now make it possible for women to return to their employment if they want or need to do so. It is fair to comment on behalf of employers that whereas large organisations are able to cope with the complications of staff cover for maternity leave, it can cause real difficulties for small firms that employ only a few people. For that reason, women's prospects may be affected in those organisations.

The only career advice that I ever received at the co-educational grammar school that I attended would be unthinkable today. It would probably be illegal. All the girls were assembled in the hall and told by the headmistress that there were only two respectable occupations for women—teaching and nursing. It was teachers on one side and nurses on the other. The subject was never mentioned again. I think that girls who chose neither occupation were deemed to be lost causes.

Nowadays, no doors are closed to any pupil and career choices are driven by interests and abilities. I have been surprised by some of the comments of hon. Members on both sides of the House this afternoon that some girls have limited aspirations. That is not my experience. I am a governor of two secondary schools; one is a girls' school and one is a mixed comprehensive. My experience from those two schools is that career advice is the same and that there are no restrictions. Girls' horizons are not limited and they are expected to reach for the sky and attain whatever they wish to in their coming careers. Given that approach, I hope that the traditional occupational segregation and gender pay gap will become a thing of the past quite naturally within a very few years.

It is important that the status of motherhood is not eroded in the drive to provide equal employment opportunities for women. The choice of staying at home to bring up children is not open to many women for financial reasons. However, those who exercise that choice are doing an important and demanding job that is of huge benefit to their children. I acknowledge and pay tribute to them.

Women who bring up their children single-handed have a particularly difficult role. They often face financial pressure in addition to all the practical difficulties with which they have to cope. Single motherhood arises for a range of different reasons. The rate of unplanned teenage pregnancies is alarmingly high and should be a cause of great concern to us all.

Sex education in schools has a crucial role to play. Since 1947, there has been more and more sex education for younger and younger children. Yet, at the same time, the rates of pregnancy, abortion and disease have grown. I wonder whether a complete rethink of the style of sex education, especially for girls, would be advisable. This is one area where clearly girls and boys are not equal. That is because the outcomes are so different. Girls must be warned about the likely outcome of engaging in sexual activity with boys who have no desire to become a parent, no desire to get married and have no income with which to support a child.

Life alone in a council flat for a single mother, with sole responsibility for a baby, while her friends are out either completing their education or simply enjoying themselves, is neither glamorous nor exciting. This is a real-life situation where equality flies out of the window. The woman takes full responsibility for the action of both people.

I do not know whether hon. Members have been receiving a lot of questionnaires lately from women students. I have received about five in the past fortnight from women who are taking political courses. It worries me that none of my male colleagues seems to have received any. It is clear that women Members are being targeted. It worries me also that positive discrimination, which to me is unnecessary and patronising, seems to be implicit in the style of so many of the questions. There is an assumption that gender prejudice exists, which I for one have never experienced. I always respond by stating that I did not become a woman MP. I became an MP and just happened to be a woman. We cannot demand equality on the one hand and expect special or different treatment on the other.

Last year, there was a demand to allow breastfeeding in the Chamber, which was based more on political correctness than on common sense. It probably had a negative effect on the way in which we are perceived by the world outside Westminster and was unhelpful. The hon. Member for Cardiff, North (Julie Morgan) spoke about the proportion of women in the Welsh Assembly, and I pay tribute to Stockholm city council—I visit Stockholm regularly—which has 50 women members. When I asked what it did to achieve that figure, the answer, encouragingly, was nothing at all, which tells us something about the community and the status of women in Sweden.

The historical reasons for the concentration of women in low-paid jobs are gradually being overcome by equal access to education and careers guidance. Equality of income will in due course overcome the problem of inadequate pensions for women, but nothing will ever change the fact that women produce children and men do not. Women will continue to have to make choices, and balance family and work commitments, which will be made easier by employment legislation. I was disappointed by some of the comments this afternoon about quotas and percentages, which suggest that women are a race apart or are different. I do not think that we do things differently, and there are few cases in which one can say, "All women do this". If we are to have true equality, we must treat everyone as an individual rather than as a member of a group, however large, which means that gender will become irrelevant.

4.26 pm

Mrs. Claire Curtis-Thomas (Crosby) (Lab): I shall confine my remarks to the role of women in science, engineering and technology.

Colleagues may know that I am a chartered engineer, and that I started my engineering career as an apprentice for a machine tool company in Portsmouth. I was a race apart, as there were no other women. It is rewarding to work in engineering, and it is a fantastic career. It is enormously creative and diverse—there is something for everyone, regardless of their intellectual ability. I enjoyed the practical aspects of my work, but I did not enjoy my employment conditions. The Equal Pay Act was passed in 1970, but its effects were not apparent in my workplace. I was subject to sexual harassment every day of my apprenticeship, which I was desperate to finish as it gave me a passport to employment and, more importantly, money. Many women in the workplace, even today, will put up with a great deal because they need money. I was told in no uncertain terms that if I made a complaint my apprenticeship deeds would be torn up. There was no requirement for an employer to justify his actions towards an apprentice so, for four years, I endured workplace harassment, but finally I collected my deeds. Mercifully, the situation has changed, and that change was brought about by this Government, who have taken important steps to protect individuals in the workplace, whatever their status.

Having left the dockyard, I was desperate to remain on the docks and become a foreman. I fancied managing a lot of men—there were still no women—but I was told that advancement was almost impossible because it was a question of dead men's shoes. I was also told, in no uncertain terms, that every man in the docks would have to die before I got the job. Faced with such a daunting prospect, even I had to give up and go to university, which I was told was far more liberal. It was not. I had not been there a day to do my mechanical engineering degree when a lecturer took me aside and asked, "Why is a married woman like you not at home looking after her husband?" So there was no change there.

At university, I was one of the only 5 per cent. of women doing an engineering degree in 1980. I met remarkable women in the science faculties. I want to spend some time talking about the remarkable women in this country who have given the greatest part of their lives to trying to get more women into science, engineering and technology. I certainly would not be the woman I am today without their mentoring support and huge enthusiasm for our world.

Twenty years ago I was introduced to Women into Science and Engineering, which has been mentioned today. WISE is celebrating its 20th year this year. I am proud to say that I was part of the team that launched it in Wales. That team was led by a remarkable scientist, Professor Gillian Powell. Gillian was a small, dark-haired woman. I have been afraid of such women ever since, because she possessed great power and great enthusiasm to get the job done. But that came at a cost—she attained her position only by never marrying and never having a family. She never left the workplace and she died of a work-related illnesses. She worked in biochemistry, with very aggressive, hazardous products, and those products killed her.

Before she died, Gillian launched WISE, and together we did a great deal in Wales on the buses, out there, going to schools, trying to get young girls involved. The hon. Member for Romsey (Sandra Gidley) is quite right: in the early days it was about very clever girls. Subsequently, we tried to draw in the mass of young women who are today turning to plumbing courses, plastering courses and all those other skilled work courses where we have a huge, desperate shortage of recruits.

WISE was a great innovation, and it is still going. If hon. Members have not met the WISE team, headed by a magnificent French woman, Marie Noelle-Barton, I ask them to do so now and join in and support its activities, because it needs our help.

Julie Morgan: Is my hon. Friend aware that a memorial lecture was given for Professor Gillian Shephard in the south Glamorgan county council, where I was a member, and that her name lived on for many years in the title of that lecture?

Mrs. Curtis-Thomas: I presume that my hon. Friend is referring to Gillian Powell.

Julie Morgan: My apologies.

Mrs. Curtis-Thomas: Gillian Shephard is a remarkable woman, but I did not think she doubled as a professor of biochemistry in Cardiff, let alone that she was dead. I am delighted to hear about the lecture.

I am not at all surprised, given the generosity of my colleagues in Wales and their ability to recognise the values that women bring to the workplace.

WISE has been supported by another very important organisation, the Women in Engineering Society. What a fantastic group of women that is. It is 78 years old now—not the women, of course, though many members are of that sort of age. The organisation has been there for 78 years to support women and, crucially, to provide mentoring in the workplace.We have talked today about the fact that many women involved in science, engineering and technology careers find it difficult to stay in the workplace when they become parents. In conjunction with employers, WES has launched a scheme that brings those women—many of them with not one, two, but three degrees—back into the workplace after a period of leave that may sometimes be 10 or 15 years. Those women have extraordinary ability, and we lose a huge amount when they are lost indefinitely to the workplace. I commend WES and the excellent work that it has done.

The Government have done a great deal, as I know because I use the services that they provide. They support an organisation called SEAs—Science and Engineering Ambassadors, a group of 1,000 or more people around the country who are prepared to give up their time and go into schools to help with school projects. I hope hon. Members who do not know about SEAs will find out about them. Those people are waiting, enthusiastic and eager to help promote science, engineering and technology.

Another organisation, Set-up, was founded by two women in Cheshire, working hand in hand with SEAs. It was founded by Shirley King and Dr. Violet

[Mrs. Curtis-Thomas]

Pritchard. Dr. Pritchard was one of the first women in Britain to study medicine. Fifty years ago, women who were good at science subjects did not have the option of studying medicine. They could study veterinary science as that did not involve bodies—it was not considered appropriate for women to mess with bodies. Vi was delighted that she was one of the first women in the country to undertake a medical degree. Shirley was one of the first women to head a technical college in Britain. Both of them founded Set-up well after their retirement in order to address an issue about which they felt passionately—the lack of women in science, engineering and technology.

Careers in science, engineering and technology are remarkably creative, as I said, and extremely important in economic terms. Careers in science, engineering and technology pay more. For women who may find themselves on their own looking after a family, that is immensely important. We have failed to realise the potential of half the people living in this country. Until we do so, we will not reap the economic benefit to which we have a right.

Much has been said about the role of legislation. What the Labour Government have done has been enormously important. I have worked for many, many employers who resisted any change to employment practice in order to retain people like me. I have left employers because they would not adapt their leave policy to accommodate my caring requirements. I have left employers who would not allow me a flexible working day. In this place and outside, I have never worked less than 60 hours a week, but I would like to have worked those 60 hours when it suited my family requirements.

We have not lost anything by introducing legislation. We have freed up more people to go into the workplace. Not one of my employers was prepared to make that concession, not because they did not recognise the value of it, but because if they did and their competitors did not, they might lose competitive advantage. Although we may appeal to them and say, "Look, chaps, this makes huge sense. It's good for you and will help you with your recruitment and retention policy", ultimately they will refuse if it will cause a marketplace differential and add initially to their cost structure.

Legislation has been important in promoting women into work and retaining them in work. However, legislation alone will not tackle the problem of discrimination at its source. How do we encourage young girls from poorer backgrounds to aspire to go to university and undertake professional lives thereafter? We can do that only by providing good pre-school and primary education. If I had to name one step that the Government have taken since 1997 that has done more for women than anything else, it must be the Sure Start programme in deprived areas. It is a fantastic programme. If we do not get education right at pre-school level, what chance will those children ever have of going to university?

In this important debate on this special day, I stand here proud of the achievements that the Government have delivered in a relatively short period. I lived and worked in a world where that legislation did not exist, and it was extremely hard for women who wanted to participate and work in the environment of science, engineering and technology to do so. I commend to hon. Members the work of all the partnering organisations that are helping us to deliver a better future for women in the United Kingdom.

4.40 pm

Mrs. Angela Browning (Tiverton and Honiton) (Con): It is always a great pleasure to follow the hon. Member for Crosby (Mrs. Curtis-Thomas).

I intend to focus on older women—that is, those who have reached their 50s, pensionable age and beyond. There are still huge gaps in the system for that group, and the Government, among others, must be flexible in addressing their needs and concerns.

I want to flag up two lessons from the past. The first will be familiar to many Members who have dealt with relevant constituency casework: it involves the generation of women who, back in the 1970s, opted to pay the lower rate of national insurance. In the past couple of years, many of them have reached state retirement age, only to discover that they do not have the amount of pension that they anticipated because they elected to take that option. One of the most frustrating aspects of such cases is that when one tries on their behalf to find proof that they did so, it is difficult to find any tangible evidence. One is told by the responsible body—it used to be the Contributions Agency, then it was the Benefits Agency, and now it is the Department for Work and Pensions—that the information is on its records but there is no paper evidence. That shows us that whenever the state, whoever is in government, asks people to make such a choice, there should be a requirement to take a signature and to keep it on the record.

Angela Watkinson: I speak from personal experience, because I was one of those women. I remember having the situation explained to me in great detail, going to the social security office, or whatever it was called at the time, and signing.

Mrs. Browning: My hon. Friend must be the exception to the rule. In the constituency cases that I have taken up, people are very confused because they cannot quite recall what they did. They may have done the same as my hon. Friend or followed advice that they received in a workplace. When we are dealing with something as important as a person's future income in retirement, there must be a requirement to ensure that their decision is recorded so that if, for example, their Member of Parliament asks for evidence of it, they can at least fax us a signature. We simply have to take their word that that is what they elected to do 20 or 25 years ago.

We need to take much more seriously the whole issue of women's finance, especially pensions. Nowadays, much is done in schools to encourage young people better to understand their personal finances, budgeting, and the workings of the tax and benefits system. However, there is much more to do. It is horrifying that even people whom one would expect to have a good grasp of what they were doing sign up in later life to products such as equity release mortgages—a subject that I have raised in Adjournment debates—only to find that they have signed away their future financial security without realising it.

Cases of women who rely on their husbands' national insurance contributions for their state pension also need to be tackled. Although it is not a generational matter, it is becoming more so. I recently raised with the Minister a case of a constituent who received a pension based on her husband's contributions. However, when her husband retired, the then Benefits Agency wrote to him and not to her. It was not until he died that she had to start making inquiries about her entitlement. Even if her entitlement was due to his contribution, it is rather old-fashioned to regard her in the same way as in the days of goods and chattels. Nobody thought that it would be correct to write to her about her position. That is wrong because we all know of cases of bereavement in which women are suddenly faced with having to sort out their finances, in addition to grief and distress. That is even harder if they are genuinely not aware of their entitlements, based on their husbands' contributions.

We could easily make helpful adjustments for the future based on those two lessons from the past. However, women's working lives and patterns are different from those of men. The pay gap is closing, although we are not there yet, and there is more equality year after year. None the less, a gap continues to exist and it translates in old age and retirement into one in four pensioners, of whom women form the largest portion, living at the poverty level. We need to take some practical measures to deal with that.

I am appalled that a woman who has paid national insurance contributions for fewer than 10 years is not entitled to the state pension. If one took out a private pension and contributed for only seven or eight years, it would be illegal for the pension provider not to recognise that and pay out, albeit a smaller portion, when the person reached pensionable age. It is wrong that the state adopts a different set of rules. The problem has existed for many years, so it does not apply only to the current Government. A contribution that is small because of so few years' input is likely to be even more important to the person in retirement. It is therefore fair and just that there should be some sort of pay-out to someone who has paid in, regardless of the number of years.

We should also consider the lower earnings limit of £77 a week. We have all received representations on that because of the Pensions Bill. For those who earn low amounts of money for a large portion of their lives—for some people, that means all their working lives—it is even more critical that we use as much flexibility as possible and acknowledge that, when possible, they must be allowed to make some pension input. A woman's working life plan cannot always be defined.

Although I appreciate that my next point, about carers, does not apply exclusively to women and that men, too, play a caring role, older women often take on the caring role for an increasingly older generation of parents and relatives. There is a great difference between caring for older people and looking after children. I speak as someone who has worked since the age of 18 without a gap—when my children were pre-school, I worked only part-time—and I am now 57. There are times when one earns more and others when one can give more time, but although child care is hard and demanding, it is at least possible to plan in some ways. When children are 10, their needs are different from when they are pre-school, and when they reach the shrugging-shoulders age of 16, they do not want anyone to look after them. At least a parent can plan.

However, people who, in middle age, take on the care of older relatives do not know how long that will last. Those women do not know whether that will take them beyond the state retirement age, so the planning of that care and of their finances is so much more complex and difficult. I was listening to "Woman's Hour" as I was driving in this morning, and a range of women phoned in with contributions. The subject was the many women who, for all sorts of reasons—including many reasons mentioned in today's debate, and including the caring role that some women have taken on in later life—have found themselves having to enter paid employment beyond the state retirement age.

Like many people, I imagine that when I retire from this place—which I hope will not be for a few years yet—I will undertake some other form of paid employment. I hope that that will not be for the 60 or 80-hour week that we work here, but I should be quite happy to go and work for Tesco—or whoever will take the golden oldies then. I want to do that because I want to keep active, and we all have similar personal reasons or plans. However, I would find it quite stressful if I thought that I really had to work well into old age—perhaps into my 70s or even longer—for long hours, and not knowing for how long I would have to continue in work. Many people are now doing that. As was reflected in the "Woman's Hour" contributions today, there is a vast difference between people who take a job in retirement to keep their hand in, to keep their brain active and to give them social contact, and people who, because of lack of pension provision, have to work for more hours than are tolerable given their age and perhaps their state of health.

We need flexibility if we are going to take pre-emptive action to try to help that group of people. I realise that it includes men as well as women, but we are predominantly looking at a population of women with many of those problems in retirement, because women live that much longer. The Pensions Bill is currently going through the House, and I know that the Government have been lobbied on it by the Equal Opportunities Commission, Age Concern, the Fawcett Society and a range of other groups, which have practical recommendations on how to introduce more flexibility, particularly for lower earners and for women with huge gaps in their working lives. I hope that as the Bill goes through and more details are discussed, the Government will be receptive to arguments about those groups of people.

We know from the statistics that have been mentioned this afternoon that women live longer than men. I have to say that I have never been able to understand that. We women work so hard that I cannot imagine why we should live longer than men, but somehow, for some reason, we grit our teeth and do. I see that the hon. Gentlemen around the Chamber are grinning in agreement. In practice, that means that more women face old age for more years alone, and those women need to have more money because they have to provide for themselves for longer, often when they are frail and less able to do so much for themselves.

[Mrs. Browning]

I hope that the Minister will take on board the fact that such women need particular attention. This is not simply a generational problem that will go away. We cannot just assume that because women have depended on their husbands' pensions in the past, that will happen again. We are now seeing a generation of women in middle and older age who are increasingly having to take on a caring role at the end of their lives. Very often, such women find that as soon as the kids are off their hands, the golden oldies start to need them, and sometimes there is not even a gap in between. It is quite worrying to think that the ability of those women to plan their finances, and to plan for their financial security, is much less favourable than that of many men.

4.53 pm

Mrs. Ann Cryer (Keighley) (Lab): Just five years ago, my hon. Friend the Member for Halifax (Mrs. Mahon) and I approached the then Home Secretary to ask him whether he would have a problem if we had a debate on forced marriages in our Bangladeshi and Pakistani communities. He answered that he would not have a problem with that, but that we would—and he spoke a very true word. However, we had that Adjournment debate, which was excellent, and the hon. Member for Chesham and Amersham (Mrs. Gillan) led for her party. That was the first time that the question of forced marriages in our Asian communities had been raised in this House. From then on, I have been working assiduously with various Government Departments and, more particularly, with my young Asian women. I say "Asian", but I mean Pakistani and Bangladeshi; the Indian community does not seem to get too involved in this sort of thing.

I was extremely impressed by the response to the Adjournment debate by the then Minister of State at the Home Office, my hon. Friend the Member for North Warwickshire (Mr. O'Brien). I had expected a very bland assurance that the Department would do what it could, but that the matter was very sensitive. I did not think that we would get anything. However, it was not like that at all. The Minister made promises about doing all sorts of things, and very shortly afterwards, during that summer, a working group was set up under the joint chairmanship of Baroness Pola Uddin of Bethnal Green and Lord Nazir Ahmed of Rotherham. The working group went all round the country, and it came up to Bradford and talked to women who had been subjected to forced marriages. As a result, it came up with various action plans, and the Government came forward with various initiatives.

I am proud to say that one of the initiatives that was handed down to West Yorkshire police was designed to help women in these tragic circumstances. Inspector Martin Baines was the chief man; he led the way. A certain Phillip Balmforth, who is a knight in shining armour, is the man who goes in when a woman is under threat and gets her out of that very frightening situation. It is sometimes a frightening situation for him as well.

The Foreign and Commonwealth Office eventually set up the community liaison unit, which now has a helpline headed by a couple of very good women. They are very well informed on these issues, and are helping the Government to formulate policy all the time. I should like, therefore, to pay tribute to Heather Harvey and Fozia Hussein, who have also been very helpful to me.

The Home Office has subsequently introduced the domestic violence concession. Hon. Members on the Labour Benches will know precisely what I am talking about here; I am not sure about those on the Opposition Benches. The concession means that a woman who has been thrown out of her home or physically abused by her husband or her in-laws before she has been granted indefinite leave to remain can apply to get that leave to remain. She is then able to get money and go into a refuge, although that is not a perfect solution. I have had six successes using the domestic violence concession. Those of us who deal with these situations have to be a bit careful because we do not want the concession to be abused in any way. I have had one or two cases in which women have tried to abuse it, by telling me less than the truth. However, I got to the bottom of those cases and refused to use the concession.

Despite the fact that the Government have done all that they can to prevent this dreadful abuse of the human rights of these young women, the abuse continues in all sorts of ways. At the moment, I am dealing with at least one case of forced marriage each week. We have achieved a measure of success, however, as have my colleagues in Bradford, but the problem still exists in most northern towns and cities. We are working hard to tackle it, but at the end of the day, it is up to the communities themselves to stop these practices, either through the mosques or through the secular groups in the community centres. They ought to be working hard to persuade parents that this is not the way to behave towards their daughters—it is nearly always daughters who are at the sharp end of a forced marriage.

I have already made one or two suggestions to the Ministers involved, but I think that I have time to go through them briefly again here. They are proposals that might allow the Government to help matters, although, as I have said, it must ultimately be the communities that advise parents against acting in such an un-Islamic way as to force their daughters to marry.

We could increase the lower age limit of 18 to 21, for the purpose of acting as a sponsor for a spouse from outside the EU, and introduce a lower age limit of 21—no age limit exists at present—for applicants for entry clearance for permanent settlement as spouse. In both cases, were we able to delay until 21 the age at which women were being forced to marry and act as a sponsor, they would have a much better chance of taking on their parents, arguing against them and succeeding in getting their own way and having some say in their choice of spouse. Many of them would be happy to go along not with a forced marriage but with an arranged marriage—they simply want to do it in their own time, possibly when they have done A-levels or even a university degree.

If I had a choice, I would introduce a requirement for citizenship for anyone wishing to act as a sponsor for a spouse from outside the EU. The reason for that is that I, and other Members representing northern cities and towns, are encountering an increasing number of problems whereby a young woman has gone along with her family, has done her best, and has brought in her husband; and her husband says, two years down the line, at the end of the probationary period, "Thanks for

that, I'm going. I didn't really want to marry you in the first place, I just wanted my indefinite leave to remain." The day he gets his indefinite leave to remain, he is off.

I have many angry young women in my constituency who hate this situation. They feel that they have been used, and their parents are also angry. If citizenship were required before people could act as a sponsor, those young men—it is nearly always young men—would have to be here for five years before they were able to act as a sponsor for another wife to come in. Consequently, they would be a little more circumspect about kidding a girl that they really wanted to marry her, and after two years leaving her and bringing in another woman from Pakistan or Bangladesh.

If I had my way, I would also introduce a new criminal offence related specifically to aiding and abetting and/or coercing someone into a forced marriage. We have existing remedies in criminal law in relation to forcing a person to marry, such as bringing charges of abduction, false imprisonment, assault or rape. That does not seem to be working terribly well, however, and forced marriages are continuing apace. Sadly, we are getting not a high number but perhaps eight to 10 cases a year of honour killings, which are nearly always associated with a forced marriage. Were we to introduce a criminal offence of aiding and abetting a forced marriage, it might alert parents to the fact that they are committing a criminal offence—they are doing so already, but because it is not written out in those terms, they do not seem to recognise it. By doing so, we would be slapping them across the face with it or spraying it on their eyeballs—whichever expression one wants to use. It would really help if we were to go along that path.

I have been asked to keep my speech to 10 minutes, so I shall wind up quickly. The silver lining is that many of the young women in my constituency are now going on to do A-levels and go to university. Mums and dads do not like them to go far away, so they are doing degrees at Huddersfield, Leeds or Bradford, but that really is a step in the right direction. An increasing number are doing that every year, but unfortunately, there are still the backwoodspeople who are forcing their daughters to do other than they would wish.

I shall tell the House one story—I do not want to speak much longer. I met the other day a young lady whom I had helped to resist all her family's pressures to bring in a husband whom she never wanted to marry in the first place. We managed to get his visa stopped. She came to tell me that the visa had been stopped, and that her mum and dad had said to her, "You're behind this, aren't you?" She said, "Yes, so what?" That was wonderful, and a real step in the right direction. I have never had a young Asian woman tell me before that she had faced her parents and told them that she was behind such a refusal.

5.4 pm

Ms Dari Taylor (Stockton, South) (Lab): I take great pleasure in celebrating women's lives, and that definitely applies to today's debate. I also take great pleasure in the fact that my party has done so much in government to challenge all the factors that hinder the achievement of equality. I shall not mention them, as I have not the time, but my sisters on the Labour Benches have done so quite adequately.

There is still a strong cultural assumption that family responsibilities should continue to fall on women. That is exacerbated by employers' resistance to the idea of measures that would persuade women, and men, to accept their family responsibilities but also to use their talents in employment. One such measure is the introduction of flexible hours. Last year the 100 best companies outlined their employment policies. I think when they do so again this year their policies will include flexibility, engaging with family responsibilities, and giving women as well as men an opportunity to use their talents. I wish that other employers would follow their lead.

The cultural assumptions that still persist, although they are weakening, tend to turn on the almost universal expectation that women will undertake most unpaid child care, and the belief that men's work is more important than women's. Such assumptions may stem from poverty of aspiration, or indeed from financial poverty. Women may be desperate to keep their families going on whatever is available.

We do, however, see the weakening of those assumptions. Mothers now work in 55 per cent. of families with children under the age of five. Shift patterns are beginning to develop in family life: family and work responsibilities are being combined. In dual-earner families, fathers undertake a third of parental care, and increasingly they are becoming the "second main carers" for their children: they tend not to opt for professional care. That shows that men and women want to do things together in the family, and to share both family responsibilities and work opportunities.

I am delighted that the Secretary of State has returned to the Chamber. I suggest to her that flexible working patterns should be at the core of the next tranche of reforms relating to women and the achievement of equality. We must bear in mind the choices and opportunities that they can provide, along with the possibility of maximising family income. In 96 per cent. of cases, men are prepared to be present for the birth of their children. They are there for their children; they do not want not to be there. We must capture that, and utilise it. It is a baseline for equality. It tells us that men, like women, want to be involved in both family and work.

Last but not least in what is an inordinate gallop, let me say how much I enjoyed my last visit to India. My sister for Cardiff, North (Julie Morgan) spoke with passion and clarity about the value of meeting other women throughout the world. I should like to persuade the Indian Government to do what the Labour party has done in this country, and to accept that we must provide special mechanisms if we are to convince women that politics and politicians are taking them seriously, and that politics is where they could and should be. I think that women do politics differently. I say that unashamedly. I am not putting the men down; I simply think we are different. We do not play games, and we are most definitely determined to achieve in the realm of politics.

Having met ordinary women who are members of SEWA, the Self-Employed Women's Association, I can say that women from semi-literate or illiterate rural communities have achieved so much despite having so little. Their tenacity, their guts, their determination to do better for their children, their sense of location with

[Ms Dari Taylor]

their communities all show that women can deliver. Women are delivering. I recommend that the House never underestimate that fact and that we should encourage—in whatever way, with whatever mechanisms we can—the greater involvement of women in our political life.

5.10 pm

Laura Moffatt (Crawley) (Lab): It is a pleasure to follow my sister who was our leader in India and did a fantastic job. She is absolutely right that we did differently as women. My hon. Friend shared the responsibility of having the leadership role on that trip. It really showed how we could work together as sisters. It was a truly fantastic experience, which I shall never forget.

I proudly possess at home a badge that says, "Labour women make policy and not tea". I love that badge, because it reminds me daily of the driver that got me into the House. On Saturday, however, I will be making tea with the Crawley Labour women's forum in the town centre for all the shoppers. We are doing it to promote the whole issue of free trade and to ensure that Fairtrade is made prominent. That group of women understands that securing more Fairtrade products in the UK will improve the lives of women around the world. That is why we have linked the two celebrations of Fairtrade and international women's day. We understand how important it is to improve the lives of women all over the world. Day by day, we are increasingly achieving that.

Work remains to be done at home—the Government have made enormous strides—particularly on low pay. It is easy to say that we have improved the position by only 1 per cent. in a couple of years, but it was a hard-won 1 per cent., because it is extremely difficult to overcome all the social and cultural problems that reinforce prejudice. I pay tribute not only to the Government, but to the trade union movement, which is doing so much to help women. For example, Unison has helped health workers throughout the NHS. It has helped people with responsible jobs who are proud to be Unison members right down to cleaners who also contribute to the well-being of our hospitals.

I should like to recount one story that affected me deeply. It is about a woman in my local hospital who, sadly, was attacked in the basement of the hospital while doing her job. The person who attacked her was unwell and had managed to get away from the accident and emergency unit. He knocked her to the ground and it was later discovered that he fractured her cheekbone. That woman was one of the lowest-paid workers, but the way in which she was treated was the important thing for her. She wanted to feel valued.

In fact, the trust's response was very good. She was counselled through her difficulties and given extra support. She was allowed to carry an alarm when she eventually returned to work. However, the police response was not good: it did not value her. The police eventually rang her to say that, because the boy who attacked her came from a good home, they had decided only to caution him. She asked the question, "What sort of home do I come from?" She had worked hard and done the job that she was employed to do. I am pleased to say that we have managed to get the case reopened, which has given the woman a further sense of value and worth. I cannot resist leaving the House with the passing comment that I doubt whether the response would have been the same if a male doctor had been attacked.

Plenty of important work is going on. It was disappointing, however, to hear an hon. Member argue in the House that women were all offered the same opportunities and that the careers service could go into a school and tell all the young women that they could be astronauts, so what was the problem? Of course, there is a huge problem. If we do not value women and work with them when they are young girls and begin to have career aspirations, they will not consider themselves able to do jobs throughout our community and society.

That is why we need to be afraid of the attacks being mounted against Sure Start and the new deal for lone parents. It is no good just to talk the talk; we have to be able to put money into services and support women. Women who have taken advantage of the Sure Start services have been empowered and now have aspirations for their baby daughters. They know that that service has made them feel better about themselves and their children.

Lone parents at the further education college in my constituency get their children looked after. They are able to do the things that they always wanted to do. Careers officers used to suggest things like nursing as suitable careers, but young women now are being enabled to get the education that they need for other jobs. It is incredibly important that we safeguard the services that help women, and that we ensure that women have the power to do all the things that we know that they can do.

We must also help women to reach out to other women around the world. The beauty of our trip to India was that we had that sense of sisterhood. Whether we were with Sheila Dixshit, who runs Delhi, or two women working to improve conditions in a slum, we shared that lovely sisterhood. Today's debate is a celebration of that. I congratulate the Government on making sure that we come back every year to celebrate us as women. I hope that we will continue to do so always.

5.17 pm

Vera Baird (Redcar) (Lab): I am delighted to follow my sister and hon. Friend the Member for Crawley (Laura Moffatt), who made a dynamic speech. When I picked up the parliamentary Labour party briefing for this debate—which I am sure it is de rigueur not to mention in this Chamber—I was shocked to see how long it was. It details what Labour has done for women since 1997, and I do not jest when I say that my printer ran out of ink as I tried to download it. It was so heavy that I could not carry it, so I have not brought it with me today. I sat down to read it last night, but the task was so substantial that I considered being sponsored for charity. That would have let me hope that I could finish it in time.

Seriously, however, there is not an aspect of women's lives that has not been improved immeasurably by this Government's policies. In that context, it was simply inspirational to hear my right hon. Friend the Minister

for Women and Equality assert again today her commitment to do yet more. I have little time, so I will not dwell on how that contrasts with the miserable 20 years that women tolerated under the previous Conservative Government. I shall use the example of domestic violence, which is an issue close to my heart. This Government are introducing a Bill on a matter that was last the subject of legislation when Jo Richardson did the same more than 20 years ago—before the Tories came to power.

The hon. Member for Meriden (Mrs. Spelman) is not in her place at the moment, although I know that she will soon return. It is a tribute to her that she should have raised—albeit somewhat tangentially—the issue of domestic violence at the last-but-one Conservative party conference in 2002. The House will deduce that I am an avid reader of the Conservative party website, but the hon. Lady made the point that that was the first time that domestic violence had ever been raised at the Tory party conference.

I was going to talk about the proposed commission for equality and human rights, and say that I welcome it but want more. However, I shall abandon my legal lecture to echo the request from my hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) that a public sector duty to promote gender equality be established in the near future.

The work of Fawcett has been much praised already. For the past year, I have had the privilege of chairing its commission on women and criminal justice. The hon. Member for Chesham and Amersham (Mrs. Gillan) is a commissioner, as is the Liberal Democrat leader in the other place, Lord Dholakia. Our final report will come out in about a month. In it, we shall make it clear that there is systemic sex discrimination in the criminal justice system.

The system is made up of many sectors. The Crown Prosecution Service—I apologise to my right hon. and learned Friend the Solicitor-General for that usage: in future, I shall call it the public prosecution service—is quite good for women. The judiciary and the prisons sector are not so good. We conclude that the criminal justice system, where almost all the multiple sources of input are public sector, has gender discrimination steeped within it. That will have to be tackled. It is argued that it will be tackled across such multiple sources of input only if there is a public sector duty to tackle it.

When I was reading my way laboriously through the long PLP briefing on how women have benefited from the Labour party, I was so wearied by the long read that when I came across a section that I now see is clearly headed "Diversity in the boardroom", I misread it as "Diversity in the bedroom". However, I want to talk briefly now about diversity in the snooker room—in other words, how strongly I will support the Sex Discrimination (Clubs and Other Private Associations) Bill, which is to be introduced by my hon. Friend the Member for Telford (David Wright).

At the cost, I dare say, of a few Redcar male votes and perhaps not being bought a drink on Saturday night in the Eston and California club, I shall tell a brief story about the snooker room. It is not right that women cannot go into the snooker room there; what we cannot do is play snooker. I asked why and expected to hear that women were such idiots that they would smash the baize with the cue, but no, no, it is much more complicated than that. If a woman leans across to do a long shot and her skirt comes up, somebody looks at her legs and her boyfriend hits him, there will be a fight and it will be the woman who has caused it by playing snooker. I do not know how long it took the club committee to dream up that excuse to avoid being pasted by good women snooker players, but truly I almost resolved to go to snooker classes. Then I calmed down. I congratulate my hon. Friend the Member for Telford on his intention to introduce a Bill to put an end to this stupidity once and for all. Truly the Eston and Cali club is a pleasant place. It looks after its members and pensioners, male and female, extraordinarily well, but it is at the price of women having to acknowledge their second-class status. I think that the Government intend to support the Bill and I welcome that.

Finally on the occasion of this momentous day for women which we celebrate as women Members of Parliament, I shall briefly mention earlier women who had to contend with much more than being excluded from a game of snooker and who fought, argued and, in at least one case, died so that we could have our equal rights and, of particular resonance to us, the right to vote. There is a current issue about Sylvia Pankhurst. She was a socialist feminist who, during the campaign for women's suffrage at the turn of the century, not only braved the horrors of hunger striking and forced feeding, but founded and built a remarkable women's organisation in the east end of London. The group, the East London Federation of Suffragettes, was composed of working-class women. The suffragette movement was almost exclusively middle class apart from this. They campaigned for the vote and for social change until 1920, sticking with it long after the Women's Social and Political Union run by Sylvia's mother Emmeline and her sister Christabel had pulled out of the fight.

There is much more to be said about Sylvia Pankhurst—not least, harking back to what my hon. Friend the Member for Cardiff, North (Julie Morgan) said, that she went to live in Ethiopia. She worked hard there and championed Ethiopia when it was conquered by fascist Italy. She was invited to live there and when she died she was given a state funeral. I had the privilege of visiting her grave twice last year and the year before when I went to Ethiopia to talk to the judiciary about how to deal with domestic violence—the Ethiopian judiciary know a lot more than the Conservative party about that—and then to talk to the police about domestic violence. What wonderful women I met there, and how they all remember what Sylvia Pankhurst did for them.

Returning home, I believe that Sylvia's strategy, based as it was on an alliance between class and gender, did far more to win the vote for all women than the more elitist and, ultimately, probably diversionary politics of her mother and sister. It is thus richly ironic that the British state has chosen to honour Emmeline and Christabel for their contribution to women's suffrage with a statue to the former and a plaque to the latter outside Parliament while completely ignoring Sylvia's role. She would not especially have liked such a memorial but, as a symbol of the unsung heroism of thousands of working-class women who fought for the

[Vera Baird]

franchise and for socialism, some kind of recognition in the form of a statue is long overdue and would at long last help to correct the historical record.

I alert women to the position of the campaign for a statue of Sylvia Pankhurst on College green. Westminster city council has given planning permission for that wonderful statue, and Members may know that the Accommodation and Works Committee of the House of Commons, which has some responsibility in such matters, has agreed. However, the Administration and Works Committee of the House of Lords has turned down the proposal, saying that if a statue were to be put in such a key position there would have to be a competition. However, the site has been empty for a long time and no one has applied. The Committee also claimed that the statue does not have artistic stature, yet its members have never seen the statue.

Apparently, the decision falls to the House of Commons Commission. What better tribute could there be than for our debate to galvanise the Commission into allowing that long overdue memorial to be raised? I hope that all Members will do everything that they can to press and lobby the Commission to ensure that the campaign comes to a successful conclusion. I venture to say to my sisters that if history has to repeat itself and we are obliged to chain ourselves to railings, I hope they will all be there.

5.26 pm

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): In winding up this excellent debate, I preface my remarks by congratulating everyone who made a contribution, not least my hon. Friend the Member for Meriden (Mrs. Spelman), who is not in the Chamber at present. Owing to the brevity of the contributions during the past hour or so, we have started the winding-up speeches slightly earlier than anticipated, but I am sure that my hon. Friend will soon join us. As old protagonists in the Chamber realise, we hold this debate on women's issues annually. Sadly, such debates are inevitable while the inequalities at home and abroad—many of which have been highlighted today—continue to exist.

The Minister for Women and Equality, who opened the debate, talked in a slightly smug fashion about the late Member for Kensington and Chelsea in a way that was not worthy of the remainder of her contribution. I knew Alan Clark as a colleague; he was always thoroughly charming to me and to all my colleagues—*[Interruption.]* The Solicitor-General says that Alan Clark was never a woman—that is indeed the one thing of which we could never accuse him.

The Minister told us a harrowing tale about a Sierra Leonean woman. There was consensus, reflected by the intervention of my hon. Friend the Member for Banbury (Tony Baldry), on the victims of conflict and the horrors of war. In her remarks on Iraq, the Minister reminded the House of the disproportionate effects of war on women and children.

The Minister spoke of the positive effects of migration, which are undeniable. However, I felt that she did not emphasise strongly enough the fact that when we recruit skilled workers from other parts of the world we often deprive their systems of valuable workers, such as nurses. When I talked to Members of the New Zealand Parliament, they reminded me that they pay for the education and training of their nurses and doctors but, sadly, cannot meet the salaries that we offer in the UK, so they lose many of their skilled people abroad. I know that the Minister is aware of that problem, so I hope that she will reflect on it and try to find a way in which we can achieve a better balance.

I share the Minister's views on honour killing and the mutilation of women. I share, too, her views on job segregation and pay levels. I am particularly keen to see women in science and engineering and I shall refer later to the speech by the hon. Member for Crosby (Mrs. Curtis-Thomas). I look forward to receiving the results of the review to which the Minister referred.

I look forward to hearing more details about the commission. It will be an exciting step forward, and I hope that when the Minister for Industry and the Regions, the right hon. Member for Redditch (Jacqui Smith), concludes the debate she can give us some more information. We look forward to the development of the commission as time passes.

My hon. Friend the Member for Meriden eloquently outlined the problems presented by the pay gap, and it seems extraordinary to me—and I am sure to all hon. Members in the Chamber—that in this country in 2004, despite the strides that we have made in so many areas over the past century, people of equal ability are rewarded with effectively unequal pay. Perhaps we should send copies of this debate to all City institutions to put pressure on companies to address the pay gap as a priority. My hon. Friend has managed to achieve headlines in the *Evening Standard* on the subject this evening, which I am sure that the Minister will agree is a commendable piece of publicity on behalf of women. I hope that those City institutions will read what she says in the *Evening Standard*.

My hon. Friend went on to cover the cases of women employed in less-skilled areas of work who, by anyone's terms of reference, are often exploited, not least because they juggle family responsibilities and the need to bring an income into the household. The points that she made on pensions were telling, and I shall refer to them when I consider the contribution by my hon. Friend the Member for Tiverton and Honiton (Mrs. Browning).

The hon. Member for Sheffield, Heeley (Ms Munn) kicked off the debate, and her speech about people with learning disabilities and the sensitive issues of sexual abuse and rape was very good. As a former social worker, she obviously brings her skill and experience to the debate, and as my hon. Friend the Member for Meriden and I are leading for the Opposition on the Domestic Violence, Crime and Victims Bill, we will certainly undertake to examine her suggestions, as I hope will others involved with the Bill such as the Attorney-General.

The hon. Member for Romsey (Sandra Gidley) made a general speech covering areas such as education, domestic violence and trafficking, but I was a little surprised—as were Government Front Benchers—to find that she is not entirely in agreement with the rest of her party. I hope that she finds consensus with her

party's policies soon. We look forward to hearing her develop her own independent theories, because it is so rewarding when the Liberals are independently minded.

The hon. Member for Cardiff, North (Julie Morgan) focused on women in Wales, which is the land of my birth. There is 50:50 gender representation in the Welsh Assembly, and she asked who will commit to 30 per cent. of Members in Westminster being women. I will refer to that point later, because it is a good, international target that is recognised by many women around the world.

My hon. Friend the Member for Upminster (Angela Watkinson) gave us a balanced, realistic view of equality in unemployment, family life and sex education. I hope that her headmistress, who suggested that she become a teacher or a nurse, can see her now. Her experience informs her work in her role as a school governor, and I am sure that she will ensure that no female children in our modern, updated education system get the same advice that she got.

The hon. Member for Crosby struck a chord with me. When I first entered the House, I was a member of the Select Committee on Science and Technology for three years and as a result of what I learned I am as enthusiastic as her about WISE. I thought that her speech was a long and formidable advert for science and engineering and, if she will forgive the pun, she is a "WISE" woman. My family is doing its bit for WISE: I am proud to report that my step-granddaughter, Diana Leeming, has got her first real job as a research scientist in Denmark after spending many years at university working on a PhD. She started her job yesterday, and there were great celebrations in my house—at least one member of my family is a woman going into science and engineering.

I entered the House at the same time as my hon. Friend the Member for Tiverton and Honiton, and we are veterans of these debates. Her well-informed contribution on older women and women's finance and pensions will be welcome on both sides of the House. She used practical examples of cases that she is dealing with, and she admirably raised the problem of women's pensions poverty in the UK today.

There is an awful lot of agreement in the House on these issues, and I must pay tribute to the hon. Member for Keighley (Mrs. Cryer), who has done tremendous work on forced marriages. I remember debating the issue from the Dispatch Box, and she has been a tireless champion. I do not think that any of us, men or women, have the entire answer to that terrible problem. I see it in my constituency and she sees it in her constituency. I welcome her practical suggestions and I hope that there is some chance of a positive response. Perhaps an amendment could be tabled to the Domestic Violence, Crime and Victims Bill, because forced marriage is domestic violence against women. We would be willing to consider an amendment that could make a difference to the environment in which those women live.

The hon. Member for Stockton, South (Ms Taylor) brought to her contribution the energy that she brings to her singing. I was very pleased to hear from her, as I was to hear from the hon. Member for Crawley (Laura Moffatt), who will be out making coffee. I am tempted to come along, but I will be running a surgery in my constituency that morning. The issue of fair trade is very important, because women are disproportionately affected by some of the decisions taken on trade—as we all know. She obviously enjoyed her visit to India.

The hon. and learned Member for Redcar (Vera Baird) and I are working on the same commission, as she acknowledged. I was sorry that she chose to take so many side-swipes at the Conservative party, because we are no less passionate about the equality of women and I assure her that when we are sitting on the Government Benches with a larger number of MPs, we too will increase the number of women in the House. I was interested in her fight over the statue; it was the first time that I had heard of the problem. I cannot speak for my hon. Friends, but I can speak for myself and I agree that it is about time that Sylvia Pankhurst was recognised. It is appalling that we have hit the buffers on the issue, so if there is any cross-party action that I can take with my sisters—I cannot believe that I said that—on the other side of the House, I am willing to join in, in the spirit of us against the rest of them.

Helen Jackson (Sheffield, Hillsborough) (Lab): Will the hon. Lady give way?

Mrs. Gillan: No, I do not have enough time.

It will be 10 years ago next year since one of the first things that I did as a newly promoted Minister in the Department for Education and Employment was to travel to Beijing on behalf of the Government to sign up to the platform for action. It was the occasion of the fourth UN world conference on women and marked a turning point in the commitments that Governments made to make progress across a broad range of issues affecting women throughout the world. We believed that the conference was so significant that we sent three Ministers to represent the UK—myself, my hon. Friend the Member for Tiverton and Honiton, and Baroness Chalker, whom you know well, Mr. Deputy Speaker, from her days in this House. The declaration and the platform for action stated that

"the human rights of women are an inalienable, integral and indivisible part of universal rights".

Nine years on, that is still relevant but is as yet uncompleted and there remains much to do.

Governments and the United Nations still need to prioritise women's full and equal enjoyment of all human rights and ensure that strategies are in place not only to prevent gender-based discrimination and violence, but to provide protection and to investigate and punish human rights abuses against women. Governments and the UN still need to ensure that countries ensure the protection and promotion of human rights and take effective action whether the abuse of such rights is carried out by a private person or a state official. We have made progress in the UK, but I hope that our contributions from this Parliament will continue to promote closure on the aims of the platform for action internationally.

On the international front, Amnesty International, whose work we all respect, will launch a global campaign tomorrow entitled, "Stop The Violence Against Women", and we can support that campaign from the House, irrespective of our position or our politics. In its briefing, it reminds us of Kofi Annan's words in 1999 to mark the last international women's day of the last century.

[Mrs. Gillan]

"Violence against women is perhaps the most shameful human rights violation, and it is perhaps the most pervasive. It knows no boundaries of geography, culture or wealth. As long as it continues, we cannot claim to be making real progress towards equality, development, and peace."

Amnesty International also reminds us of some of the horrifying statistics on violence against women, and it takes my breath away to recount them. At least one in three women has been beaten, coerced into sex or otherwise abused in her lifetime. The Russian Government estimate that 14,000 women were killed by their partners or relatives in 1999 alone. The World Heath Organisation reported that up to 70 per cent. of female murder victims were killed by their male partners. I hope that we will all support Amnesty International's campaign.

We think that we must be doing better in the UK, but since the beginning of our debate, police forces throughout the country will have taken in excess of 240 calls about domestic violence, because every minute of the day a domestic violence incident is reported to the police somewhere in the UK. Approximately 240 women—it is mostly women on the receiving end—will have been assaulted or put in fear to such an extent that they or a concerned neighbour will have called the police. In fact, 25 per cent. of all recorded violent crime in England and Wales is accounted for by domestic violence, and on average two women a week are killed by their husband, boyfriend or ex-boyfriend.

We have a long way to go, but I hope that the Domestic Violence, Crime and Victims Bill, which will shortly come before this House, will give us all the opportunity to improve the protections and safeguards available to women. My hon. Friend the Member for Meriden and I look forward to working with the Government on taking the agenda forward positively. It will give me great personal satisfaction, even from the relatively impotent position of opposition, to help to fulfil one of the commitments that we made at Beijing: to develop a comprehensive national strategy to eliminate violence against women in all its forms. The Bill is one more step along the road.

As a society, we should acknowledge the pervasiveness of violence against women and confront the attitudes and discrimination that give rise to it and marginalise it. As politicians, our challenge is to ensure that the Government have well resourced strategies in place both at home and abroad, through our foreign and development policy.

I want to mention briefly the situation of another group of women, which has not been mentioned today, yet is extremely important: women in prison. The women's prison population has more than doubled over the past 10 years, and as the Government are increasing the capacity of the system it is clear that they expect more women to be sent to prison. However, of the women sent to prison, more than 70 per cent. have never been in custody before and almost half have been abused. More than 40 per cent. self-harm or attempt suicide, and more than 60 per cent. have children. Imprisonment has a disruptive affect on family units irrespective of sex, but when a woman with family responsibilities goes to prison it has a disproportionate effect. Inevitably, in many cases their children go into care, and in more than 85 per cent. of cases it will be the first time that the children have been separated from their mother. On release, the women do not automatically repair their family unit. Many women who lived with their children prior to imprisonment do not expect to have their children returned on their release.

The cycle of deprivation is almost inevitable, with girls again disproportionately affected. The London school of economics research centre for the analysis of social exclusion has shown that girls who had been in care or been fostered were especially likely to have extra-marital births, to have had three or more live-in partners, to become teenage mothers, and to experience several other negative adult outcomes—homelessness, lack of qualifications and low household income. Boys seem to be less vulnerable to the negative consequences of care and fostering than girls. That gender difference in the effect of care as an antecedent to social exclusion is dramatic. A third of women prisoners currently lose their home while they are in prison and typically the loss of home also results in the loss of possessions, which are often just thrown away.

The Prison Reform Trust has done some tremendous research on women's imprisonment, and it shows how so many of the problems facing prisoners on release are almost insoluble in the current climate. That issue must be examined carefully so that we prevent not only a conveyor belt to crime, but a revolving door of exclusion through inadequate responses to women's needs. I hope that the Minister can comment briefly on the Government's attitude to women offenders, and especially on the dramatic rise in the number of women who are being incarcerated in the UK.

The debate has once again raised the complex issues surrounding the situation of women in all areas of the world and all walks of life. I am delighted that the Government continue to follow the precedent that we set when in government of calling a debate in Government time, but I will finish on the same note as my hon. Friend the Member for Meriden. My greatest regret is that in 2004, we are still fighting for equality and human rights for women, wherever they are. I want to play my part in helping to make these debates redundant by reaching a stage at which there are no longer injustices or inequalities. I look forward to hearing from the Minister how she and I can contribute to that goal together.

5.44 pm

The Deputy Minister for Women and Equality (Jacqui Smith): I thoroughly agree with the hon. Member for Chesham and Amersham (Mrs. Gillan) about the high quality of the debate. I thank everyone for their thoughtful contributions. I also thank the many organisations that are working with women throughout the United Kingdom and internationally, especially the Equal Opportunities Commission and the Women's National Commission. Similarly, I thank my officials in the women and equality unit and the many women throughout our constituencies who are caring for their children and older relatives and keeping our schools and hospitals running, as volunteers or paid employees, breaking down barriers at work and forming the backbone of many of our voluntary organisations.

The debate gives us the chance to remember the ongoing struggle of women throughout the world for basic human rights: the right to vote, the right to have personal freedom and safety to play their role in public life and the right to better education, pay and working conditions.

In its international element, the debate reminds us of the interests that we share throughout the world. My right hon. Friend the Minister for Women outlined vividly the challenges and responsibilities that we face: to update John Donne for the day, no man or woman is an island. We share responsibilities for fellow women throughout the world.

My hon. Friend the Member for Crawley (Laura Moffatt) rightly said that as the global economy and trade brings opportunities to us in the UK, so it brings a responsibility to ensure that those benefits are not gained at the expense of others, particularly poorer women elsewhere in the world. As democratically elected politicians, we share a responsibility to ensure that women throughout the world benefit from political representation and have political voices. As we demand and implement action to tackle rape and domestic violence in the UK, we must also challenge violence against women throughout the world.

The original international women's day slogan—bread and roses—symbolises the demands for economic security and a better quality of life. Those aspirations still form the basis of our actions today. I am pleased to say that we have come a long way since then thanks to the determination and courage of women in the past. Women in the UK have had the vote for almost 80 years, although I have to say that I agree with everything that my hon. and learned Friend the Member for Redcar (Vera Baird) said about Sylvia Pankhurst.

We need to do more to ensure that women's voices are heard at all levels of public life. As more and more girls throughout the world are going to school and gaining qualifications, we need to ensure that they are able to use their qualifications to get the reward that they deserve from the work that they go into. My hon. Friend the Member for Crosby (Mrs. Curtis-Thomas), using her experience, identified the important task of breaking down occupational segregation in science and engineering. I congratulate her on her contribution to Women in Science and Engineering. I am pleased that it is celebrating its 20th birthday this year. In the UK, the number of girls graduating in male-dominated subjects such as science, engineering and technology has increased by more than half. However, we need to do more to ensure that that expertise builds our engineering and manufacturing.

I am fortunate to be Deputy Minister for Women and Equality and Minister for Industry and the Regions, with responsibility for manufacturing. Some people ask, "What are the links between those two parts of your job?" When I go to manufacturing companies, their representatives tell me, understandably, that they are concerned to ensure that they get the best people with the highest level of skills. I look around and find that there are hardly any female faces. I think that the link between the two parts of my job is obvious.

The hon. Member for Upminster (Angela Watkinson) talked about the choices that women might want to make. She said several times that women have children and that that influences their choices. Yes, it does, but as my hon. Friend the Member for Stockton, South (Ms Taylor) rightly said, fathers want increasingly and rightly to take their place in caring for their children. Nowadays, women have more opportunities to work, and fathers play a greater role at home. However, the challenge is to ensure that they have genuine choices about whether to work or stay at home, and to support them in balancing work and family life. Those choices did not come about by accident—the Government acted to support workers who requested the right to work flexibly and gave extra support, including financial support, to families and children.

It was welcome that the hon. Member for Meriden (Mrs. Spelman) concentrated on equal pay. She is right about the challenge in the financial services sector, which is why we support the initiative by the Equal Opportunities Commission. She was also right about social care. Having had ministerial responsibility for social care, I am aware of the investment that the Government are making in training, the changes that the General Social Care Council are making to the status of such workers and the overall investment that is being made in personal social services, which will feed through to achieve the pay that women deserve. Under the plans of the shadow Chancellor, cuts would of course be implemented. The hon. Lady made an important point about information, particularly for low-paid women seeking equal pay. Given the need for more information, we have introduced an equal pay questionnaire, and I support my hon. and learned Friend the Member for Redcar in her advice that low-paid women would do well to join a union. Thanks to the Government, they can join a union that is recognised in the workplace.

Several hon. Members, including the hon. Members for Meriden and for Tiverton and Honiton (Mrs. Browning) spoke about pensions and older women. Many of the poorest and most vulnerable pensioners in our society are women, which is why the Government have introduced a range of policies that benefit women directly, including the state second pension, stakeholder pensions and the pension credit, all of which aim to ensure that women who lose out because of caring responsibilities or lower levels of pay or pensioner income are supported. Without descending into party political point scoring, we should be in no doubt that given the Conservatives' determination to cut public spending, their proposals for an earnings link could be achieved only by cutting support for the poorest pensioners, which would result in a redistribution of resources from the poorest women pensioners. Another important issue for older women is access to cheap public transport, and the ability to get around independently. I hope that the hon. Member for Meriden will urge her Conservative colleagues in Redditch borough council, including their prospective parliamentary candidate, to rescind their decision to cut free bus transport for older people, including women.

My hon. Friend the Member for Sheffield, Heeley (Ms Munn) ably identified the need to ensure that women with learning disabilities have adequate protection and to enable them to make their own decisions wherever possible. She acknowledged that progress had been made in the Sexual Offences Act 2003, and her reasoned

[Jacqui Smith]

arguments for changes to the Domestic Violence, Crime and Victims Bill will doubtless receive a further hearing.

The hon. Member for Romsey (Sandra Gidley) commented on the importance of ensuring that girls and women are offered opportunities in science and can progress in such work. Like other hon. Members, she rightly highlighted the issue of domestic violence, and called for more equal pay audits. As the hon. Member for Chesham and Amersham (Mrs. Gillan) pointed out, that may not be in line with Liberal Democrat policy. I, too, was surprised, because I understood that the Liberal Democrat manifesto had already been written and e-mailed around the Welsh Assembly. In the spirit of sisterhood, perhaps my hon. Friend the Member for Cardiff, North (Julie Morgan) could help the hon. Member for Romsey out with her party's plans.

The hon. Member for Romsey made some important observations about post-conflict situations, particularly the need for both political and economic development to safeguard the position of women. As my right hon. Friend the Minister for Women acknowledged, there are considerable problems, but there has also been considerable progress. I pay tribute to my right hon. Friend for her commitment and action in ensuring that this matter is kept at the front of our minds for Government action.

My hon. Friend the Member for Cardiff, North very ably outlined the difference that women have made in public life from India to Wales. She rightly pointed out the situation in Wales. We should congratulate the Welsh Assembly on the fact that 50 per cent. of its Members are women. In Wales the Government changed the law to enable action to support women getting into the Assembly. The Labour party there—and now in the United Kingdom as a whole—has made use of it, and we have seen the difference that that has made.

I strongly endorse the comments of the hon. Member for Chesham and Amersham about the considerable efforts of my hon. Friend the Member for Keighley (Mrs. Cryer)—and, I must say, her considerable bravery—in tackling the issue of forced marriages. My hon. Friend made an informed and considered, but also impassioned, contribution on the subject. As I think she recognised, the Foreign and Commonwealth Office in particular now has considerable resources devoted to the issue, as well as a unit devoted to it, which I know has already produced guidance for police forces and social services. I have no doubt that it will listen to my hon. Friend's concerns, expressed in a measured way, with a view to improving the situation even further.

My hon. and learned Friend the Member for Redcar pushed again on the issue of the public duty for gender equality. My right hon. Friend the Minister for Women made clear our commitment to and support for that public duty. I also assure my hon. and learned Friend that we shall support the Bill proposed by my hon. Friend the Member for Telford (David Wright). I look forward to her playing snooker in the very near future.

One of the ways to guarantee the progress demanded by hon. Members today is to ensure that there is a strong institutional framework to tackle discrimination and promote equality. It was to ensure this that we carried out the first review of our equality institutions for 25 years, and, last October, announced the creation of a Commission for Equality and Human Rights. It will champion equality and human rights, give better support and advice to individuals, businesses and public authorities and crack down on discrimination.

A single body will have a stronger impact, and, in its ability to work across strands, will fit better with how we see ourselves and what factors lead to disadvantage. People do not see themselves as categories, but we know that a woman from a particular ethnic or religious background may face different challenges in getting a fair deal from those faced by a disabled woman.

We are not only drawing together the existing equality commissions along with the new equality legislation, but are adding the promotion of human rights to the mix. In fact, we are putting human rights at the heart of the new politics of equality.

We brought home the rights in the European convention on human rights in the Human Rights Act 1998. What really interests me about human rights legislation is the practical difference it makes to the lives of ordinary people. The Act enables us to tackle issues that are mainstream, not marginal. For example, how should our public services treat us? What do we do when one person's basic rights conflict with another's?

The new body will be able to work to embed a culture of respect for human rights in public services and help public bodies to understand their obligations under the Human Rights Act. It will help to improve public service delivery by supporting the move away from a one-size-fits-all approach to public services, and human rights values will help the new body to balance one person's rights against another's.

In conclusion, I again thank hon. Members for their contributions to the debate. The message must go out loud and clear that pursuing equality is not a minority pursuit. It is about ensuring opportunity for all, making full use of the talent that lies within our economy and society, with gains to the whole economy and all of us. I want to live, and I want my sons to grow up, in a society and a country where prejudice and discrimination are challenged, where everyone has the opportunity to reach their full potential, where people's talents, skills and differences are recognised, acknowledged and valued, and where we can all feel safe and live in communities built on respect for each other. We value international solidarity, so we recognise our responsibility to ensure that across the world as well. As a Government we will continue to work to that end.

It being Six o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Morecambe Bay

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Ainger.]*

6 pm

Geraldine Smith (Morecambe and Lunesdale): In this debate I intend to confine my remarks to an examination of written information that I have received from the Home Office relating to enforcement action by the immigration service in the Morecambe bay area, which I believe to be inaccurate and misleading, and to the subsequent statements made by Government spokespersons to the media that that information was true.

With your permission, Mr. Deputy Speaker, I shall begin by quoting relevant passages of the correspondence between the Home Office and myself, and go on to identify the parts that I believe to be inaccurate and misleading. I shall then give details of the events that did occur in Morecambe. Finally, I shall sum up and invite the Minister to answer the points that I have raised.

I wrote to the Minister of State at the Home Office informing her of a report that I had received from one of my constituents, who is a fisherwoman. My constituent contacted me after being involved in a Department for Work and Pensions and police raid on Pilling sands on 19 June last year. She apprised me of her concerns about the exploitation and danger faced by a large number of people of Asian origin. She told me that the police and the DWP had been unable to interview any of those people because they did not speak English and did not have an interpreter with them. She said that she had been told that despite making efforts over a number of weeks, the police had been unable to get the immigration service to participate in the raid.

I subsequently received a reply dated 8 August 2003 from a junior Home Office Minister that included the following paragraphs:

"You have commented that the circumstances point to a large number of illegal immigrants at work that day and you say that Lancashire Constabulary and local DWP agents had planned this operation but apparently had been unable to get co-operation from the Immigration authorities.

I can confirm that the Immigration Service staff were aware of this operation. The DWP and the Police had contacted our office in Liverpool and discussed a matter with them.

Let me begin by saying that several of the issues your constituent has raised, namely the evasion of tax on national insurance, rates of pay and the use of over laden boats are not matters over which the Immigration Service has any jurisdiction. These are matters for other agencies and those agencies do not need the Immigration Service present in order to conduct an investigation.

These agencies are able to provide their own interpreters and interview them using their own powers.

The issue over which the Immigration Service does have jurisdiction is that of illegal immigrants. I can tell you that similar exercises to this have been carried out in Morecambe Bay and other similar areas in the past, which the Immigration Service have participated in."

The Minister goes on to explain in some detail the particular difficulties in dealing with Chinese illegal immigrants, and states:

"Accordingly local managers must decide which area of work is likely to be most productive and allocate resources accordingly. For these reasons, rather than any unwillingness to tackle illegal immigration or co-operate with the DWP and police, it was decided that it would not be appropriate in this particular operation."

After the recent tragedy in Morecambe bay, the full contents of both of those letters became public knowledge, and there was widespread media interest in the fact that the immigration service had chosen not to participate in the Pilling sands operation. The Government were widely reported as saying that Pilling sands was an isolated case and that the immigration service had been involved in a number of similar operations in Morecambe bay and elsewhere, both before and since the incident.

When I was asked by a journalist to comment on that statement, I said that I had no knowledge of any recent operations taking place in Morecambe bay and that I would seek to obtain the details of any such operations as soon as possible. On 12 February, I met the Minister at the Home Office and raised the matter with her. Bearing in mind the Government's public position on the subject, I was rather surprised that neither she nor her officials had any information readily to hand. She did, however, undertake to supply it to me as a matter of urgency. Indeed, next day I received a letter from her in which she stated:

"I explained that there is ongoing enforcement activity in the Morecambe Bay area, with the specific purpose of tackling the cockle-picking problem. A successful police and immigration operation went ahead in August 2003, just before you received a reply from Fiona Mactaggart on the previous DWP operation in June. On this occasion 37 cockle-pickers were arrested. You were not aware until today that this had taken place and explained that this may have been because it took place in a part of the bay that was not in your constituency. I have attached at Annex A a specific breakdown of the relevant activity."

That breakdown listed the following immigration operations under the heading, "Immigration service activity involving cockle-pickers in Morecambe bay since June 2003". I quote:

"19th June 2003—Pilling Sands, near Morecambe . . . 19 June a joint police and DWP operation was conducted at Pilling Sands near Morecambe Bay. This was primarily an intelligence-led operation focused on benefit fraud. The intelligence and planning was focused on the police and DWP as the priority agencies for this particular operation.

5th August 2003—Morecambe Bay (the sandbank close to Morecambe town) . . . 37 Chinese cockle pickers were arrested by the police in Morecambe Bay. This was a police led operation. UKIS provided Immigration Officer assistance.

6th August 2003—Morecambe Bay (the sandbank close to Morecambe town) . . . The following day, on 6 August DWP led operation was scheduled to take place and UKIS had allocated Immigration Staff to assist. Because of the previous day's operation by the police, there were no further arrests on this occasion."

A cursory glance at the details associated with the three operations purported to have taken place in the Morecambe bay area told me that the information that I had been given was seriously flawed. Therefore, having carefully considered the options open to me, I decided to write back to the Minister on 19 February to make her aware of my concerns and to ask her to investigate the issue. I also informed her that I felt that I had a duty to place what had occurred on the public record. She replied to me later on the same day, stating:

"One of the objectives of the meeting was to brief you on the Immigration Department's enforcement activity in relation to cockle-picking in general and most particularly that in Morecambe Bay. The details I supplied about the major Police/Immigration Service operation on 4/5th of August were correct and I stand by them."

[Geraldine Smith]

Does the Minister still stand by them? She continued:

"I also included details of the DWP operation on 6th August which IND officials mistakenly informed me was in Morecambe Bay. In fact, although it was another cockle-picking operation, it took place elsewhere in the North West. Obviously I regret this minor error but I hope you agree it does not in any way materially affect the information I was providing you on the major operation that took place in August 2003 in Morecambe."

The Minister's position was further reinforced by a Government spokesperson who confirmed to the media that the information that had been given was correct. In view of that, I decided to write to the Home Secretary to ask for a meeting to discuss the issue. I was therefore rather surprised when, on 23 February, in reply to a question from the right hon. Member for Haltemprice and Howden (David Davis), the Minister of State said that she was holding an inquiry into the information that I had been given. The Home Secretary subsequently confirmed that in his reply to my letter. I am left to wonder what prompted her change of heart.

I shall outline the specific reasons for my belief that the information that I received from the Minister is misleading and inaccurate. I ask for the following points to be considered. First, to cite the operation on Pilling sands as an example of immigration service enforcement activity beggars belief. The fact that the immigration service had declined to participate in that operation triggered my original letter to the Minister in June last year. It appears that affirmed inactivity is being claimed as positive action.

Secondly, I am concerned about the operation that allegedly took place on 5 August in Morecambe bay on a sandbank close to Morecambe town. No operation took place on any sandbank close to Morecambe town on that day or on any other day that year. The cockle beds in my constituency were closed until December. No one picking cockles was arrested, as stated in the details associated with the alleged raid. That probably explains why I was unaware of the activity—it simply did not happen.

My third point refers to the operation that is listed in annexe A as occurring on 6 August 2003 in Morecambe bay on a sandbank close to Morecambe town. Although the Minister acknowledges in her letter of 19 February that the specific location was incorrect, I do not agree that the substitution of a precise site for a vague location

"elsewhere in the North West"

was a "minor" error.

Even more serious is the statement in the annexe that

"because of the previous day's operation by the police there were no further arrests on this occasion."

The link between the two operations that were alleged to have taken place at the same precise location rules out the possibility that the inaccurate information could have been supplied in error or through incompetence. It is clear to me that whoever was responsible for producing the information set out deliberately to mislead.

I understand that the Department for Work and Pensions operation on 6 August took place in the Dee estuary and would not have been affected by a police operation in Morecambe. I also understand that the immigration service did not participate in the operation on the Dee. Perhaps the Minister could confirm that. I believe that the points that I have raised clearly justify my claim that the information that I received from the Minister was misleading and inaccurate.

I should like to refer to two events that happened in Morecambe and involved the immigration service. The first took place just before midnight on 29 July last year. Following complaints from local residents, the police attended a house in central Morecambe and found 22 people, who were believed to be Chinese, occupying a ground-floor flat. Most of those people spoke little or no English and the police were unable to establish their status as regards their presence in this country. Despite repeated attempts, they were unable to contact the immigration service for help, getting only an out-of-hours answerphone. The police did not have the capacity to house the 22 people safely in custody if they arrested them, and the owner of the premises insisted that they were removed. The police removed them from the property and left them to wander the streets of Morecambe in the middle of the night, cold and wet.

The second event took place on 4 August last year. Again, following complaints from local residents, police attended a house in Morecambe and arrested 37 Chinese nationals on suspicion of being illegal immigrants. They housed those arrested in police stations in Morecambe, Lancaster and Fleetwood. The first arrests took place at 4.35 pm, and the immigration service was immediately contacted. It took it some 20 hours to arrive to help the police to process those arrested. I understand that the police may hold people for only 24 hours. All those arrested were then released back into the community.

I stress that both those operations arose as a result of complaints from members of the public relating to antisocial behaviour, and were in no way, in the words of the Minister,

"part of ongoing enforcement activity in the Morecambe Bay area with the specific purpose of tackling the cockle picking problem."

In closing, I draw the House's attention to the fact that I have submitted a number of named-day questions to the Home Office, which it has as yet failed to answer. Therefore, will the Minister answer the following questions when she replies? Will she confirm that the information that I received in her letter of 12 February was inaccurate and misleading? Will she confirm that no police or immigration service operation took place in Morecambe bay on a sandbank close to Morecambe town on 4, 5 or 6 August 2003? Will she confirm that no persons picking cockles were arrested in Morecambe bay as a result of police operations in Morecambe bay on 4, 5 or 6 August 2003?

Can the Minister give details of any proactive, multi-agency, ongoing enforcement activity in the Morecambe bay area with the specific purpose of tackling the cockle-picking problem during 2003? Can she say who was responsible for the inaccurate and misleading information that I received? Can she say what, if any, remedial action is being considered? Can she assure me that when the Home Office has finished its internal inquiry into the matter, a full statement will be made to the House? Finally, when she replies to the debate, will she concentrate on answering as many of my questions as she can, and not seek to avoid them by giving the House a sermon on Government policy?

6.17 pm

The Minister for Citizenship and Immigration (Beverley Hughes): I start by paying tribute to my hon. Friend the Member for Morecambe and Lunesdale (Geraldine Smith) for the detailed work that she has undertaken, for the support that she has shown to her constituents, both on the night of the tragedy in Morecambe bay, 5 February, and subsequently, and for her work to ensure that everything is done to prevent such an event from happening again. The Government and I share the widespread concern about that night's tragic events, and sympathise with the bereaved. The police investigation is ongoing, and I am confident that the police's ability to bring the perpetrators to justice will prevail.

The current position is that a number of people have been arrested on suspicion of manslaughter in connection with the deaths that night. I cannot give further details, but two immigration officers continue to provide their full-time support to the police, and they have already provided invaluable assistance with the identification of the deceased.

The subject of the debate is, primarily, the information that the Under-Secretary of State for the Home Department, my hon. Friend the Member for Slough (Fiona Mactaggart), and I provided about various incidents involving cockle pickers in Morecambe bay last summer. It will help our debate if I briefly set out the background to those incidents, and the related correspondence.

As my hon. Friend the Member for Morecambe and Lunesdale said, she wrote to me on 28 June to express her concerns about cockle picking in her constituency, and in particular her concern about the immigration service's apparent non-attendance at an operation involving the Department for Work and Pensions and Lancashire police at Pilling sands, near Morecambe, on 19 June. My hon. Friend the Under-Secretary replied on 8 August. She confirmed that the operation on 19 June had primarily focused on benefit fraud, and that previous operations had found few, if any, removable offenders. The letter went on to say that intelligence suggested that that would be the situation on 19 June and that the Chinese nationals concerned—if there were any—would not provide us with sufficient evidence to mount a charge for employment offences against those who employed them. The position then, as now, was that the immigration service, and any other service involved in policing illegal working, had to maximise the effectiveness of its enforcement resources in the light of various competing priorities. It was felt that the attendance of the immigration service on 19 June would not, because of the nature of that particular operation, be an effective use of resources.

My hon. Friend mentioned that my right hon. Friend the Home Secretary recently announced an examination of the resourcing and management of immigration enforcement. This will examine issues including the resources currently devoted to enforcing the immigration law in this country, and how those resources are deployed. My hon. Friend the Under-Secretary also set out in her letter the fact that the immigration service was fully committed to assisting the police and other agencies with tackling the problems associated with illegal working and with cockling in Morecambe bay, and I would like to say that that remains the case. She evidenced this commitment by reference to incidents involving cockle pickers which the immigration service had supported both in Morecambe and elsewhere, before the operation on Pilling sands. My hon. Friend the Member for Morecambe and Lunesdale has had that information, but she has chosen not to mention it today.

On 4 August 2003, the police arrested 37 cockle pickers in Morecambe. I understand that the police received telephone calls during early August concerning groups of apparently illegal Chinese immigrants. Those calls related either to the occupation of local premises or to cockling on local public fisheries. On 4 August, the police attended a local address following further complaints of suspicious activity, and police records show that they started to arrest Chinese cockle pickers at 4.35 pm on 4 August 2003. Police records indicate that they first contacted the immigration service's office about the activity that they were undertaking during the evening of 4 August.

Geraldine Smith: Will the Minister give way?

Beverley Hughes: I should like to finish this point because it is important—

Geraldine Smith: This is important.

Beverley Hughes: It is important to get this in sequence, but I shall certainly give way in a moment.

The police made a significant number of arrests and made arrangements for the safe accommodation overnight of the detainees at police custody suites in the area. During the morning of 5 August, the immigration service's Liverpool office immediately started to draw a team together, with the equipment necessary to interview, fingerprint, photograph and serve illegal entry papers on the Chinese nationals, as appropriate.

Geraldine Smith: Will the Minister give way?

Beverley Hughes: I am just finishing this point.

Geraldine Smith: This is important.

Beverley Hughes: I will give way in a moment.

Having completed checks during the morning against the relevant databases and obtained an interpreter, an immigration officer from Liverpool arrived at Lancaster police station at 1.24 pm to assist the police in identifying the immigration status of those who did not appear on Home Office records. Two immigration officers continue to provide support to police in the area.

Geraldine Smith: Will the Minister comment on the operations that she referred to in her letter to me? It mentioned one on 5 August at Morecambe bay, on a sandbank close to Morecambe town, and one on 6 August on the sandbank close to Morecambe town—operations that did not take place. Is she seriously suggesting that the reaction of the police to complaints

[Geraldine Smith]

from residents in Morecambe is directly comparable with a pre-planned multi-agency operation that took place on Pilling sands or, indeed, on the Dee?

Beverley Hughes: No, I am not saying that. I shall get to that point in a moment.

The next relevant incident that my hon. Friend referred to occurred on 6 August at Thurstaston on the Wirral Dee estuary. This was a Department for Work and Pensions-led operation that targeted cockle pickers on the River Dee. The immigration service provided two immigration officers in support of the operation, but no foreign nationals were encountered on that day.

We now arrive at the tragic events of 5 February this year, after which I had a meeting with my hon. Friend, on 12 February. During our meeting, I agreed to set out in writing the immigration service's enforcement activity in relation to cockle picking, which I did the same day. We tried to fax it to my hon. Friend that day, but we could not get it through on the fax machine. I also promised to let her have details of the number of rescue operations carried out in the Morecambe bay area, and I have written to the Maritime and Coastguard Agency to ask it to provide her with the information.

My hon. Friend then wrote to me on 19 February to point out what she considered to be discrepancies between the information in my letter of 12 February and the events as she understood them. I responded that day by saying that I understood that the details that I had given about the incident on 4 and 5 August were correct, but that I had been given the incorrect location for the operation on 6 August by officials—an error which I regretted.

An investigation of how the erroneous information came to be given to me by officials has been undertaken by a senior member of the immigration and nationality directorate. It highlights significant inadequacies in record keeping in the Liverpool enforcement office. As a result, the details that I sent to my hon. Friend were drawn up on the basis of the recollection of staff who were available at the time, and they have turned out to be faulty. I am satisfied that this was done with the best of intentions of giving as full an account as possible. However, the staff responsible have been told in the strongest terms that in such cases the need for accuracy is absolutely paramount. Information should be checked, and any doubt about its accuracy should be made clear.

Geraldine Smith: What about the linkage in the operations between 5 August and 6 August? If it was just a simple error, it was just incompetence, and officials made a mistake about the location, why did they link the two operations together, and why did they say that no one had been arrested on 6 August because of the arrests on the previous day?

Beverley Hughes: Perhaps I can clarify those issues as I continue.

The most serious problem is the absence of satisfactory records on the basis of which a confident and accurate account could and should have been given. The investigating officer, supported by a colleague from IND's human resources directorate, will now look further into how these management failures came about so that senior management can consider what further action would be appropriate. In the meantime, an additional senior manager has been appointed to lead the Liverpool office and to implement the necessary changes there.

Now that the matter has been investigated, it is also clear that aspects of the details given to me by officials about the role of the immigration service in the events of the 4 August and 5 August were not wholly accurate, and I regret that as a result my hon. Friend was not given the full picture. However, the broad outline of that picture was correct—that on those days there was a police-led activity in the Morecambe bay area involving Chinese cockle pickers, which the immigration service supported when requested.

Geraldine Smith: Will the Minister give way?

Beverley Hughes: I will give way one more time, but I say to my hon. Friend that she has made understandable allegations, and I must put on the record the facts as I now understand them.

Geraldine Smith: But the Minister has not answered any of my questions. It is just not true that the police arresting 37 people on Chatsworth road, Morecambe, as a result of complaints from members of the public is the same or in any way comparable to a pre-planned immigration operation.

Beverley Hughes: No, and I am not saying that it is the same. What my hon. Friend needs to understand, however, is that operations against illegal workers take place in a variety of different ways—sometimes spontaneously, sometimes conducted in a planned way by one agency, and sometimes conducted in a planned way by agencies operating together. That does not negate the fact that strong co-operation exists, and that agencies try to respond to requests for assistance from any of their colleagues in other agencies. I agree with her that this was not a jointly planned operation—the police were acting spontaneously in relation to facts that were brought to their notice. They did not inform the immigration service about their intentions to act on this. They decided to initiate the activity themselves, which is within their province, and they did not inform the immigration service of this activity, which was clearly going to involve foreign nationals, until the evening of 4 August.

Geraldine Smith: Will the Minister give way?

Beverley Hughes: No, I am going to conclude, because we have almost run out of time.

I would not want my hon. Friend to conclude from this that the priority given to illegal working is less than it should be. Over the last financial year, there has been a substantial increase in resources of £40 million within the immigration service. There have been a very large number of major operations to apprehend illegal

workers, and a very large number of additional people have been apprehended and removed, despite the difficulty with Chinese people. And in relation to the activity of our organised branch, the Reflex operation, a large number of the criminal gangs behind this illegal working have been disrupted. I therefore hope that she will accept that while I regret the wrong information given to me and to her, that does not negate the excellent work that the immigration service and other agencies are fulfilling in tackling this very serious problem.

Question put and agreed to.

Adjourned accordingly at half-past Six o'clock.

House of Commons

Friday 5 March 2004

The House met at half-past Nine o'clock

PRAYERS

The Chairman of Ways and Means took the Chair as Deputy Speaker, pursuant to the Standing Order.

[SIR ALAN HASELHURST *in the Chair*]

Orders of the Day

Promotion of Volunteering Bill

Order for Second Reading read.

9.33 am

Mr. Julian Brazier (Canterbury) (Con): I beg to move, That the Bill be now read a Second time.

I am grateful for this opportunity to introduce my Bill to promote and defend volunteering and, especially, those forms of volunteering that bring sport and adventure training to our communities. I must thank all the organisations that have helped to prepare the Bill. In particular, I thank the Central Council of Physical Recreation, which represents most of the country's national sporting organisations; SkillsActive, the sector skills council for active leisure and learning; and the Campaign for Adventure, which under the patronage of the Duke of Edinburgh brings together all the major outward bound organisations, such as the Youth Hostels Association, the YMCA, the girl guides and so on. I must also thank two lawyers—Michael Harbottle and Roy Amlot QC—as well as Mr. Harrison of the Clerks Department for their help in preparing the Bill.

I am grateful to the Under-Secretary of State for the Home Department, the hon. Member for Slough (Fiona Mactaggart), who I am pleased to see in her place, and to the Secretaries of State for Education and Skills and for Culture, Media and Sport for giving up their time to see delegations. I am particularly grateful to the shadow Minister, my hon. Friend the Member for Beckenham (Mrs. Lait), who I am delighted to see in her place, and to a number of colleagues on both sides of the House who have come to support the Bill.

Ten million people volunteer each week, and a staggering 22 million each year. By far the largest single category of volunteers—more than a quarter of the total according to a survey quoted by the Library—are in the sport and adventure training areas. Sport England has estimated that the value of volunteering to sport is an unbelievable £14 billion a year in equivalent wages. Some volunteer through sporting clubs or other voluntary bodies, some through schools and some through the voluntary arms of businesses. But of the 26 countries in the developed world, Britain is the third worst for obesity. A quarter of our population are now seriously overweight. Worst of all, a third of British youngsters between the ages of two and 15 are overweight and one in six is clinically obese. What has gone wrong?

The media have recently carried many stories of schools abandoning school trips because of the fear of litigation. I saw a couple of days ago that one school has even abandoned its pancake race.

Mr. John Burnett (Torridge and West Devon) (LD): I am a strong supporter of the Bill and I shall make that clear if I catch your eye, Mr. Deputy Speaker. I think that that particular case occurred in my constituency. Steps were taken to remedy the problem, and although it took an enormous amount of trouble, it was eventually overcome.

Mr. Brazier: I am grateful to the hon. Gentleman for that intervention. I am glad to hear that the problems were overcome, and I am also pleased that he is one of the co-sponsors of the Bill.

One of the teaching unions, the National Association of Schoolmasters Union of Women Teachers, recently advised its members not to take children on school trips at all. It said:

"In an increasingly litigious society which no longer appears to accept the concept of a genuine accident, our first responsibility must be to protect our members' interests."

I do not think that that should be its first responsibility. The fact that a teaching union should argue that teachers should not take their children on trips should seriously worry us.

In December, Sport England issued a joint press release with the Central Council of Physical Recreation pointing to the threats to volunteering in sport. It said:

"Sport will die without volunteers and the clubs in which they work . . . the research revealed that sports volunteers are coming under increasing pressure. Threats to people taking up volunteering . . . include"—

these are the first two items—

"Risk, fear and blame and the threat of litigation . . . Increasing bureaucracy".

Mr. Andrew Love (Edmonton) (Lab/Co-op): Although I strongly support the principle of increasing volunteering that is behind the Bill, I put it to the hon. Gentleman that the concerns about bureaucracy and risk that he has given as the primary concerns of the volunteering movement do not appear to be borne out by the studies that have been carried out. Is he missing the point with this Bill?

Mr. Brazier: I am grateful to the hon. Gentleman, but I am quoting Sport England, which is a Government quango, and the Central Council of Physical Recreation, which is the body that brings together all the major sporting organisations from the Football Association to the Rugby Football Union—270 in all, I believe. I have referred to the joint survey that they have carried out of those involved in the largest single category of volunteering—sport and adventure training. I fully accept that many other worthwhile forms of volunteering—I am wearing a Marie Curie Foundation emblem in my buttonhole—may have different concerns. However, I have mentioned the two main concerns in this crucial sector.

Mr. Love: I hope to go into this issue in slightly more detail later this morning, but I refer the hon. Gentleman

[Mr. Love]

to the study carried out by the national survey of volunteering in 1997 and to a second survey on volunteering management. They are the two most comprehensive studies that have been undertaken and neither of them highlights the issues that he has outlined as of primary concern to the volunteering movement.

Mr. Brazier: I understand that point and I am grateful to the hon. Gentleman for his intervention, but all the legal cases to which I shall refer occurred after 1997. The study to which I am referring took place only three months ago.

Mr. Ian Taylor (Esher and Walton) (Con): I am fascinated by my hon. Friend's speech, but surely everything in our constituencies goes against the conclusions of the report that he cites.

Mr. Brazier: I entirely sympathise with my hon. Friend, and I am grateful to him for co-sponsoring the Bill, but I think I will develop my case. Priorities have changed a lot since 1997, and although the Bill is a specific attempt to address the concerns of those in the sport and adventure training volunteering sector, several other groups that I shall talk about also support it.

I am a strong supporter of safety. Having been responsible for a fatal accident on the roads, albeit in a totally different context, I know only too well what the horrible consequences of that for an individual and his family can be. None the less, we do not make the world a safer place with the kind of civil litigation that is undermining sport and adventure training for young people and increasingly targeting volunteers. We have some of the safest sport and adventure training in the world. I know parachuting quite well, and I am constantly struck by how much safer our parachuting is than that in north America and continental Europe.

Perversely, by allowing the persecution of volunteers through litigation, we are making life far more dangerous. For every sporting tragedy, there are now dozens—perhaps hundreds—of health tragedies as young people face illnesses and disfigurements that used to be mostly of only old age. They range from obesity to heart disease, and sometimes lead to people losing their lives.

The problem goes well beyond immediate physical health. Sport and adventure training are vital for producing leadership, developing the understanding of risk taking and training people in the ability to cope with the dangerous and unexpected, which can occur in many contexts in life. A failure by society to provide young people with healthy, structured and safe outlets for their energies and enthusiasms will only lead, in many cases, to their finding their own outlets. At best, those will be a lot less safe, and at worst they will end in criminal activity.

I have seen the work of organisations such as the Army Cadet Force in the east end of London, and I took youngsters from deprived areas in the north of England on Operation Raleigh—Colonel John Blashford-Snell's scheme. With both, I was impressed beyond belief by the character-building opportunities. Sport and adventure training develops the best in kids on the margins of society—especially, but not exclusively, those children—and saves some from terrible fates. I am extremely impressed by the work of youth clubs in my constituency. Indeed, Whitstable yacht and rugby clubs have done a great deal for my sons.

At a conference three years ago, Prince Philip commented:

"Modern society is being over-protective. We should not be excluded from adventure and risk-taking by a nanny state. There is more danger in not exposing people to risks than exposing them. The downside for society is far greater if it's totally safe than if it has risk."

The growing population of unhealthy overweight British children and the army of disillusioned antisocial youngsters on our streets are testimony to his words.

In the recent excellent report produced by the right hon. Member for Holborn and St. Pancras (Mr. Dobson)—I am delighted to see him in the Chamber—he comments:

"Play cannot be made risk free. Learning to judge risk is one of the benefits children get from play ... The blame culture, increasing litigation and consequence rises in the cost of insuring playgrounds is making life more expensive and difficult for councils and voluntary organisations alike ... Parliament may need to give special statutory protection to play organisations"—

that is what we are trying to achieve today.

My youngest son fractured his wrist while climbing off a climbing frame in his school playground last year. Although I had to reprove him for being caught on the same frame, plaster cast and all, only hours after leaving hospital—little sod—I admired his spirit and certainly do not want to sue anyone. *[Interruption.]* I am sorry if I used an unparliamentary expression, Mr. Deputy Speaker.

I agree entirely with the right hon. Member for Holborn and St. Pancras. We have to accept that volunteers who give up long hours of their time and take on the burden of responsibility must enjoy a degree of protection from persecution through civil litigation in the courts when things go wrong.

Let me give some examples. Six years ago, a 17-year-old boy on a school trip had to be twice reproved for dangerously skiing off-piste by the teachers from Woodbridge school who were giving up their time to escort him. He finally had a serious accident and broke his back. His parents sued the school and won the case in the lower courts, on the grounds that the young man should have been thrown off the slopes for behaving foolishly, even through the accident occurred while he was skiing on-piste. It took five years before the Court of Appeal finally overturned the judgment last year. One can only imagine what the teachers who gave their time to organise the trip must have gone through: they saw the horrible accident, had to cope with it and, finally, went through five years of litigious hell.

One case has been highlighted by Roy Amlot QC, an adviser to Campaign for Adventure, as especially threatening to adventure training, although it is the only case that I shall mention today that did not involve a volunteer. A judge found negligence against a mountaineering instructor, despite accepting the facts of the case, on the grounds that he, the judge, disagreed with the mountaineering instructor's judgment of the best way to handle a landslip.

Let me now turn to the world of rugby. Two recent cases that were both brought against individual volunteer referees have gone all way to the Court of Appeal and both have been upheld. The first case, Smoldon *v.* Whitworth, caused a terrific shudder to go through the rugby world as it was the first time that a negligence claim had been upheld after a tragic accident. Lack of time prevents me from going into the detail of the case, but aggravating circumstances were involved beyond a simple breach of the rules by the referee, including the fact that the captain of the team on which the young man who was seriously and permanently crippled had played complained to the referee about his failure to uphold the new rule on scrums before the accident took place. The Court of Appeal carefully phrased its judgment in such a confined fashion as to make it clear that it was deliberately heading off opening the floodgates for further actions that would undermine the game.

The second case, Vowles *v.* Evans and another, was heard by the Court of Appeal last year. Far from being an extreme case, it simply turned on whether the referee was right to allow someone inexperienced to act as a substitute. The case lowered the bar. As the QC for the defence argued persuasively, frankly it opens the door to any number of cases against referees who make honest mistakes that lead to serious consequences. There will be serious injuries in a rough game from time to time.

Mr. Burnett: I had a look at the synopsis of the Vowles *v.* Evans and another case and I was absolutely amazed by the Court of Appeal's judgment. Having said that, I have not heard the evidence or read the case in enormous detail. Will the hon. Gentleman tell the House whether the case is due to go to the House of Lords or whether it is out of time for a further appeal?

Mr. Brazier: I am embarrassed to say that I do not know the answer. I understand that that will not happen, but the Minister might have further information.

Serious injuries that might change people's lives will occasionally occur in rough games and adventure training. We accept that in other areas, and accept that such cases will arise occasionally even with a safety practice that is among the best in the world. However, if people who get cold, wet and tired—such as the participants in sport and adventure training—are to be punished for reasonable mistakes because they are followed by tragic results, volunteering will dry up. It is no wonder that the survey that I cited earlier found that that is the primary concern among those who volunteer in sport.

Mr. Love *rose—*

Mr. Brazier: I have given way twice. I look forward to the hon. Gentleman's remarks, but want to make a little progress, if I may.

One of the effects of the rugby judgments is that a growing number of schools have stopped playing rugby. A recent conversation with a headmaster who had just taken that decision and whose school no longer offers rugby was one of the things that led me to introduce the Bill.

I asked Slade Perkins, the insurance brokers and advisers to the Central Council of Physical Recreation, the head of the voluntary sports movement, for a few examples of ongoing cases. Both client confidentiality and the Data Protection Act 1998 prevent me from giving chapter and verse on them, but I can summarise some of the cases on its list. A football referee in Hertfordshire is being sued because last year he tripped on a small hole in the local park's pitch. A member of a walking group took part in a trip to Wales with about 15 friends. One of them was injured and is suing the person on the grounds that he was the de facto group leader simply because he was the most qualified person there. A martial arts instructor in Bedfordshire is being sued by the parents of 10-year-old boy who injured himself performing a simple move that he had successfully completed many times before. A student—this is a commercial case, but it is still relevant—was banned from his gym as a result of a disciplinary issue. A year later, it refused to re-admit him because he had caused enough trouble. Two years after that, the instructor received a solicitor's letter, claiming that the student had been seriously injured in a training incident many years before and that he was holding the instructor responsible.

Most of those cases will never get to the courts and, as such, we will never know about them because insurance companies, especially since that last rugby case, are desperate to settle out of court. Slade Perkins tells me that out-of-court settlements are happening up and down the country all the time. The best measure of the growth of litigation is the insurance premiums for activities from rugby to rowing and sailing. The British Gliding Association's premiums have risen by 150 per cent. in five years. The National Caving Association told me in an e-mail that it had to abandon all activity for months because it could not get any insurance. Finally, after hundreds of hours, as the association put it, it found someone who would insure it for a 70 per cent. increase in its premium. The problem affects small clubs as well as large high-profile ones. A roller-skating club in Kent has seen its premiums for insuring the volunteers who look after its children rise from £400 to more than £1,200. It is in a deprived area and the parents will, of course, have to pay.

Worst of all, voluntary organisations are losing volunteers. The Girl Guides has a waiting list of 50,000 girls who would like to join but cannot because of the shortage of instructors. Its association has been a strong supporter of the Bill since its inception. That is why it aims to reduce the risks of litigation and the burden of legislation on those who we need more than ever, who give their time to volunteer.

Volunteering is a crucial part of our national way of life. If people choose to give their time to help their communities, we owe it to them to minimise the risks of litigation and red tape associated with their work. Yet whenever I talk to volunteers, from those working for sports clubs through to teachers organising extra-curricular activities, to farmers who are still willing to allow farm visits—many no longer will—or youngsters to camp on their land, they tell me of their fear of litigation and their frustration with mounting red tape.

The Bill's central feature is clause 2, which establishes a statement of inherent risk to help to protect volunteers and organisations from unreasonable litigation if

[Mr. Brazier]

sensible safety standards have been adhered to. Those organising adventure training or sport would be able to give participants or their parents a certificate to sign which sets out the principal risks involved. If an accident occurs, the court would be bound to take account both of the general premise that accidents can occur without contributory negligence—in other words, that honest mistakes do not amount to negligence—and of the specific fact that the participant or parent had signed the form. It is not a waiver; that would not be allowed under European law and, anyway, would not be acceptable to the House. The certificate would raise the bar to a higher threshold of proof in a negligence claim than the current balance of probabilities as understood by an increasingly litigation-driven legal system. It would not apply in cases of criminal liability, which already requires proof beyond reasonable doubt, so it would not affect the work of the Health and Safety Executive, which also recently came under the microscope.

The clause also establishes the idea of short courses for the judiciary to be trained in the Bill's implications so that they better comprehend the inherent dangers associated with adventure training and sport. Those should not cost the public purse much, as the sector would be delighted to arrange them, but the Bill does ask that the Chancellor reports on the number of judges who attend such courses.

With regard to bureaucracy, the Bill would protect national organisations such as the Rugby Football Union, which provides compulsory insurance for its members, from the plans of the Financial Services Authority shortly to impose a raft of expensive and burdensome regulation on it. It would also lighten the application of the Data Protection Act 1998. As a result of a mistake on a website, a string of sporting organisations recently submitted to the Inland Revenue incorrect applications for charitable status. When the CCPR asked for a list of the organisations that had sent in the wrong applications and had been rejected so that it could send them the correct forms that would be accepted next time round, the Inland Revenue refused on the grounds of the Data Protection Act. I am sure that that was not a commercial judgment by the Inland Revenue, but it is that sort of nonsense that we want to stop.

The last clause would introduce an American-style "Good Samaritan" clause to protect members of the public who assist those who are injured or suffering from later being sued for accidental injury or damage to property. I am grateful for the support of St. John Ambulance for the Bill. It specifically wrote to me saying that it supports it because of the inclusion of that clause, although it has some concerns about the way in which it is worded.

I want to deal with two criticisms of the Bill that I have received among a torrent of otherwise supportive messages, before giving way once more to the hon. Member for Edmonton (Mr. Love). The first criticism is that there is no mention of criminal record checks, which are high on most voluntary organisations' lists of problems. In fact, they are the largest element of the second item on the bureaucracy mentioned in the Sport England survey. Frankly, the checks are too complicated and contentious for private Members' legislation.

The second criticism relates to sensible complaints, including some from the Government, about the detailed drafting. Inevitably, a private Member's Bill is put together with the help that is available. The lawyers who helped me on it and the Clerks have worked extremely hard. The most cogent criticism relates to clause 2(2), which I am sure the Minister will mention, and it will certainly be necessary to clarify what is meant by sharing responsibility for safety. That idea is very important to the supporting consortium organisations. It covers issues such as the obligation of the participant's parents to tell the child that he or she must do as instructors tell them. In an activity such as hill walking, it also places a duty on every member of the team to look out for signs of exposure and not just leave it to the leader. That is an important principle for life, not just for sport and adventure training. However, I fully accept that if the House chooses to give the Bill a Second Reading, the detail will have to be sharpened up and clarified.

Let me make it absolutely clear that the wording is not carved in stone. If the House gives the Bill a Second Reading, I will be delighted to negotiate with the Government, parliamentary colleagues and any concerned outside bodies, to improve any aspect of it. The only point that is not negotiable is the underlying principle behind the certificate of inherent risk, which is the heart of the Bill.

Before I conclude my remarks, I give way again to the hon. Member for Edmonton.

Mr. Deputy Speaker (Sir Alan Haselhurst): The hon. Gentleman should not tout for business in that way. He was doing fine.

Mr. Brazier: I am sorry, Mr. Deputy Speaker. The hon. Gentleman tried to intervene earlier.

I thank all the organisations that sent messages of support besides the many that I have already listed. They include Business in the Community, the National Council for School Sport, the National Council for Voluntary Youth Services, the Youth Hostels Association, the Royal Yachting Association, the Air Cadet movement and some farming organisations. The words of Stephen Paddock of Youthsport struck home. He said:

> "As a sports training project officer for volunteers across London, Middlesex and Surrey we have been acutely aware of the growing trend towards litigation resulting from the risk inherent in sporting activities against volunteers and the potentially negative impact this trend will cause for long-term sustainability of people volunteering across all areas of sport and physical recreation in the UK
>
> ... we have trained 2,000 plus volunteers in numerous sports to achieve national governing body awards, which have then been used to offer safe and informed sport provision in youth clubs to approximately 90,000 young people. Thus if we consider even a decrease in volunteering of one per cent related to the threat of litigation this could mean 900 young people not being offered the opportunity to participate in sport in London alone."

That is just one regional sporting consortium. The testimony that I have from all quarters is that the impact is already far more than 1 per cent.

There is an element of risk in all things, but it is that risk that makes things worth doing. It provides a vital sense of achievement, self-belief and self-worth to the participant. If we wish to roll back the tide of obesity and the wider problems of isolation and loneliness in our communities, we need more activities and adventure for people, and not only for young people. For this we need volunteers. I ask the House to give the Bill a Second Reading.

10.1 am

Mr. Frank Dobson (Holborn and St. Pancras) (Lab): I welcome the Bill, which was introduced by the hon. Member for Canterbury (Mr. Brazier). I thank him for his favourable reference to the work I was doing for the Government.

It is not only what might be described as adventurous activities that are being inhibited by the growth of the blame culture. There are problems for those who run playgrounds that have the traditional slide, roundabout or swings. Indeed, roundabouts have just about disappeared already.

I was asked to conduct a review of the country's play facilities with a view to advising the New Opportunities Fund on its priorities for investing the £200 million that the Government promised to improve play facilities. Consultation took place in every part of the country, and the devolved Administrations conducted reviews in Wales and Scotland. The Northern Ireland Office carried out its own review. During every visit, we listened to people who, day in and day out, try to provide play facilities for children. It became clear that the growth of the blame culture was making life extremely difficult for them.

The blame culture is an American import—one of many that are not very welcome. Many American imports are good ideas, but the blame culture is not one of them. We seem to have inherited a tribe of ambulance-chasing lawyers, mimicking people who have made fortunes in the United States. As a result, those who work for local authorities or voluntary organisations are increasingly concerned about the threat of litigation and the consequent rise in the cost of insuring their playground.

There is increasing focus on trying to eliminate the possibility of even the most minor accidents and to make things safer and safer. Play facilities and play equipment that offer no physical or mental challenge to children contribute little to their physical and mental development, but that is what is happening. The worst crime in the eyes of children is to be confronted with something that is boring, but play equipment is becoming increasingly boring. If children become bored with it, they will not put up with being bored. Instead, they will seek excitement elsewhere.

Few children are injured in a playground, hardly any have been attacked by a child molester in a playground and none has been run over by a car in a playground. However, if they leave the playground because it is boring, and they seek their excitement on the roads, on dodgy bits of land or, if they are in an area where two or three factories have closed down, they go into abandoned premises, which are exciting, they will put themselves in danger, and it will be the litigation culture that puts them in danger.

That will certainly happen when things become boring—and even more certainly will it happen if a playground is closed or if the remaining pieces of equipment are chained through fear of litigation. As the hon. Member for Canterbury said, play cannot be made risk free. Learning to judge risks and balance risks, and try it on a bit, are parts of the learning process and of the value of play.

I grew up in the country, where one of the risky things was climbing trees. As I am a coward, I used to climb up only two or three branches, whereas some of my mates used to climb another 10 or 12 branches. When one of them fell and dislocated his shoulder it was a good laugh really, except for him. That is part of growing up and we must accept it. Since the beginning of humanity children have survived bumps and scrapes. Children have not changed; society has changed, and in this respect it is changing for the worse. It is hindering children's play and making life more difficult and more expensive for public and voluntary organisations that are trying to provide for them.

It is my strongly held view that Parliament needs to give special protection to play organisations and to help them with their insurance problems. I speak from some direct experience, because when one of my sons, who is now in his 30s, was about four years old he climbed up a slide rather than up the steps. He fell off the top, hit the asphalt at the bottom and fractured his skull. It did not seem to do him much harm, even at the time. I remember going to see him in the children's part of the hospital, where there was a huge rocking horse. Within about 12 hours of the incident he, with bandages round his head, was rocking backwards and forwards on this giant rocking horse.

We did not think of suing the people who provided the slide. We thought that it was rather stupid of our son, even at the age of four, to do what he did. Parents must recognise that they have some responsibility for the way in which they bring up their children. One of my greatest prides and joys is that for about the past 20 years I have chaired the independent charity that runs the Coram's Fields children's playground in my constituency. On a hot summer holiday day, more than 1,500 children use the playground. There has been a massive increase in our insurance premiums recently, although to the best of my knowledge we have not made any claims. Over a long period some of the more traditional equipment has gradually been abandoned, withdrawn and replaced because outside people told us that it was inherently dangerous, and the insurers were becoming increasingly bothered about it. Some of the equipment looks spectacularly dangerous to the outsider, but according to our records few children have been injured on it; nevertheless, it has gradually been removed.

The Bill attempts to address at least part of the problem that I have described. It may have certain shortcomings, but, as the hon. Member for Canterbury says, that is in the nature of private Members' Bills. I hope that the Government support it and do not just offer every assistance short of actual help. If they cannot accept it, the problem will not go away and will continue to build up. Everyone expresses concern about children's health and the growth of obesity—looking at my shape, I always feel slightly inhibited when I discuss obesity in others—but the growth of the blame culture,

[Mr. Frank Dobson]

litigation and insurance costs is plain contrary to the public interest, public health and the health of our children.

On safety, there have been many surveys of what children want. Children always say that they want a safe place to play. However, when they are asked to identify the things that they want to be safe from, they mention traffic, bullying and drug pushers. None of them says, "I am frightened of having an accident on a bit of play equipment." Children are not frightened of play equipment; the fear starts in adult society. Whatever the Government's attitude may be to the technical advantages or shortcomings of the Bill, the problem inhibits many decent people in both the public and voluntary sectors from making the best provision for children's play. We have a duty in this place to do something about it, because only we can change the law, and the law clearly needs to be changed.

10.12 am

Mr. John Burnett (Torridge and West Devon) (LD): At this stage, I must declare that I am a lawyer—an admission that is not guaranteed to win friends and influence people. In mitigation, I point out that I specialise in tax and commercial matters and do not practise at the moment.

I am delighted to welcome the Bill and to be one of its sponsors: anything that reduces the threat of frivolous and vexatious litigation is welcome. I want to pay tribute to the millions of people up and down the country who give of that most valuable commodity, their time, by volunteering. It is crucial that we encourage volunteering in our constituencies, and as Members of Parliament we are hugely indebted to the thousands of constituents who volunteer each week to support their communities and local organisations.

Unfortunately, over recent years volunteers have faced serious problems, particularly the threat of litigation. The right hon. Member for Holborn and St. Pancras (Mr. Dobson) and the hon. Member for Canterbury (Mr. Brazier) both touched on bureaucracy, which is a problem, but the threat of litigation is the real issue. I am delighted that the hon. Member for Canterbury says that although he welcomes the opportunity to negotiate over the Bill, the certificate of inherent risk is not for negotiation, and he is absolutely right to make that point.

Litigation makes it more and more difficult for volunteers to offer training and challenges, especially to young people who themselves volunteer for adventurous and challenging pursuits. Trainers and educators should achieve high standards and qualifications, but, as has been said frequently today, risk cannot be eliminated. If one does not allow the young in particular to take risks and rise to challenges through socially acceptable activities such as adventure training, many will soon turn to socially unacceptable activities.

A number of recent court cases have highlighted the unreasonable extent of the litigation to which volunteers may be exposed, and at the same time voluntary organisations complain about red tape, which raises costs and imposes time burdens on their organisations. The hon. Member for Canterbury says that most, if not all, of the cases that he has come across occurred post-1997. That point is not political, but it is worth making, and I shall advert to it later in my speech.

Mr. Brazier: The point is certainly not political. I mentioned 1997 because the hon. Member for Edmonton (Mr. Love) quoted a survey from 1997 that stated that litigation was not a problem. All the cases to which I referred arose, or at least became prominent, after the date of that survey, so the situation has changed completely.

Mr. Burnett: Absolutely right—that is why I said that it is not a political point: it relates to the survey.

I played a part in the passage through this House of the Access to Justice Act 1999, which greatly extended the ability of lawyers to make conditional fee arrangements with clients—no win, no fee; big win, big fee. The school trip case has been cited in detail. It involved a boy who was reproved by his teachers, who had given their time to escort him. The boy won the case in the first instance, and it took about five years for the Court of Appeal to reverse that judgment.

I have been greatly concerned by the case of Vowles *v.* Evans and Another—the rugby case—which was cited in the Court of Appeal in 2003. Have the Minister's officials found out whether it is under appeal in the House of Lords, because it is extraordinary? I hasten to add that I have not read the transcript of the case, heard the evidence or seen the affidavits. I have read a synopsis of the case, which is kindly provided by the Library in its excellent publication on the Promotion of Volunteering Bill.

The relevant rule that the referee was supposed to comply with required him to satisfy himself that the replacement player was suitably trained and experienced to play safely in the front row. In leaving the decision to the captain of the team when the game had been stopped and there was time for reflection, the referee apparently abdicated his responsibility to decide whether it was necessary to insist on that rule being complied with by delegating the decision to the captain. I would have thought that there was not much more that the referee could do in those circumstances, and there is also an onus on the player to make sure that he is a suitable and fit person to play rugby football.

I do not know the case, but I sincerely hope that there will be an opportunity for the Bill's sponsors to discuss it, perhaps with counsel for the claimant and counsel for the defendant. On the face of it, the case seems staggeringly perverse, and it is clear why the number of schools prepared to play rugby football and the number of people prepared to be referees has reduced.

The no win, no fee arrangement was greatly extended in the Access to Justice Act. Conditional fees give lawyers a large financial stake in the outcome of a case, which, for most of us, is a glaring conflict of interest. The Act greatly extended the conditional fee agreement. After its enactment there was a considerable upsurge in personal injury litigation, and as time has passed insurance premiums for defendants' costs have increased substantially. Insurance companies faced with a statement of inherent risk will be more reluctant to cover a plaintiff seeking insurance cover for defendants'

costs, so the statement will have a benign effect. It will not overcome the danger of litigation, but at least insurance companies will think again.

The Bill has the support of the Central Council of Physical Recreation, which co-ordinates all sporting organisations, from the Football Association to the Rugby Football Union. It also has the support of the Campaign for Adventure—the umbrella group for training organisations—the Youth Hostels Association, the YMCA and, as has been said, the Girl Guides. I hope that the House will support the Bill and give it a Second Reading.

The establishment of a statement of inherent risk will go some way towards protecting volunteers and organisations from unreasonable litigation when proper and sensible safety standards have been adhered to. The Bill seeks to reduce the cost of insurance through a pooling system, transfers certain civil liabilities from Government and local government volunteers to Government and local government bodies themselves, and seeks to remove charges incurred by volunteers when registering with the Criminal Records Bureau. Countless young people yearn for adventure and challenge. They and the volunteers who help them must not be frustrated and thwarted by unnecessary, frivolous and vexatious litigation and red tape.

10.22 am

Mr. Andrew Love (Edmonton) (Lab/Co-op): I apologise, Mr. Deputy Speaker, to you, the House and the hon. Member for Canterbury (Mr. Brazier), because I may have to leave before we conclude our discussions on Second Reading as I have an important engagement in my constituency. I also declare an interest, as I enjoy membership of various voluntary groups including active membership of my local golf club, which is rather unusual for Labour Members. My most important membership is of the co-operative movement—indeed, I am a Labour and Co-operative Member of Parliament. The co-operative movement was the first formal voluntary endeavour in this country in 1844, and at its height it had 8 million to 9 million members, who were actively involved, not just by shopping at the Co-op but by taking part in meetings, being active in decision-making structures and running, owning and controlling the organisation itself. I therefore have an interest in the subject of volunteering and, as I said in an intervention, I strongly support the principle behind the Bill and the need to ensure that volunteers have a framework in which they can operate and feel that their work is valued by society. I also hope that more people will take up volunteering.

I shall comment on three issues about which there are concerns. Those concerns were acknowledged by the hon. Member for Canterbury, but I should like to set them out for the benefit of the House. First, are the threats to volunteering mentioned in the hon. Gentleman's speech and in various recent communications genuine threats? A cause célèbre in the Labour party is "Bowling Alone", a book published a couple of years ago by Professor Robert Putnam of Harvard university, who discussed in great detail the decline in social capital in the United States, and demonstrated that many societal pressures are leading to that decline. That could also be interpreted as a decline in voluntarism in society, and there are deep-seated reasons why volunteering is suffering. I am not sure that the proposals in the Bill truly address the need to create a suitable climate for volunteering.

Secondly, I want to touch on the terms of the Bill and its shortcomings, some of which were acknowledged by the hon. Member for Canterbury. Thirdly, I want to look at exemptions in relation to litigation, the statement of inherent risk, insurance, advice and data protection, all of which are included in the Bill. Are those exemptions balanced and reasonable in the circumstances, or are there other ways in which we can achieve the Bill's aims?

The promotion of volunteering, as I said, is something that I strongly support in principle, and it is critical to the British way of life, if such a thing can be defined. The number of people who take part in volunteering activities has already been mentioned. Latest estimates show that there are more than 150,000 amateur and voluntary sports clubs throughout the country, many of which have been in existence for 30, 50 or 100 years. There are 10 million regular participants in voluntary activity, and it is estimated that 6.5 per of the population is involved. We should therefore not underestimate the importance of voluntary activity to the British way of life.

As I said in my intervention, it has been suggested that the Bill poses a threat to volunteering. I do not wish to suggest that such a threat does not exist, but it may be more useful to consider whether the Bill is slightly wide of the mark in addressing the problems facing volunteering. Concerns have been expressed about rules, regulations and increased bureaucracy for voluntary organisations. We all accept that voluntary organisations depend on people giving their time and effort. The more hurdles there are such as form filling and other bureaucracy, the more difficult it is for people to engage in the activity itself. There is a fear of blame, and a so-called blame culture has developed. I do not deny that such a culture exists, but I should like to consider the implications for the voluntary movement by looking at the two most comprehensive surveys of voluntary activity, including the national survey of volunteering in 1997, which gave various reasons why people stopped volunteering. Fifty per cent. of respondents said that they no longer had time for voluntary activity, 24 per cent. claimed that their efforts were not always appreciated, and 9 per cent. felt that their help was not really wanted. Neither of the two concerns highlighted by the Bill is mentioned in that study.

The Institute for Volunteering Research programme on voluntary management—the people who manage the voluntary bodies concerned—raises three major policy issues. One has already been touched on—the checks on criminal records and vetting procedures, which the institute found it onerous to carry out, but the Bill does not suggest, and I certainly would not suggest, that we do away with any of those procedures. Interestingly, it was suggested that the new deal was having an impact because it was bringing people into employment, which reduced the time that they could devote to voluntary activity. I know that the Opposition parties would like to do away with the new deal, but I do not think they are suggesting that change in an attempt to increase the level of voluntary activity.

[Mr. Andrew Love]

The third issue raised by the report was funding. We all recognise that funding is a problem. I was pleased to hear the Chancellor's recent announcement about amateur clubs, and I hope that the changes in funding arrangements will begin to address the problem.

Research studies show that the issues with which the Bill deals have had an impact. Sport England leisure industry research highlighted risk aversion, not as the main challenge to the voluntary movement, but as one of the challenges facing it. Similarly, the Central Council of Physical Recreation suggested that volunteers were under pressure because of fear of the blame culture and the possibility of litigation. Again, that was mentioned as only one of the pressures on volunteers. Although I accept that the Bill's concerns do represent pressures on the voluntary movement, it would be wrong to think that they have a major impact on volunteering.

Mr. Brazier: I am grateful to the hon. Gentleman for his courtesy in giving way, and I agree with many of the points that he has just made. Private Members' Bills, of course, cannot address issues such as funding. Perhaps he will acknowledge two points. First, in both the surveys that he mentioned, from Sport England and CCPR, the threat of litigation and the blame culture were listed first among the various factors. Secondly, the context has changed because of events in the past two or three years, particularly the Vowles case, which staggered the whole sporting world, especially rugby.

Mr. Love: On the hon. Gentleman's first point, yes, those factors were listed first, but other reasons were outlined in the reports, and it was suggested that they were more important. On the second point, I accept entirely the concerns raised by the hon. Gentleman. When I suggest that those are not the main difficulties faced by the voluntary movement, I am not suggesting that the Bill does not have merit. As the hon. Gentleman observed, as a private Member's Bill, it is a relatively modest measure, which I should like to combine with other suggestions to create a whole. Although I argue that those are not the major concerns, I would not wish to give the impression that they are not relevant.

Concern about increasing obesity has become a real political issue in recent years, for obvious reasons. Obesity in society generally has increased, but it has increased alarmingly among children. Over the past 10 years, in the youngest age group—children aged two to four years—the number who are clinically obese has almost doubled from 5 per cent. to 9 per cent. In the older age group—six to 15—the percentage has more than trebled, from 5 per cent. to 16 per cent.

Obesity relates to two sets of factors, the first of which is nutritional issues, such as whether McDonald's and other fast food outlets are responsible for some difficulties; we have discussed the content of the soft drinks to which children are so partial.

The second issue is physical activity. That is already relatively well developed for children, and changes that will increase physical activity are taking place in our school environment and in the general environment for children. The question is not whether volunteering will have an impact on the level of children's physical activity—of course it will, if they take up football, rugby or any other voluntary sports activities. The question is whether such sports are an essential part of children's physical activity.

The Bill strikes home and raises a problem of genuine concern in relation to the numerous tragedies that have occurred on children's trips in various parts of Britain and abroad. I cite just two instances: the canoeing trip in 1993 on which four children died in the west country, and the 11-year-old who drowned in France in 2001. Those cases aroused widespread public concern about whether the voluntary activity was responsible, and how such tragedies can be prevented in future. The Bill suggests that providing greater protection from litigation in certain circumstances would make a considerable difference. However, the Government have already taken action in that regard.

Government guidance relating specifically to school trips, which is where the major problem lies, was revised following a number of fatal accidents on such trips, and was issued in 1998 as advice on health and safety of pupils on educational visits. Further guidance on health and safety responsibility and powers was sent to all schools and local education authorities in December 2001. There are three supplementary good practice guides and a leaflet entitled "Group Safety at Water Margins", which is also available on the website. The Department for Education and Skills, local education authorities and others have been involved in ensuring that proper safeguards are in place on school trips.

However, that does not negate the anxieties. Many teachers have withdrawn from such activity because of those concerns, and many parents have withdrawn their children from voluntary activity. As has been mentioned, one of the teachers' trade unions recommends that its members do not involve themselves in such activity. If nothing else, I hope the Bill will highlight the need for further action.

That union mentioned the compensation culture, and others have spoken about that today. Although I accept that concerns exist, I should like to examine more closely whether such a culture exists in the terms described in the debate. We all know that class actions are undertaken, that solicitors and legal practices are allowed to advertise, and that no-win, no-fee work has been introduced. The real change that has taken place, however, is in attitudes. People now believe that they have a right to claim. As a result, costs have increased. The Institute of Actuaries has indicated that the costs of litigation will increase by about 15 per cent. this year, and they will continue to rise significantly in future years. However, the question is whether the fact that people now have a right to claim is necessarily not a good thing.

Mr. Burnett: I hope that the hon. Gentleman has not forgotten that a number of either completely unregulated or little-regulated personal injury claims companies are constantly touting for business and trying to win the sponsorship of as many claimants as possible.

Mr. Love: I shall come to that point. I accept what the hon. Gentleman says and I would be sympathetic to seeing the House bring such activity under proper scrutiny and regulation.

The Law Society has already suggested that there has been no change in the law relating to frivolous claims. The question whether there has been a change in the law in terms of the decisions taken by courts is a different matter, but there has certainly been no easing of the law in terms of the ability of a frivolous claim to succeed in court. The Law Society also says that the number of claims has gone down. As has already been indicated, after the bubble that was created when the no-win, no-fee approach was established, the number of solicitors practising in personal injury has fallen. Indeed, the Law Society confidently states that the number of claims being made has not increased.

In line with the comments of the hon. Member for Torridge and West Devon (Mr. Burnett), the Law Society also says that there is concern about unregulated claims advisers who cold call customers and put them under considerable pressure to take up their offers. I think that that issue needs to be carefully considered.

Mr. Burnett: I hope that the hon. Gentleman will not lose sight of the fact that this is not only a matter of the claims that are pursued. As the hon. Member for Canterbury (Mr. Brazier) said, some claims are settled without proceedings, which cost an enormous amount.

Mr. Love: I accept that that occurs, and I think that it creates a climate among the public. I accept the criticisms, but the only point that I was trying to make is that, in the balance of things, there are positive aspects in terms of giving people the right to make a claim. I do not think that that is an entirely negative phenomenon in today's society. We must all admit that, in the past, people who were justified in going to law did not do so simply because they thought that the right was not available to them. It must be a good thing if people believe that that right should exist, and it should be enshrined in the law to give them recompense where something has happened that should not have happened.

I should like now to look at the terms of the Bill and one or two of its possible shortcomings. A number of hon. Members have referred to the statements of inherent risks, which I think are an important consideration. Such statements will be in written form and will set out the risks involved in whatever form of activity they relate to, and they will talk about injury, harm and risks to property. I am glad that the hon. Member for Canterbury has cleared up the fact that the statement must be a written one. As I understand it—I am taking this at second hand—the Bill currently contains no provision to ensure that it is a written statement, but I think that we all accept that such a provision will be introduced in Committee.

I am a little less clear about the intention of the statement. I am told that it is an effort to share responsibility and to assume that team working will take place on safety issues in respect of any volunteering activity. That will include, where necessary, parents ensuring that their children understand the framework in which the volunteering will take place, and they will obey all the rules set out in the framework and the statement of inherent risks. None the less, I think that there is still some concern that we need greater clarity to avoid the sort of litigation that nobody wants to see arising as people try to tighten up exactly where the limitations on the activity are in the statement and whether they are set out absolutely clearly, along with the risks of injury or to property that are inherent in that activity.

There is also some ambiguity about whether the statement has to be signed on every occasion when an activity takes place. Would it have to be signed whenever somebody goes canoeing or plays in a football match? Should it be signed once on joining a football club, or on every single occasion when the activity occurs? That needs to be cleared up in Committee.

As I understand it, the statement would also ask the court to regard as "accidents" incidents that occur without negligence. There is some concern about the definition of accidents and of "without negligence". I know that it is extremely difficult to include in the statement all the risks that are likely to arise. Indeed, I understand that the statement will be illustrative rather than exhaustive. I accept that that must be the case, as there would otherwise be pages and pages of bureaucracy about all the other concerns that might come into play, which would create problems. However, that leaves some ambiguity. When a court has to make a judgment, it will find it difficult to do so if the statement is not comprehensive.

I also understand that the court will have to uphold the claim only where it is "manifestly unreasonable"—I think that those are the words in the Bill—not to do so. I understand that we are trying to raise the hurdle for a successful claim above its current level in civil procedure to something closer to what it would be under criminal procedure. I accept the principle of what the hon. Member for Canterbury is trying to do, but speaking with the voice of one of my legal friends—I know that other lawyers are present in the Chamber—let me say that there are concerns about what the word "manifestly" will mean and about whether some form of guidance will be given about the burden of proof needed to show that something is manifestly unreasonable.

That brings me to the essential non-legal point: what is reasonable to one person may be unreasonable to another; it depends on where people are coming from in relation to the case. A decision to ask a child to undertake an activity that could seem reasonable to a volunteer might appear unreasonable either to the child or to their parents—indeed, there have been many such cases. That gets to the nub of the concerns about reasonable behaviour. The Bill is not specific about the circumstances that are needed to relieve somebody of liability. We need greater clarity in the wording of the statement and the Bill itself, and I suspect that we probably need some form of guidance in order to achieve that. That is a major task but, unless it is addressed, lawyers in particular will worry that they have been left without an adequate framework within which to make such difficult decisions.

The essential point is that the Bill will shift the balance in favour of what the court might consider to be the negligent party and leave the victim with fewer rights. I am not a lawyer, but I question that. I accept that some cases are decided in a way that does not accord with what an ordinary person would believe to be common sense. However, where something that is manifestly unreasonable has happened, the victim should have

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recourse to the courts. If we erect a barrier to prevent volunteering, the victim's ability to obtain justice will be affected. There will have to be much more discussion in Committee about where to strike the balance, because it is vital to get it right.

Mr. Dobson: We should also consider the balance to be struck between the right of an individual to sue if little Johnny breaks his arm and the fact that another 500 children are deprived of play facilities as a result. I may be displaying my vaguely socialist background, but should we not consider society in general, rather than letting the rights of individuals have primacy at all times?

Hon. Members: Hear, hear.

Mr. Love: I note that the only hon. Member who did not say, "Hear, hear", was the hon. Member for Torridge and West Devon, who is, I believe, a qualified solicitor. I personally have considerable sympathy for the point made by my right hon. Friend, but it might not be taken into account in a court of law.

Mr. Burnett: I just did not feel particularly vociferous. All I would say is that if the balance is against volunteers, it should be redressed.

Mr. Love: I would not demur from that viewpoint. I was questioning whether it would be better to strike the balance so as to allow volunteering to continue while ensuring safeguards for potential victims of volunteering activities. I raise that as a matter of principle; it would be for members of the Committee to go through the mechanics. The more who are legally qualified, the better—but they should not all be lawyers.

Mr. Dobson: I have had some sympathy with everything that my hon. Friend has said so far, but I think that the fewer lawyers, the better would be a reasonable motto for the Committee.

Mr. Love: I shall restrict my comments for the sake of my hon. Friends who are legally qualified.

I cannot resist commenting on clause 2, subsections (5) to (7), which provide that the judiciary should receive training about volunteering. At first, I was superficially attracted to that, although I wondered whether, as almost all our judges come from a certain stratum of society, we should start by giving them courses on how ordinary people live, think and go about their business. Judges and others who sit on the bench regularly undertake training—that is part and parcel of their function. However, I am not sure what impact, if any, training on volunteering would have. I understand that the origin of the proposal was a case in which a judge overruled expert advice on volunteering. That decision could be challenged, given that it is almost always recognised in court that expert witnesses are set against each other so that the judge is able, without favouring one or the other, to take a view on which parts of their evidence are admissible. I am not sure that training would make a significant difference to a judge's understanding of the volunteering movement.

I want to discuss insurance, data protection and the good Samaritan clause. The Financial Services Authority is under pressure to regulate in some areas where it has not previously done so. I was therefore not surprised to discover that in January 2005 new regulatory guidance is to be issued on advice that voluntary associations give on insurance. Although I understand the concerns that have been expressed about that, we should look at the situation more closely. A case in point would be an affinity group such as a football, rugby or golf union that decided to offer a credit card to its member associations at a very high rate of interest. The advantage in its doing so would be that it would get a better payment for each credit card that was taken out, but the question is whether it should be held in some way liable for the very high rate of interest that its members have to pay. In my view, it has a responsibility to ensure that any recommendation that it gives as an umbrella group meets the needs of the ordinary club members and volunteers who take it up. Regulation is required for that purpose. It should be light-touch regulation, but having none at all does not adequately protect ordinary volunteers in such circumstances.

Considerable concern has been expressed in the volunteering movement about rising premiums and insurance being withdrawn. A working group has been investigating that and will make recommendations, but, as always, it is a slow process. Can the Minister reassure me that the Government will take the issue on board?

The Bill provides for a variety of exemptions from the Data Protection Act 1998 that would allow disclosure of contact details and the names of the officers of voluntary groups. It would also allow disclosure of information if that were considered to be in the public interest. In those circumstances, the data controller would not need to abide by the conditions of the Act. That appears to offer carte blanche for all disclosure, provided that the person who discloses the information can say, "I did it in good faith." That goes too far; it is a blanket exemption, which is inconsistent with the Act and the existing derogations from it. They have been carefully worked out and the Committee needs to consider whether clause 4 is a sensible way forward. Would political parties, which are also voluntary associations, be covered by clause 4? Perhaps the hon. Member for Canterbury or the Under-Secretary could answer that. We would have to consider carefully how to separate political parties from the rest of the voluntary movement.

I want to express one anxiety about the good Samaritan clause. It states that actions should be taken "in good faith". Such actions will not

"be liable at common law for any harm"

unless there is an intention "to cause harm." What would happen if the actions of a volunteer or good Samaritan were reckless, appeared unreasonable to everybody else who was present or were out of all proportion? Under the Bill, good faith would be a defence against unreasonable and reckless behaviour. The test of good faith would replace reasonableness. That would be difficult for courts; good faith is not a sufficient test. We all know from our societies and voluntary associations that there are members who genuinely want to do the right thing but often, because of a lack of judgment, do not. Do we want to ensure that, if such people claimed that they had made a

decision in good faith, even though it was wrong, the victim would have no recourse? We need to reconsider the matter in Committee.

I support the principle behind the Bill. I want volunteering to increase and I accept that a private Member's Bill may have only limited purchase. However, I have several anxieties, and the promoter, the Government and members of the Committee that considers the Bill need to think carefully about some of the problems. Several clauses need to be clarified. The Bill does not tackle the main issues for volunteering, but if it is honed, it can make a tangible difference to our volunteering activities.

The Government have already taken up some of the anxieties that the hon. Member for Canterbury expressed. I hope that the Government and the hon. Gentleman will interact to determine when it is more appropriate for the Government to take action and when such action is more appropriate through the Bill, and to ensure that that happens.

My biggest reservations are about the exemptions that relate to insurance and advice and especially to data protection, and the shift in the balance. I am worried that the shift may go too far. If we are to have a measure of which the House can be proud when it returns for Third Reading, changes must be made.

11.4 am

Mr. Ian Taylor (Esher and Walton) (Con): We have been treated to an extended but careful analysis of the Bill by the hon. Member for Edmonton (Mr. Love) and I am sure that it will give plenty of cause for reflection in Committee.

I am happy to sponsor the Bill. My hon. Friend the Member for Canterbury (Mr. Brazier) has done an enormous amount of work and I am delighted that he has taken the opportunity to promote the Bill. Like all private Members' Bills, there may be occasional imperfections in the measure's drafting, but Ministers—especially someone as shrewd as the Under-Secretary—know that support for the Bill encompasses the ability to help to redraft aspects of it constructively in Committee to ensure that its principles survive and that it gets Government endorsement.

I am delighted that we are considering the issues that the Bill covers. The House of Commons gets much criticism, but there is a great deal of frustration among volunteering organisations about some of the pressures that we have discussed today, and we are here on a Friday morning, volunteering to talk about them. That is a signal step forward.

The right hon. Member for Holborn and St. Pancras (Mr. Dobson) made a good speech and told a sad story, which did not have an unhappy ending, about his son. I should therefore share with hon. Members a story of my own. When one of my two sons was two years old, he woke up feeling very excited on Christmas day, got out of bed, fell over his Christmas presents and broke a leg. My wife was minded to sue Father Christmas until some of the implications of that were realised in the Taylor household. In case there are children listening, I shall not explain them precisely.

Mr. Peter Luff (Mid-Worcestershire) (Con): Does my hon. Friend believe that Father Christmas is a volunteer or a professional?

Mr. Taylor: According to my family tradition, he is a volunteer and a man of great and infinite wisdom. I do not know whether that view is widely shared. Obviously, there are times of the year when he has to act professionally.

Were it not for volunteers, the quality of life in my constituency would be dramatically worse. I am sure that that applies to all hon. Members. I recently wrote a pamphlet, copies of which are available from my office, on corporate social responsibility. It tries to get corporate Britain increasingly to understand the importance of its involvement in encouraging people in the workplace to be volunteers in society. When conducting the research for the pamphlet, I was particularly struck by the calculation that volunteering in its widest sense contributes approximately £62 billion to the economy. That is equivalent to Government spending on health and social services in England and Wales. It is an extraordinary amount. If volunteers suddenly decided to stop volunteering, the taxpayer would be asked to contribute to enable at least some of those functions to continue.

Mr. Brazier: My hon. Friend is making a powerful point. I was grateful for a meeting with Peter Lambert of Business in the Community and for that organisation's support for the Bill.

Mr. Taylor: I referred to that organisation in my pamphlet.

Volunteering goes much wider than the subjects on which we have principally focused this morning. The care co-ordinating agency in my constituency is worried about the burden of the Criminal Records Bureau processes. The Bill does not cover that, but I hope that the Government take it on board. We do not say that the checks should not be made—they are important—but duplication of effort appears almost wilfully to be required of the caring organisations.

Leisure and sporting activities have been considered. There is no doubt that we are beginning to see in this country implications that ambulance-chasing lawyers in the United States have appreciated for some time. Some of the claims there have stopped all school sports. Although there has been some banter about the role of lawyers and current legislation that enables lawyers to take fees for success, I am afraid there is no doubt that the compensation culture is beginning to bedevil British society. It is interesting that the right hon. Member for Holborn and St. Pancras was a former Secretary of State for Health, given the problems in the national health service in this country at the moment. It is being brought almost to its knees by the cost of self-insured claims for negligence, many of which are opportunistic in the extreme.

If that compensation culture enters the voluntary arena, we really will have trouble, and there are signs that it is beginning to do so. I do not have the same depth

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of knowledge as my hon. Friend the Member for Canterbury, whose research is very impressive. I listened to his speech, and I hope that the House noted carefully the worrying indicators that volunteering is beginning to be affected by that compensation culture. I did a little research in my constituency to see whether that was borne out by my experience. It was interesting that of the groups that responded to our telephone trawl this week, many said that they had a problem and none said that they did not.

Some of those groups were more forthcoming than others. For example, the Hersham youth trust in my constituency is a completely independent charity that has built a new youth club in Hersham through volunteer labour—including, incidentally, my own. Mine was a very modest brick in a rather large wall—that has nothing to do with Pink Floyd, I might add. The important point is that that club exists because of volunteers, and it was difficult to ensure that there were proper safety measures and that all the necessary checks were made and legal obligations met. That was almost the easy bit. The difficulty for that club will be once it opens, because there will then be all the problems of public liability insurance and the headaches that come with that. Some of the costs involved have a big implication on how many people will be prepared to volunteer, and how many can be allowed to volunteer, to help in the club, which will have an impact on how extensive the help to the local people of Hersham can be. That is one good volunteering arena that is beginning to have the troubles that my hon. Friend the Member for Canterbury outlined in his speech.

My local guides, who are enthusiastic supporters of the Bill, are another group with a problem: shortage of volunteers. The number of girls on the waiting list to join the guide groups in my constituency on which I have done a survey is 416. The current number of adult volunteers is 114, so we need more volunteers. However, there is a hesitancy to come forward for a variety of reasons, including the worries about liability so clearly expressed today. Although the scouts nationally have not been totally supportive of the Bill, one pack in my constituency has said that it is now seeing in volunteers a fear of taking responsibility for activities, particularly, in one case, land yachting, which people think might represent a risk.

Esher cricket club has mentioned that it does not only have problems with the Criminal Records Bureau in relation to its youth matches; in addition, the

"fear of litigation will begin to impinge on their ability to bring sport to children".

About 250 children are involved in cricket in that club. We take such groups for granted. Esher cricket club is one of hundreds of thousands of cricket clubs across the country, and we assume that they want to help young children to take an interest in cricket, but that assumption is based on an important factor: that someone will volunteer. At the margin, if that ambition or aptitude for volunteering is curtailed, we will see a real backlash. There is considerable concern about what those children will end up doing if they are not playing cricket, in Esher or wherever else they might like to play.

Hinchley Wood school in my constituency has said:

"Parents have told the school that they are concerned that they might be subject to litigation"

in relation to

"coaching and attending team competitions"

and volunteering to run the teams in those competitions. I am not surprised, given some of the big legal cases. That is a very good secondary school, whose provision of sports endeavours in its locality is based on people helping. It has very good sporting facilities, which have recently been extended. What are the implications if we do not do something to stop the worries that are being created by the current legal situation, the ambulance-chasing lawyers and the compensation culture to which my hon. Friend the Member for Canterbury and Labour Members have referred?

Mr. Luff: I am sure my hon. Friend understands that his concerns are widely shared geographically, and are not found only in London and the south-east, although that region has dominated the debate so far. I received an e-mail this week from Flight Lieutenant Steve Booth, commanding officer of 2516 (Droitwich) Squadron Air Training Corps. It reflects exactly the points that have been made about liability and the impact on activity for young people, the country's obesity problem, and the contribution of volunteers. That corps really hopes that the Bill passes, because it is having real difficulty in finding volunteers. The Bill would make an important contribution to solving its problems.

Mr. Taylor: I am grateful to my hon. Friend for that point, which reinforces those that I have made.

We are not yet in crisis—it would not be fair to say that—but I anticipate that we soon will be if something is not done. We have seen what has happened in the United States, and we are now beginning to see that in this country. The right hon. Member for Holborn and St. Pancras clearly has a much better understanding than I of playgroups, and he has produced a report on that sector. That provides a classic example of the problem of where children will go if they do not go to organised groups and playgrounds. It is equally true that if people do not become cadets, or are not allowed to become guides, or do not play games after school, they will do something else with their time. That will be a social problem that, frankly, I do not wish to begin to contemplate.

The Bill has another important dimension. Some organisations in my constituency have many volunteers and do not yet feel that they have a problem, Molesey boat club, of which I am a president, among them. It is on the Thames, and is one of the oldest boat clubs in the country. It has done an enormous amount of work voluntarily to help schools that have not previously had a rowing tradition to participate in rowing. I have visited it, and launched boats and so on. At the moment, that boat club feels that it is covered because it gets overall insurance through the Amateur Rowing Association. However, as one or two Members have said, we need to be careful that such overall coverage is not affected by some of the problems faced at individual level. If that were to happen, and insurance were not available to umbrella organisations, there would be a dramatic reaction in many of the clubs that at the moment do not feel threatened. In a sense, the Bill

anticipates that. As long as those clubs can get liability cover through the umbrella organisations, they feel that they are all right; but I am concerned about whether that will continue unabated, if current legal trends are not stopped.

The establishment of a certificate of recognition of inherent risk to help to protect volunteers and organisations from unreasonable litigation is an important part of the Bill. We are not, of course, talking about criminal liability. That is not part of the Bill, and I do not wish to mitigate criminal liability. However, where someone has done something with proper intent that is designed to help someone else, they should not be accused of some legal infringement and be subject to unreasonable litigation. Particularly in relation to games of rugger, it is quite clear that the courts are moving in the direction of deciding that any risk is legally unacceptable. That is sheer nonsense, and very dangerous. We all take risks in our lives, and we have to have the ability to assess them. If we try to create a risk-free society, we shall create social chaos. Today's Bill is a warning signal, and I hope that the Government will give it a reasonably fair wind.

11.20 am

Roger Casale (Wimbledon) (Lab): When speaking to a Bill to promote volunteering, it is incumbent on us to preface our detailed remarks with an acknowledgement of the value of the work of volunteers and voluntary organisations across the country. Praise for those people and organisations cannot be given often enough or loudly enough, and I believe that hon. Members on both sides of the House are united in our appreciation of their work. They contribute enormously not only to the economic well-being of the country but to the health and strength of our communities. I regard the act of volunteering as an important way of engaging with our local communities; indeed, I see it as an act of citizenship.

The voluntary sector, working in partnership with other statutory bodies such as local councils, health organisations or the police, is increasingly exercising a leadership role in the decisions being made in our communities about how money is spent and how improvements are made. The rather old-fashioned idea of the volunteer should no longer apply; people have many different motives for volunteering, and, within reason, every motive should be encouraged. We should see volunteering as being at the forefront of social change, involving volunteers leading change in our communities in partnership with other organisations. All of that is to be welcomed and encouraged.

We should also remember how well qualified many volunteers are today. Volunteering is by no means restricted to amateurs or people lacking skills. There has been a great professionalisation of the voluntary sector. We must not give the impression that there is a distinction between work done in a professional capacity and volunteering. Many volunteers have considerable expertise and professional skills, and the voluntary organisations place great emphasis on skills and training, and on having volunteers with appropriate qualifications. They will often help the volunteers to get those qualifications if they need them. The organisations are run very professionally.

This debate brings us together to sing a hymn of praise to volunteers and voluntary organisations. I imagine that all hon. Members have had direct experience as a volunteer or worked with voluntary organisations in their constituencies. There is currently a fashion for reality TV programmes showing Members of Parliament having real-life experiences, although I would question just how much of a real-life experience it is to have one's own television show. We should always remember that the national voluntary organisations, through the volunteer bureaux and Community Service Volunteers, have been getting Members of Parliament involved in real-life volunteering experiences for many years.

I always try to take part in national volunteer week each year, as a way of promoting volunteering in my community. One year, I spent a day with the Wimbledon Guild, which suggested that I come to its luncheon club and asked me to be the waiter. After about 15 minutes, I was told, "You'd better go back to being the MP. Sit down and have some lunch, then go round and do the glad-handing afterwards." Another year, I was invited by Merton Mencap to spend an evening with the many young professionals who give up one evening a week to connect with young people with severe disabilities. I had a marvellous evening, and I was particularly struck by the debriefing after the children had gone. The volunteers were working together very professionally as a team, and brought their expertise from their professional lives to bear on their voluntary work.

We all have such experiences through keeping in touch with voluntary organisations in our constituencies, and I shall mention later some comments that have been made by the organisations in my constituency. We all acknowledge the importance and the value of volunteers and voluntary organisations, and we speak of that from direct experience in our own lives and our work as Members of Parliament. We are united in wanting to promote volunteers and volunteering. On the surface, therefore, we should all be in favour of the Bill.

I accept that there is a problem with the growing compensation culture, how we deal with risk, and the increasing cost of insurance. However, when I read the small print of the Bill, I asked myself whether those issues were the key barriers to promoting volunteering. We all know that there is a problem. Every organisation that I have spoken to in my constituency has a problem with recruiting volunteers. That is why it is important that we support measures that will genuinely promote volunteering and help to bring the barriers down, but is the problem that I have just outlined really the No. 1 problem that voluntary organisations face? A number of organisations have been referred to in this debate, and, as the hon. Member for Esher and Walton (Mr. Taylor) said, we all have our own direct experience of organisations in our constituencies to fall back on. We are here this morning because we want to promote volunteering, so we must keep in focus the question of whether that is the No. 1 problem that we should be attacking.

Mr. Ian Taylor: It would not be right for anyone to argue that that was the only obstacle. There are, of course, other lifestyle reasons why people do not volunteer, but that reason is cited time after time by the

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organisations as one of the key deterrents for volunteers. Given the importance of volunteering, we should have some influence in alleviating the deterrent.

Roger Casale: I am aware, having listened to the hon. Gentleman's speech, that he has spoken to organisations in his constituency, and I do not question what he says for a moment. The hon. Member for Canterbury also referred to a number of national reports that have been produced. I can only say that none of the voluntary organisations in my constituency identified that as their No. 1 problem.

Looking at the detail of the Bill, I experienced a second instinctive inhibition. We are all concerned about the growth of the compensation culture and the extraordinary legal claims that are upheld in courts in America and elsewhere, which can be ruinous to those involved and which many of us may consider very unjust. We are right to be concerned about that, and about the way in which it may impinge on the voluntary sector—not least on such worthwhile activities as the creation of safe play areas, mentioned by my right hon. Friend the Member for Holborn and St. Pancras (Mr. Dobson).

This was my instinctive inhibition. Members in all parts of the House are also concerned about the nanny state and over-regulation, and about well-intentioned Government interventions to protect certain organisations and individuals from the big bad world—in this case, the big bad world of avaricious lawyers and excessive compensation claims. The Bill seems to be trying to interpose a cushion between volunteers and voluntary organisations and the provisions of the Financial Services Act 1986 and the Data Protection Act 1998—and, indeed, many civil law provisions. For all our well-placed wish to support the voluntary sector, we should think about whether we really want to abandon our equally well-placed reservations about such Government intervention. We do not want to mollycoddle the voluntary sector, or to give the impression that volunteers should be treated differently because they are less professional or less risk-aware.

I am particularly anxious about any attempt to weaken the Data Protection Act. We all know from our casework and our constituencies of instances in which even statutory bodies such as local councils, for reasons known only to themselves, release private information, and claim when challenged by the Information Commissioner, or indeed when he finds against them, that their actions were somehow in the public interest. Such actions are usually in the interests of the organisation itself, or of elements within it. We should be wary about setting any precedent that would suggest that, although privacy and the Data Protection Act are important, the disapplication of provisions in the Act might constitute a form of defence.

I support volunteering and see the need to promote it, and I hope I understand the problems involved; but, as I have said, I have reservations. As often happens, I was helped by a constituent, Andrew Craig, who wrote to me before the Bill was published. His letter, and the speeches that I have heard today, have shown me that the risk of excessive insurance claims is indeed an acute problem for certain parts of the voluntary sector.

Mr. Craig is a member of the British Hang Gliding and Paragliding Association, and is a hang glider himself. He reports that the association, which is the governing body for the sport, recently offered third-party insurance of up to £2 million to all its members, but following a series of claims has cut the amount to £25,000 for professionals—instructors and tandem pilots who carry passengers. Volunteers also work as trainers, although of course they must have the necessary qualifications. In the event of a serious injury or a fatality, they might lose their assets—their homes, perhaps.

Mr. Brazier: I am sorry that I missed the beginning of the hon. Gentleman's speech. He is making a powerful point, but may I ask him to put it on record that the insurance problem is not just a problem in itself but an effect of the growth of successful litigation, much of which never reaches the courts? It is a direct result of the application of a litigious culture to volunteers.

Roger Casale: That may well be so. I have no particular expertise in the area. That is the argument of my constituent Andrew Craig and the British Hang Gliding and Paragliding Association, but I would not wish to put it on the record on their behalf. I have no first-hand experience of hang gliding either, although I must say that I sometimes feel tempted.

The problem may or may not result from increasing litigation, but the Bill seeks to deal not with the cause of the growth in the compensation culture, but with the consequences. I ask again whether that is what we should be doing, and indeed whether this is the most serious problem faced by volunteers and voluntary organisations. The hon. Gentleman said a lot about rugby clubs and rugby union. I played rugby at school and enjoy watching the six nations, although I remember being terrified of having to go on to the pitch, and I would not shed too many tears over rugby. We should support it on behalf of society and communities, especially in the light of the fantastic result in the World cup. Sport is a tremendous power for good, not just in terms of the health of individuals but for many other reasons.

The hon. Gentleman may know of AFC Wimbledon, almost a voluntary organisation although it is now incorporated. It was established by fans of the former Wimbledon football club. It is tremendously active in promoting not just sport but community activities of all kinds, and we should support it.

We want to encourage sport. According to the House of Commons Library, sport engages more volunteers than any other part of the voluntary sector. The Bill seeks to deal with a problem that affects volunteers most acutely.

The voluntary sector is vast and diverse in terms of the activities it undertakes and the risks involved. The hon. Member for Canterbury, other hon. Members or the Minister might wish to explore the fact that it is not only volunteers who sometimes put those whom they are seeking to help at risk, but that in many parts of the voluntary sector it is the volunteers themselves who face risk. I have in mind volunteers in care homes or involved in the mental health sector. Risk must be seen from both viewpoints: it is not only a matter of the risk to which a

volunteer might expose a person engaging in the activity, but the barriers arising from the risks to volunteers themselves. We must consider how to mitigate the risk and to lessen the impact on the voluntary sector of excessive insurance claims in the round, not in the narrow terms of the Bill.

Speakers in the debate so far have said that risk is the No.1 problem that voluntary organisations face. It is true that there has been a decline in the number of volunteers—ironically, at the very time when we are attempting to upgrade the role of the voluntary sector. My constituency experience is that it is getting harder to recruit volunteers. When I first became an MP, in partnership with many individuals and organisations in my constituency, I set up the Wimbledon civic forum to promote civic engagement. That body appears to be flagging, even though people thought it was a good thing when they first became involved. The question is, how are we to sustain such projects and get new blood involved?

The Wimbledon Guild, which is one of the oldest social care charities in the country, is finding it difficult to recruit volunteers, especially among the over-60s, who traditionally form one of the largest groups of volunteers. Increasingly, when people reach the age of 60 or 65, they feel that the time has come to retire from volunteering, not to continue. How to promote volunteering and to recruit more volunteers is an issue, but the impression I have gained from speaking to constituency organisations, including the Wimbledon Guild and the Girl Guides, is that it is not the paramount issue.

Mr. Brazier: Will the hon. Gentleman make it clear that the Girl Guides are 200 per cent. behind the Bill? The organisation was represented at the very first press conference I held in relation to the Bill—as I recall, there were three representatives—and the national body has written many letters to me and to other supporters of the Bill.

Roger Casale: I am aware that the Girl Guides support the Bill. The hon. Gentleman will be pleased to learn that, while not a Girl Guide myself, I am an ambassador for the organisation and I am in close contact with the group in my constituency.

My aim is not to contradict the hon. Gentleman, but to put the Bill in the context of the range of issues and problems affecting volunteering. The reaction of the Wimbledon Guild to the proposal was that, of course, nothing should detract from the safety of either the volunteers, or the people whom the volunteers are helping. Although it is right to be concerned about the growth of the compensation culture, risk and the difficulties of getting insurance in certain fields, we should not send the message to volunteers that they should have a go and not worry if someone gets hurt, because they will be protected from the type of compensation claims to which non-volunteers might be subjected. We must balance not deterring volunteers and voluntary activities with reinforcing the understandable and necessary priority that many voluntary organisations give to ensuring the safety of those whom they seek to help. In relation to data protection issues, it is less the need to comply with the legal provisions and to perform criminal records checks as it is length of time it often takes to get a response and complete the checks that concerns voluntary organisations in my constituency.

I mentioned drawing a distinction between qualified and unqualified volunteers. Russell Humphreys, director of the Wimbledon Guild, pointed out that someone who has not had a first aid course but who seeks to administer first aid none the less is acting recklessly, whereas someone who knows what he is doing because he has attended a course and attained the necessary qualifications and who administers first aid when something goes wrong is not. I am not sure to what extent the Bill recognises the distinction: it seems to suggest that all volunteers are unqualified amateurs. That is not the case. The best way to protect volunteers from excessive compensation claims is to minimise the risk of claims arising by minimising the risk of incidents occurring, and the way to do that is to emphasise skills and qualifications among volunteers, as many voluntary organisations, and all the better ones, do.

Mr. Ian Taylor: Let me make it clear that those who support the Bill are not suggesting that incompetent volunteers should be encouraged, and none of the organisations that back the Bill would approve of that either. Training and expertise are clearly required. The point is that even trained and expert volunteers can be vulnerable because of the increasingly litigious society in which we live.

Roger Casale: I am not suggesting that anyone has said that that should be a consequence of the Bill. I am trying to point out that it might be a consequence of the Bill and raising it as an issue for debate. I am grateful to the hon. Gentleman for responding to it and for recognising that volunteers are often very well qualified and take a great of pride in their professionalism and their standards of performance. Voluntary organisations are often leaders in their field.

Whatever the merits of the Bill, there are many other things that we might do to reduce the risks to volunteers and to break down barriers to volunteering—things that, in the view of some, would be more effective and protect us from the unwanted consequences that implementation of this well meaning, but perhaps misdirected, Bill might have.

I would like to make one further point about how we can promote volunteering and encourage better recruitment and use of volunteers. Again, I am indebted to Russell Humphreys, of the Wimbledon Guild, for having pointed out that the biggest pool of volunteers throughout the country consists of people connected to local churches. I am not a Catholic myself, but most of my family are, and our family parish church in Wimbledon—the Sacred Heart Catholic church—has up to 400 volunteers on its books. Most of those are engaged in voluntary activities closely linked to the activities of the church itself.

Mr. Humphreys pointed out that if there were a co-ordinator for all the different voluntary networks linked to churches, there would probably be a volunteer for almost every street in the country. He also talked about the possibility of introducing a national volunteer corps, like the one in America. Perhaps by giving assistance to students as they go through university, or by giving help with expenses or through the tax system, we could promote volunteering.

[Roger Casale]

One of the main drivers of the Bill is the desire to promote volunteering and recruit volunteers. We do not want to deter them, but let us not forget that there are many other measures that are not yet in place but which would also have a good effect. I am not sure what the answer is, ultimately, and I welcome the debate on the Bill, but we need to set it in context.

I am well aware that the national girl guides association is in favour of the Bill, and would be particularly affected by it, not because it exposes its volunteers to unnecessary risk, but because, as my right hon. Friend the Member for Holborn and St. Pancras (Mr. Dobson) said, what we seek to do, both with guiding and many other related activities, is to challenge people. We do not want to expose them to risk, but we want to challenge them and enable them to assess risks for themselves, so as to encourage confidence and self-esteem.

The Girl Guides—

Mr. Deputy Speaker: Order. After 32 minutes, I am becoming aware of a tendency to repetition on the part of the hon. Gentleman, so I must caution him on those grounds.

Roger Casale: I shall seek to make my points more powerfully, Mr. Deputy Speaker, so that I do not need to repeat myself.

The girl guides association has a wealth of experience to look back on—90 years, in my constituency. One of the issues troubling the guides is the fact that more and more people, especially women, are active in the work force and in their professional lives. People are working longer and longer hours, and the difficulties of balancing work and home life lead to problems with recruiting.

I spoke to Maia Rabagliati, of the Girl Guides, this morning, and she told me that they had had to close two branches in south Wimbledon and Colliers Wood. The reason for that is not the concern that the Bill is addressing, although the guides support the Bill, but is part of a much wider picture.

Perhaps it is time for me to bring my remarks to a close, because I know that many other hon. Members are keen to contribute to this important debate. In summary, there is a concern about the impact that the growth of the compensation culture has on certain sectors of the voluntary sector, in deterring volunteers.

I recognise that there is a problem and it is incumbent on us to try to deal with it. However, I am not convinced that the Bill is the right measure to do that, because I feel that it might have some unwelcome consequences—but I look forward to seeing how those will be dealt with if the Bill receives a Second Reading and progresses on into Committee.

Whatever our criticisms of the details of the Bill, we should never forget the value of the voluntary sector, or lose sight of the many measures that are still necessary, and which would help to recruit, train and enhance the important contribution of those volunteers whom we all need so much to enhance the quality of life in our communities, and retain their services.

11.55 am

Mr. Eric Joyce (Falkirk, West) (Lab): As I understand it, the Bill is designed to overcome the problems faced by the voluntary and community sector in recruiting and managing volunteers. It reflects concerns that potential volunteers may have about their liability under several Acts, including the Financial Services Act 1986 and data protection legislation. Like all hon. Members, I have many voluntary organisations in my constituency, and I have often heard volunteers and people responsible for keeping those organisations on the road, often with few resources and a very limited pool of volunteers, complaining about the way in which the perception that we live in a more litigious culture than ever before makes their job harder.

I have been in the position—no doubt many other Members have too—of trying to encourage people to become involved in voluntary activities that I have been involved in, such as sport, which in my case includes judo, hill walking and climbing. I can attest to the fact that it seems to be harder each year to get people to take on responsibilities when they could be held legally liable. That applies even to activities that are modestly paid, let alone voluntary activities.

The difficulty with the Bill lies in the detail. We are naturally sympathetic to the plight of volunteers when an accident happens, but we need to strike a careful balance between the rights of the volunteer and the rights of those who participate in voluntary activities, especially children. The protection of children is at the forefront of my mind.

My instinct is to be sympathetic to the general thrust of the Bill, if not to every detail, and I shall make most of my comments about clause 5, which has become known as the good Samaritan clause, and for which I have a great deal of sympathy. It seeks to prevent people who assist someone whom they believe is suffering or injured from being held liable for any harm that they may inadvertently cause by their intervention.

A primary objection to the clause is based on the consideration of the interests of a potential claimant who may be injured in such circumstances. A ruling, or rather an opinion, by Winfield and Jolowicz on the subject of tort says:

> "It goes without saying, of course, that if a person engaged in a rescue which he was not obliged to undertake negligently inflicts some positive harm upon the claimant he may be liable for that for he has then left the claimant worse off than he was before."

I have concerns about the phrase "it goes without saying", because I do not think that it necessarily applies.

As I understand it, advice from another commentator said that it is surely better for someone who has no specialist knowledge of, let us say, first aid not to become involved in a situation in which someone is injured. There is unquestionable logic to that. If someone is injured in the street or in some fairly accessible place, it is probably better to leave them and to call for help than to get involved and perhaps cause greater damage. I see the logic of that opinion. However, when it comes to outdoor activities, I do not think that that necessarily follows.

I have in mind activities such as climbing that may involve a life-or-death situation in which someone has fallen and might have—we must always assume this—a

spinal injury. However, if they are left in place, they may die of exposure if the weather is particularly inclement. If a climber or a walker—people climbing on a rock face are often in full view of casual walkers—were to chance upon a situation in which someone had fallen and, even if they were not absolutely certain as to what to do but thought that that person who had fallen might need to be moved because the weather was particularly bad, the legal advice represented by Winfield and Jolowicz would be that they might be legally liable if they became involved. I am not a lawyer, but, as far as I understand it, one would have no liability if one simply walked away.

One might not be legally liable if one walks away, but I understand that in some European countries, particularly France, it is unlawful to walk away from a situation when one could have assisted. That is not the position in this country, so there is no corollary legal liability to the moral obligation that someone would have to become involved.

I was fairly well trained in the past to deal, for example, with relatively difficult situations that arise in the hills. However, when one is dealing with a situation in which someone might be seriously injured, there is inherently an element of risk, particularly of spinal injury. One has to make a judgment. The idea that someone should take on a legal liability by making a judgment and taking on risk is a pity. That is the law as it stands, and that is why I am particularly sympathetic to clause 5.

Clause 5 is only one element in the Bill, but although I do not intend to go into the other clauses in detail, they have a distant effect on volunteering. Concern remains about increased liability in the increasingly litigious world in which we live, but the number of people involved in volunteering is unquestionably on the up. Since 2001, the number of volunteers in this country has increased by more than 1 million. That exceeds the challenge set by the Prime Minister in 2000. We are on course to exceed the Home Office target of a rise of 5 per cent. in volunteering and community participation by 2006. That is good news for society as a whole and for every individual who gets involved in volunteering. It does people good; it is a growth activity for the individual as well as helping wider society.

I have great sympathy for clause 5, and I recognise the need to protect participants in all voluntary activities, particularly outdoor activities. When children are involved, that is all the more important. I reiterate my support for clause 5, but I think that the Bill would fail because it fails to strike the right balance between protecting those who are good enough to volunteer and give their time and protecting children from issues such as those surrounding data protection. The Bill's provisions on data protection are particularly weak, because it would fail to give sufficient protection to the children involved in voluntary activities. On that basis, I am unable to support it. However, it is worth while to debate the Bill, because it raises a number of important issues, notably those that I have mentioned in clause 5.

12.3 pm

Mr. Barry Gardiner (Brent, North) (Lab): I am delighted to follow my good hon. Friend the Member for Falkirk, West (Mr. Joyce). I echo many of his remarks.

I congratulate the hon. Member for Canterbury (Mr. Brazier) on introducing the Bill. Volunteering is vital to every constituency represented in the House. I am sure that all Members would wish to pay tribute to the work of the voluntary sector in their constituencies. Earlier this week, I met Miss Anju Bhatt, the director of Brent Association for Voluntary Action. We discussed some of the tremendous work that it is doing in my constituency. It is the central facilitator of the voluntary sector in Brent. It develops support for new and existing organisations, provides library and internet access for organisations, gives free training to voluntary organisations and helps with joint working and volunteering in general. I pay tribute to its work and to the work that Sally Kirkwood did when she set it up three years ago. I attended the event at which the whole voluntary sector in Brent came together for the first time to set up the central organisation, and its wonderful effect is a tribute to her work.

Many aspects of the Bill are to be sincerely and enormously welcomed. Clause 5 is entitled "Persons assisting those injured or suffering not to be liable at common law", and says:

> "Any person who ... without payment or the expectation of payment, assists any other person, and ... has reasonable grounds for believing that the other person is suffering or injured or faces imminent serious injury, shall not as a consequence of any action performed by him in good faith be liable at common law for any harm caused to that person unless he intended to cause harm."

We all recognise the absolute imperative addressed by the clause that the hon. Member for Canterbury has inserted in the Bill: the imperative that we do not put a barrier in the way of people aiding and assisting other people who are in danger or difficulty.

There is a real problem of people passing by and not wanting to get involved because they have read of cases in the newspapers in which people have become liable for their actions because despite going in to help for the best of motives, they have compounded matters and suffered legal repercussions. The House should address that important matter, so I am delighted that such a measure is in the Bill. However, can the hon. Gentleman envisage a way in which the clause could be amended? People sometimes go into situations for the best of motives, but then act recklessly. There is a need to examine reckless behaviour in our system of law and the law of tort.

Mr. Brazier: May I take that as an offer by the hon. Gentleman to serve on the Bill's Committee if it is fortunate enough to receive its Second Reading? The matter should of course be addressed.

Mr. Gardiner: I am sure that the hon. Gentleman knows that I would be pleased to serve on the Committee because the Bill is important and addresses many of the voluntary sector's concerns. I am grateful for his indication that there might be a problem with the clause, despite the fact that we all appreciate that it addresses a real concern that should not stand in the way of people giving voluntary assistance to those in distress.

I focus the House's attention on clause 3, which would amend the Financial Services Act 1986. Although it is difficult to understand from reading the Bill what the provision would achieve, it would stop organisations such as the national governing bodies of sports—the

[Mr. Gardiner]

Rugby Football Union, the Football Association or whatever—being held accountable for the implicit advice that they are deemed to give when making provision for any club associated with them to receive blanket comprehensive insurance cover. Such things must of course be done properly. There is a question not only of people acting in good faith, but of people perhaps making provision recklessly, although no one suggests that that would be true of the RFU or any of the major organisations that the Bill is intended to address.

It is possible, however, to conceive of a situation in which smaller associations that have satellite groups might do something for which they should be properly regulated. No doubt the House will be entirely sympathetic to the thrust of many of the things that the hon. Gentleman is trying to achieve. The virtue of taking the Bill into Committee is that we can iron out the possible difficulties and achieve the overall objective while ensuring that proper regulation is in place.

Clause 4 is too widely drafted, especially in relation to the impunity that it gives for the release of information relating to criminal records. People would not be guilty of an offence if the disclosure was

"in the opinion of the volunteer, voluntary organisation or voluntary body, necessary for, or desirable in, the public interest".

On reflection, the hon. Gentleman may realise that it might not be good enough to say that the critical test as to whether an offence has been committed or whether someone is guilty of an offence is that it is, in the opinion of the volunteer or the public body, in the public interest to disclose. The public interest test has to be objective. That is ultimately for the courts to decide; it is not simply dependent on the intention of the organisation.

Let me adumbrate with an example. I am associated with the local scouts group. My son is a keen boy scout. As a parent who sometimes takes other children home from scouts, I quite properly had to submit to a criminal records test so that the scouts group knows that all the people who occasionally ferry other people's children to and from events are cleared of having committed an offence. If another parent of the group has a criminal record, however minor the offence may have been, it would be disclosed to the scouts group. The troop's leader could decide that, in his opinion, it was in the public interest to tell other parents or members of the community of that person's previous conviction. I hope the hon. Gentleman accepts that that disclosure should not be dependent on the whim of the troop leader.

Mr. Brazier: I accept the hon. Gentleman's contention that the clause needs tidying up for the sort of reason that he outlines.

Mr. Gardiner: I am grateful to the hon. Gentleman for that clarification. As I said, such problems can and should be dealt with in Committee.

Clause 4 raises other problems. It refers to the use of the

"volunteer, voluntary organisation or volunteering body"

all within one sentence. There is a serious problem with terminology. The definitions used in the preamble are particularly confusing. It seeks to make clear that volunteers are unpaid, but confuses the issue by referring to employees who are engaged in volunteering.

Mr. Brazier: The hon. Gentleman is not the only person to pick up the point. The few objections that have been made have raised the issue. There is a reason for the proposed provision. Teaching unions are concerned—it is reflected by the Secretary of State—that we do not define teachers as volunteers. Teachers are employees who may undertake volunteering by working out of hours with the school. A similar point has been raised by those who work for the community arms of businesses. They are employees, but what they are doing at the time—for example, when members of the McDonald's health squad are out wearing their tee-shirts—is volunteering. However, they remain employees and not volunteers.

Mr. Gardiner: The hon. Gentleman has tried to reflect a real concern that exists in the community about fine descriptions.

The preamble later refers to a volunteer who provides "services, under an arrangement". That is a dangerous statement to make. Even where financial remuneration is excluded, it could be viewed as contributing to creating a contract of employment. I hope that by considering the compact and the associated codes that are espoused by the volunteer bureaux and other organisations, the Committee can arrive at a tighter use of terminology. I hope that that is something that the hon. Gentleman will see his way to accepting. Confusion over employment, and anything that could be construed as creating a contract of employment, would be against all that we are trying to achieve in attracting more volunteers. That can be ironed out in Committee, but it is one of the flaws in the Bill.

A couple of disappointments relate to matters that the Bill does not address and also concern the voluntary sector. Perhaps the hon. Gentleman could have taken the opportunity to focus on them in the Bill. First, there is the issue of age discrimination in volunteering, with which the hon. Gentleman will be familiar. Secondly, the payment of out-of-pocket expenses is a live issue when it comes to encouraging volunteers. We should not have legislation that stops people from engaging in volunteering activity.

Despite the fact that the Bill deals with data protection, there is the issue of access to criminal record checks for volunteers and volunteer groups. I am sure that the hon. Gentleman understands that the costs of that—

Mr. Brazier: That matter was included in our first draft, but, as it became clear that the issue is deeply contentious, I regrettably had to remove it. The hon. Gentleman knows that private Members' Bills can be got through only by consensus.

Mr. Gardiner: The hon. Gentleman is, in the biblical sense, preventing me, by which I mean that he anticipates me. He is obviously well aware of the issue, which is a real problem for the voluntary sector.

Costs are a problem, particularly for large organisations—again, I think of the scouts. Organisations do not necessarily have to incur expenses—most parents would be happy to pay for their own criminal record check—but many organisations rely on volunteers and must bear that burden. If we want to promote volunteering in this country, we must address that issue. I understand the hon. Member's requirement not to be contentious and I hope that he has achieved that end and that the Bill will go into Committee, where it can be worked on and improved.

I have not yet dealt with clause 2, which is the main clause of the Bill, on statements of inherent risk. Clause 2(1) states:

"A volunteer, employee, volunteering body or voluntary organisation may present to any person of full age . . . or to the parent or guardian of any person not of full age . . . who is to undertake any activity or activities administered or managed by or under the control of the volunteer, voluntary organisation or volunteering body, a written statement setting out the principal risks which are inherent to the activity or activities undertaken, whether or not such risks shall involve risks of personal injury or harm or risks to property."

That provides an opportunity for almighty bureaucracy, which the hon. Member for Canterbury would not support—he is well known in the House as someone who excoriates undue bureaucracy.

I ask the hon. Gentleman to address the question of how many risk assessments will be needed. I shall set out an example—again, I shall use scouting—which he can consider and respond to. Will the statement of inherent risk be drawn up when someone joins a scout troop? Will it say, "In the scouts, these are the things that we do, these are the sorts of activities that we engage in and this is the statement of inherent risk associated with them"? If the parent or guardian signs on the dotted line and that is it, then it has little material worth and will not provide the comfort and protection that the hon. Gentleman desires.

On the other hand, if a statement of inherent risk were drawn up when a scout group visited a particular location in the Lake district to engage in hill walking at a wintry time of year or engaged in a water sport such as canoeing, it would be a risk assessment of a particular project. It would closely catalogue the inherent risks in the activities undertaken and would allow parents and guardians closely to assess what their children will or will not be doing. Parents and guardians could therefore give genuine and informed consent when they sign the statement of inherent risk, which would be a step towards achieving the protection that the hon. Gentleman seeks to put on to the statute book. He will, however, agree that it would be tremendously labour-intensive to do that done before every activity requiring a risk assessment. It would take considerable time to set out those risks, go to all the parents and guardians of the volunteers involved and secure their consent. I should therefore be grateful for guidance from the hon. Gentleman about what he is trying to do.

Mr. Brazier: The short answer, to borrow the words of the hon. Member for Edmonton (Mr. Love), is that the certificate will be illustrative, not exhaustive. I would expect it to be produced for the annual camp if it involved such activities. I have just signed a certificate for my own children, who are going on annual camp with the Combined Cadet Force. That certificate, however, would have no legal value in a court, whereas the certificate in the Bill would.

Mr. Gardiner: I am grateful to the hon. Gentleman for that clarification of the attempt to give legal backing to the disclaimer notices that parents sign when their children go on camps or adventures. However, may I pose another question? Like him, I believe that children should be able to undertake healthy pursuits and volunteering, which have many benefits, but I do not want people who undertake activities for voluntary organisations, particularly those that work with children, to be encouraged to sign a waiver or disclaimer that could contribute to bad practice. The hon. Gentleman will know that organisations such as the CCF and the scouts double-check and even triple-check the adventure activities that they undertake with children. They ensure that safety precautions are in place, and that there is a belt-and-braces approach to them. Would he comment on the possibility that voluntary organisations that do not have such a strong health and safety record as those two groups might regard such a disclaimer or statement of inherent risk as a means of alleviating them of the burden and responsibility of operating stringent checks? I accept that that is not the intention of the Bill, nor something that any hon. Member would want to happen. But I should be grateful to the hon. Gentleman for his comments about how his proposal can be implemented without organisations whose health and safety management is not so tight being let off the hook by the statement of inherent risk. *[Interruption.]* I am delighted to hear him say from a sedentary position that we can return to the matter. Perhaps he will do so in his concluding remarks, or we can continue the discussion in Committee.

The words

"if the adult person concerned or the parent or guardian of the child concerned accepts and agrees to the Statement of Inherent Risk that the person or parent of guardian shares responsibility for the safe conduct of the activity"

appear in clause 2(2).

Mr. Deputy Speaker: Order. We are reminded in "Erskine May" that it is not customary on Second Reading to go into the details of clauses. That is for the Committee stage. I have been very tolerant with the hon. Gentleman so far, but he should bear in mind our conventions.

Mr. Gardiner: You are always tolerant with all hon. Members, Mr. Deputy Speaker, and I am grateful for your advice and wry counsel. I shall conclude my remarks.

There are problems with the Bill. It is not perfect, but few Bills are when they come before the House on Second Reading. That is why we have the Committee stage. Bills that have the broad support of the Chamber on the principles that they seek to establish can be refined in Committee. The hon. Member for Canterbury has done the House and the voluntary sector a service by introducing the Bill. I have reservations, particularly in relation to clause 2, and I hope that he will address those now or in our deliberations in Committee. I extend my heartiest congratulations to him. I shall be pleased to see the Bill proceed.

12.32 pm

Mrs. Jacqui Lait (Beckenham) (Con): I add my congratulations to my hon. Friend the Member for Canterbury (Mr. Brazier) on promoting such an interesting and useful Bill, which addresses so many of the concerns that we as Members of Parliament are regularly faced with from volunteers and the voluntary sector. I thank hon. Members who sponsored the Bill and who are present today, and the organisations that helped my hon. Friend to draft the Bill. It is not an easy subject. People have been grappling with the issue of how to ensure that those who volunteer are not put at risk, and the Bill provides an ingenious solution to the problems that so many volunteers and volunteering organisations have to deal with.

I shall not take too long, as we are keen to hear the Minister's remarks. We have had a long and thorough debate. I agree, Mr. Deputy Speaker, that from time to time we were verging on a Committee stage debate, but it is extremely useful for my hon. Friend to know the tenor of the various amendments that are likely to be tabled. It was a useful exercise for those who indulged in it, and good luck to them for getting away with it for so long.

We have all supported the Bill. We are all well aware that there is a crisis in volunteering—I hope I do not exaggerate—and most of us cited examples from our constituencies. I am sure that we can all think of such examples. The cadet corps, the guides and even my local Alzheimer's society are having difficulty in recruiting volunteers. As I understand it, the Bill seeks to address one part of that crisis.

I welcome the support for the Bill expressed by the right hon. Member for Holborn and St. Pancras (Mr. Dobson), who is unfortunately no longer present in the Chamber; he may well have gone to a constituency function. It is very rare for me to support anything that he says. Although I welcome his comments, I am slightly worried about whether the inclusion of local authority play areas would go substantially beyond the terms of the Bill. I am sure that that was not his intention, but as we know, trying to secure the introduction of a private Member's Bill is difficult enough without widening its scope rather than focusing on the key areas.

It was encouraging to hear from the hon. Member for Torridge and West Devon (Mr. Burnett) that, as a lawyer, he deplores the litigation culture. We must encourage more lawyers to think along those lines. His analysis of the certificate of inherent risk was very useful, and I am sure that my hon. Friend the Member for Canterbury is very grateful to him for it.

The hon. Member for Edmonton (Mr. Love), who has already apologised for having to leave the debate—I hope that he enjoys his constituency function—took a precautionary approach, and started the analysis of the Bill that will be so useful to my hon. Friend. Without wishing to volunteer the hon. Gentleman for service on the Committee, I must say that I thought that some of his analysis would be very useful in that context.

My hon. Friend the Member for Esher and Walton (Mr. Taylor) has long been a supporter of volunteers and volunteering. I commend his recent book about corporate social responsibility, which I have read, as it coincides with an interest of mine. Of course, the emphasis was on the idea that such responsibility should be furthered at the behest of the company and not put into a legislative framework. He made very interesting points about the need for changes in the insurance advice given to voluntary organisations.

The hon. Member for Wimbledon (Roger Casale), who will probably return to the Chamber, lavished praise on volunteers, but then proceeded to question just about every single part of the Bill. He, too, may wish to serve on the Committee, but I hope that he was not trying to scupper the efforts of my hon. Friend the Member for Canterbury.

The hon. Member for Falkirk, West (Mr. Joyce), who is clearly potentially open to legal challenge in respect of his own volunteering activities, made some useful points. It is my understanding—my hon. Friend will be able to correct me if I am wrong—that the good Samaritan clause comes into play only if the effect of the good Samaritan's work is beneficial. I think I am right in saying that such a person could be challenged for giving incorrect advice as part of a court case for negligence. Indeed, that is part of the distinction that needs to be drawn in the Bill as to whether people who have signed a certificate of inherent risk or are covered by one would be prosecutable for having committed criminal negligence, without being protected by that certificate.

Finally, we heard from the hon. Member for Brent, North (Mr. Gardiner), who would be an admirable member of the Committee to which I hope the Minister will allow the Bill to proceed.

We have all agreed that there is a need for these activities. In the past week, we have seen the launch of various Government initiatives that attempt to deal with child obesity. I thought that there were some mixed messages when the Secretary of State for Health posed by a supermarket checkout near a basketful of fresh fruit while the Secretary of State for Culture, Media and Sport decided that she did not approve of a ban on advertising fatty foods. Although I happen to agree with her, it was she who promoted a ban on tobacco advertising, so there is not much logic there.

It is important that children get as much opportunity as possible to exercise, to enjoy the many sports that are available, to get fit and, indeed, to learn something of the wider world. Many city children benefit from visits to farms in the countryside, but, because they have never been to a farm before, they are unable to assess the inherent risks involved as a child brought up in the country would. As the right hon. Member for Holborn and St. Pancras explained so clearly, the key is to ensure that children are capable of assessing risk; otherwise, as my hon. Friend the Member for Esher and Walton observed, the end result will be chaos in society.

Most people who wish to volunteer rightly do not put the fear of litigation and bureaucracy at the top of their list of concerns, but it is high on the list of those involved in activities with inherent risk. To give a constituency example, I am a social member of my local rugby club, where 250 youngsters learn to play rugby every Sunday. They start from an age at which, when I was younger, they would not even have held a rugby ball. We need to ensure that sufficient volunteers are willing to come forward to teach them to play rugby safely, but many parents cite the problem of possible litigation. The Bill is an imaginative and sensible attempt to reassure

volunteers that they will be protected against potentially malicious challenges to the way in which they look after their charges.

Under the Bill, any volunteer who acted in a criminally negligent way would still be subject to court action. However, accidents happen. A great deal of the compensation culture derives from the feeling that somebody must be blamed for accidents that most commonsensical people would regard as being nobody's fault. Any proposal that would place a curb on that increasing litigation is sensible.

The Bill deals with insurance costs. Because of the compensation culture, many voluntary organisations and sports clubs with perfectly good records face enormous rises in their premiums for public liability. They tend to react uncomprehendingly. The Bill would reduce those insurance costs and, in turn, the financial burden placed on volunteers who pay subscriptions.

The Bill is imaginative in trying to amend the Financial Services Authority's approach to so much finance—creating an audit trail, which means an enormous amount of bureaucracy, box ticking and paper—through sports-covering insurance and removing from the definition of advice the sale of insurance and premiums to individual clubs. That is sensible. Sports governing bodies are sensible and can usually afford professional advice. There is no need for them to be obliged to go through the "advice" undergone by everyone who has ever had to buy a financial product. It appears fairly unnecessary to most of us most of the time.

I welcome the Bill's provision for training the judiciary about the terms of the measure. It is sensible to be told in an annual report how many members of the judiciary have received such training. People increasingly wish to know whether those who sit in judgment over them are sufficiently qualified. We all probably believe that that they are, but there are so many specialist areas.

I can envisage a lively debate in Committee on data protection. It is a complex subject and I can understand why my hon. Friend the Member for Canterbury was chary of taking up the issue of criminal records, but know from constituents about the number of complaints about box ticking and I hope that a sensible solution can be found in Committee.

Let us consider the good Samaritan clause. We have often heard tales of people who pass by on the other side out of fear. Anything that encourages people to help and bring about a beneficial outcome should be supported. The Bill attempts to do that. Again, I am sure that there will be plenty of debate in Committee about the way in which to make it most effective. I hope that the principle of the good Samaritan clause will remain if the measure reaches Third Reading.

The official Opposition wish the Bill all the best. We want it to receive Third Reading, go to another place and become law so that voluntary organisations and volunteers get a bit more protection, which enables them to continue to do the welcome job that they have done for so many years. It saves us so much money and gives them a great deal of pleasure. It gives me great pleasure to support the Bill.

12.48 pm

The Parliamentary Under-Secretary of State for the Home Department (Fiona Mactaggart): I thank the hon. Member for Canterbury (Mr. Brazier), who has been a brick about the Bill. He knows that the Government have profound reservations about many clauses and that we are not confident that they can achieve the aims that he supports, but we recognise and share the laudable ambition to promote volunteering by reducing the perceived barriers and burdens that may affect people's involvement in their communities.

The hon. Gentleman has been a brick because he has made it clear in the Chamber and in meetings with me that he is prepared to give up little bits if they cannot be put right and amend aspects, if possible. I have to say to him in the Chamber, as I have outside it, that some of my advice is that it might not be possible to amend the Bill to achieve the aims that we both share. He has been very helpful, and I am grateful for the undertaking that he has given to work closely with the Government to see whether we can use the Bill as a vehicle to make progress on the aim of reducing the burdens and barriers that prevent people from volunteering.

I shall run through the reasons for my reservations. I do not intend to stand in the Bill's way, which is quite a high-risk position to take, and I have secured the agreement of other Departments to my taking that position. One reason why the matter to which the Bill relates is complicated is that it impacts on the areas of responsibility of at least four, and possibly more, Departments: getting our ducks in a row is therefore quite complex. Of course, the Government are united as one entity, but in practice when different Departments have different and particular interests, it can be quite difficult to drill through the detail of such matters. That is one problem.

Another problem is a real fear that the Bill might not have the positive impact that we want, but might have some opposite effects. We need to explore that problem in more detail, and I shall be happy to do so if the Bill reaches Committee. I do not want the Bill to achieve the opposite of its intention. I am certain that we all share the same ambition, and every speech that I have heard this morning confirms that. However, some Members have raised queries about whether the Bill will achieve that ambition. The proper way to proceed, although it will press quite a lot of work on some Members, including me, is to try in Committee to make the Bill make sense.

Let me make it clear that the Government are committed to increasing not only voluntary and community sector activity, but the number of people who actively participate in their communities. The Home Office active communities directorate was allocated £188 million for Government support to the voluntary and community sector between 2001 and 2003, of which a significant proportion was specifically to increase and support the level of volunteering.

That commitment to support the sector is not new. We have already implemented major initiatives that have benefited the sector, including the compact that we developed in 2000 and the associated codes of good practice. Those set the basis of a new relationship between the Government and the voluntary and

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community sector. That foundation is continuing to be developed and enhanced through the establishment of local compacts, which will apply to local authorities' relationships with the sector.

One reason why I want to focus on the compact is that an important concept is inherent in it, and it is partly because of that that the Bill gives me some unease. The compact contains the concept of professionalism—of being voluntary but professional. As a Minister, I commit to the need to recognise the cost of doing business, which is how we have put it in the compact pledge card—the short version that someone can keep in their pocket. We need to encourage voluntary organisations properly to assess the real cost of going about their business and to charge for that properly. We in Britain have a tradition of not doing that. Many voluntary organisations get into the habit of implying, and almost believing, that things are free, and that volunteers are free, when we all know that they are not. Volunteers' expenses, training and accommodation cost money, and we need to provide those properly, expertly and well. For example, we must ensure that someone who volunteers as a rugby referee has the same level of training as a professional referee, if that affects the safety of the people whom they are refereeing. We also need to ensure that there is no contradiction between being properly trained and being a volunteer, and that costs money.

As the Minister with responsibility for voluntary organisations, I have placed a lot of emphasis on ensuring that we get professionalism, excellence and recognition of full cost, as it is often described. It is also important, however, to examine ways of ensuring that people are not put off volunteering as a result of unfounded claims for negligence. People must accept the fact that some activities are inherently risky when they involve themselves or their children in them, but they should nevertheless have the right to expect high standards from volunteers. Similarly, volunteers have the right to expect high standards of training from the organisations for which they volunteer.

Mr. Brazier: The Minister is making a very helpful speech, and I shall underpin some of her remarks about working together in Committee if I get the chance to reply later. I would like to put this point to her now, however. While every single organisation supporting the Bill would agree with what she says about the importance of safety and proper standards, no form of negative recognition could be more damaging to volunteering than the second highest court in the country declaring a referee to have been negligent and to have caused an accident that most referees in this country believe came from a perfectly reasonable decision.

Fiona Mactaggart: It might be helpful if I deal with that case, which a number of hon. Members have mentioned. We are dealing here with urban myths. Urban myths have an effect on reality, but it is important that we should not allow an urban myth to grow about the nature of this court case. I have looked at the transcript of the decision of the Court of Appeal in the Vowles case, and it did not say that any risk was unacceptable, which I think was implied by the hon. Member for Esher and Walton (Mr. Taylor). It referred to a very specific risk of injury, which a particular rule was intended to address. It is worth reading out a bit of the weekly law report in relation to that case.

"Mr. Leighton Williams suggested that if we upheld the judge's finding that an amateur referee owed a duty of care to the players under his charge, volunteers would no longer be prepared to serve as referees. We do not believe that this result will, or should, follow. Liability has been established in this case because the injury resulted from a failure to implement a law"—

a complete and express law—

"designed to minimise the risk of just the kind of accident which subsequently occurred. We believe that such a failure is in itself likely to be very rare."

So, we are talking about a case involving a specific rule in the rugby rule book that was not implemented. That was a choice made by the referee. The report states:

"Much rarer will be the case where there are grounds for alleging that it has caused serious injury. Serious injuries are happily rare, but they are an inherent risk of the game."

That is part of the point that the hon. Gentleman is making. It also says:

"That risk is one that those who play rugby believe is worth taking, having regard to the satisfaction that they get from the game. We would not expect the much more remote risk of facing a claim in negligence to discourage those who take their pleasure in the game by acting as referees."

It behoves us to promulgate the nature of this finding, which is not as wide in its impact as many people believe.

Mr. Burnett: During my speech I asked whether the Minister could find out whether the case was under appeal in the House of Lords. I have not read the transcript; I have only read a small précis. But, like other Members and like many members of the public, I want to know whether the referee's duty was discharged in relation to his discussions with the captain of the side, or whether he had to ask the individual player. Furthermore, is it not incumbent on individual players who decide to engage in a game of rugby football to be competent to know whether they are capable of doing so?

Fiona Mactaggart: I did ask whether the case was going to the House of Lords. I am afraid I cannot give the hon. Gentleman the answer at this stage, but I will find out and write to him.

The court said that the referee was aware of a risk that might be posed by the less experienced player. A series of problems was experienced with the set scrum after the inexperienced player had entered the game, confirming that it might have been right for the referee to operate the law as it stands. It was in the final scrum that the accident occurred. The Court of Appeal found that the judge had properly concluded that the referee had responsibility.

I agree with other Members that we should not encourage a litigious culture that might make our environment and activities "vanilla". I think that that summarises what was hinted at by my right hon. Friend the Member for Holborn and St. Pancras (Mr. Dobson). We do not want it, because it limits children's opportunities. When I was a child, my favourite activity was tunnelling through the hay in a barn. We built caves

in the hay and lit them with candles. When I think back to that, it terrifies me—but my brothers and sisters and I, who all did it, are still alive today.

What we were doing was profoundly dangerous. If a child of mine did it, I would stop it, brutally. Nevertheless, people do dangerous things, and most who do things even as dangerous as lighting candles when surrounded by hay survive. That should be our starting point. We, as community leaders and politicians, have a responsibility to say that activities are inherently risky, that we want them to be risky, and that even when your father has kidnapped every needle in the kingdom, you will still manage to prick your finger on the one that is left behind and fall asleep for a hundred years. We want the element of danger; it cannot be dispensed with. We must find a way of managing it carefully, through the use of volunteers whose standards are professional. That is why we have tried to build up the capacity of voluntary and community organisations. Some £80 million has been allocated to an infrastructure review to support voluntary organisations, and one of the issues to be considered is how they support volunteers and volunteering.

The law affecting charities in England and Wales is in the process of being reformed. One of the reasons why I feel as though I am being generous to the hon. Member for Canterbury in not standing in the way of his Bill is that I shall shortly lay before the House draft legislation on charity law reform, which will occupy a great deal of my time. Having volunteered myself for the challenge of responding to his Bill, making progress on my other important ministerial responsibilities, particularly race equality, will be challenging for me. However, I am prepared to put energy into this subject because it is one on which our track record is clear: we have invested substantially in voluntary organisations, especially those that have an overarching role in supporting the voluntary and community sector. Membership and umbrella bodies are better able to support their members in providing support and services to thousands of people. Every year, we put millions into funding new programmes to support more volunteers, to raise awareness of volunteering and to make it simpler for people to get involved.

I welcome the reforms that volunteering organisations have themselves introduced to strengthen volunteering, in particular the creation of Volunteering England, which has developed the infrastructure to support volunteers. I asked that body for its views on the Bill; I would not describe them as enthusiastic. It is important to recognise that there is no single view in the volunteering sector. Volunteering England's comments included:

> "The issues raised, whilst relevant, are not specific to volunteering and perhaps reflect the 'blame culture' and the more litigious times we all live in."

Although I have agreed to work with and help the hon. Gentleman, I do not want to end up sending the message that it is all right for volunteers to be negligent. Neither he nor I believes that that is all right. We expect high standards among volunteers and proper training for them, we expect them to perform their role responsibly and we expect volunteering organisations to provide them with the tools that enable them to do that. Volunteering England makes the point that the Bill deals with issues that affect everyone, not only volunteers. It points out:

> "We have serious concerns that a Bill intended to support and encourage volunteering could have exactly the opposite effect. Although narrow in scope, it could in practice be applied to many other volunteering activities. In asking volunteers to accept liability for their activity we are likely to discourage people from becoming involved, thus creating a new barrier to volunteering."

I hope that Volunteering England is wrong, and the hon. Gentleman does, too. My objective is to give him the space to see whether we can use the Bill to do something sensible, but I am not wholly confident that we can. I take seriously the anxieties voiced by the sector, so I want us to use the Committee stage properly to explore them and to see whether we can reach consensus across the sector, so that we can achieve a degree of comfort and happiness about what the Bill might achieve.

Having described the place that I am starting from, I should now try to answer the points that hon. Members have made about the Bill. The hon. Member for Canterbury raised early in the debate the issue of Government action on obesity, and the contribution that the Bill could make to that. I agree, and that is one of the reasons why we have put so many resources into encouraging volunteering in sport—one of our more substantial volunteering programmes, on which we are grateful for the work of the Department for Media, Culture and Sport.

Although volunteering makes a substantial contribution, we should also recognise that the Government are doing a lot. Sport and leisure are part of the solution, but sport accounts for only 8 per cent. of all physical activity. For many of those who are most at risk of obesity because of their age, gardening is equally significant in maintaining physical activity and fitness.

The Government are developing a cross-departmental strategy on obesity, and the activity co-ordination team taking forward the game plan recommendations for a cross-departmental body to work towards a national physical activity strategy for England has brought together nine Departments. In the spring it will publish the first three-year phase of the 17-year national strategy, which will include measures to raise mass participation, especially in disadvantaged sports, and especially for school leavers, women and older people, who are among those most at risk because lifestyle factors and age combine to increase the risk of illness.

We need to tackle the couch potato culture among children, which some hon. Members have mentioned, and we shall do so as part of that exercise. It is a priority for the DCMS, which, with the Department for Education and Skills, has a joint target of increasing the percentage of school children who spend a minimum of two hours each week on high quality physical education and school sport within and beyond the curriculum to 75 per cent. by 2006. As one who would always have been in the other 25 per cent.—not until I was in my 30s did I find any physical activity that I enjoyed—I realise that that 75 per cent. target is ambitious.

The hon. Member for Esher and Walton and others suggested that the fear of litigation is having a substantial impact on the recruitment of volunteers. I think that that might be an urban myth, and it is

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important that we do not allow it to gain credence through this debate. The Home Office citizenship survey has demonstrated that there are several important reasons why people do not get involved in volunteering.

The first and most important reason is lack of time. That is one of the reasons why the Government are trying to deal with the long-hours culture in British employment. That culture means that people have less time to get involved in sport and volunteering, and they do less.

The second reason is lack of awareness and knowledge of what there is to do. People say, "I'd happily get involved if only I knew what to do." The Government take seriously the commitment to change that. I have spoken about the £80 million that we are investing in the infrastructure. Some of that will go to the volunteering infrastructure, and part of the role of that infrastructure is raising awareness of how people can become volunteers.

The third reason is lack of information—not knowing where to go, for example. There is also the inflexibility of options and opportunities. We are trying to address all those problems, because they are the most significant reasons that deter people from volunteering. The fear of litigation, although it is perceived to be an important issue, and in the debate hon. Members have assumed that it is, may be much less important in practice than people think.

For example, companies and others who have carried out research on the increase in insurance premiums suggest that litigation costs are certainly not the only, and not necessarily the main, reason for increases in premiums. That was found in the Government's review of employers liability compulsory insurance, which, in many ways, involves the same issues. Many factors contribute to the cost of insurance, and the Department is addressing the issue with energy. Our insurance cover working group is bringing together voluntary organisations and the insurance companies, because we recognise that the growth in premiums has been an issue for voluntary organisations.

Mr. Burnett: I am sure that the Minister will have heard the comments from both sides of the House that premiums are going up not just because of the incidence of litigation. One of the main reasons why they are going up is because insurance companies settle before action is taken. That is a real problem. I hope that she understands that—I am sure that she does—but will she also remember that the Government have initiated the Clementi review of legal services? The review is not limited solely to the legal profession; it also encompasses often unregulated personal injury claims companies. Will she therefore send a copy of the report of this debate and subsequent debates in Committee and on Third Reading to Sir David Clementi?

Fiona Mactaggart: I shall be perfectly happy to pass on a copy of the report to the Clementi review. It is important to get the fact rights. I hesitate to bandy words with a lawyer on some of these issues, as the hon. Gentleman will know more than I do that some of the reforms to the law have been designed to increase the likelihood of settlement rather than litigation. I understand what he is saying but, that is one of the reasons—not the only reason—why there have been more settlements.

I asked carefully about the issue, because I recognise how widespread the concern is. It is true that the number of claims issued in the courts has been reducing over the past few years so I asked, as the hon. Gentleman did, about the claims made to insurers. Although it is counter-intuitive, it is really interesting—I hope that we can discuss this in Committee, because the part of the Bill that deals with this issue is quite flawed—that the number of personal injury claims made to general insurers has remained static over all. The figure has not increased even though we have been given to believe that it has; it has stayed at about the same level.

Mr. Burnett: Did the Minister then ask the next logical question about the extent of the payouts on those claims and how they have increased? I think that she will find that they have increased significantly.

Fiona Mactaggart: The hon. Gentleman may well be right, and the issue might properly be addressed by the Clementi review. One problem is the issue of how much people receive. In fact, it is right that, if someone has been negligent, the victim of the negligence should be properly compensated. If, in today's world, the proper compensation is assumed to be higher than it used to be, that will impact on claims. However, I do not believe that a single Member of the House believes that the victim of negligence should not be compensated. I do not therefore think that the fact that the amount of compensation thought to be right might have increased should somehow lead to the possibility that someone might be able to get away with negligence.

Mr. Burnett: The Minister will presumably agree that if a certificate of inherent risk or a similar formula were arrived at, it would be likely to reduce premiums.

Fiona Mactaggart: That is what we need to find out. I am taking a risk by not doing what Ministers usually do at this point—let us be clear that it is what makes their lives easier—and saying, "Oh, it is a very good idea", and talking for so long that we do not have the opportunity to give the Bill its Second Reading and thus do not give it the chance to get into Committee. I am not taking the easy way out. I am saying that there might be value in the measure, but also that there might not.

If a certificate of inherent risk were to allow people to be a bit negligent, I would not want it. Volunteers should not have the right to be a bit negligent. However, if, as may be possible, a certificate of inherent risk would improve the quality of information provided to participants—changing the impact of the present law under volenti non fit injuria with people being aware that an activity involves some risk—by helping people to be aware of and to understand the nature of a risk in an activity and thus making them feel more comfortable about participation, and if it would ensure that voluntary organisations would take their training more seriously, it might be a good idea. If it were thus to create confidence in the insurance industry that safety was properly managed and treated sensibly and that risk assessments were properly done—one would expect all

those things to happen under good practice and they lie behind the concept that we are discussing—I would expect premiums to decline.

Let me give hon. Members some good news. We have tried to bring together the industry and voluntary organisations through the insurance cover working group. We have tried to get voluntary and community sector groups to band together and bulk-buy insurance cover through umbrella groups with agreed safety arrangements and protocols. That is starting to bear fruit, and I have received a message from an organisation that said that its insurance premium had stayed exactly the same from one year to the next for the first time in some years, which was different from the previous pattern. That was a result of the working group getting organisations to band together and of people ensuring that they had appropriate safety strategies. It is clear that it is possible to make a difference to insurance premiums by dealing with the situation intelligently, but I am not yet clear whether the certificate of inherent risk would be the way to do that. I know that the certificate is the core of the Bill.

The hon. Member for Canterbury has graciously accepted that parts of the Bill will require amendment. For example, he gave a commitment to amend the unhelpful provision on sharing risk. I would have had to stand in the way of the Bill reaching Committee if he had not have made that commitment, as I would have done if he had not said that he would co-operate. He has co-operated with the Government today in trying to determine whether we can make sense of things. I see the hon. Member for Brentwood and Ongar (Mr. Pickles) getting twitchy because his Bill is next, so I shall return to the points made.

My right hon. Friend the Member for Holborn and St. Pancras raised an important issue, although the Bill does not cover it, about the problem of drilling out the adventuressness of adventure in every setting. One reason why the Bill merits further debate is that the deadlines in the House will allow us to put salt on the tails of all those in the sector who are responsible for such issues to find solutions to the problems that he identified. I certainly want to do that.

Mr. Dobson: My hon. Friend talked about joint enterprises to reduce premiums. I suspect that most voluntary organisations, and certainly most of the voluntary groups that run the playgrounds with which I am familiar, have no idea that that arrangement exists and can be exploited. It would help if the addresses of useful organisations were contained somewhere—perhaps on a vast governmental internet site— with an explanation of how to get on such a scheme. That would go down very well.

Fiona Mactaggart: I thank my right hon. Friend for his comment. One reason why it is proper to allow the Bill to proceed is because we can use it as a vehicle to get a better awareness of what is happening and to test the quality of that. We do not have all the solutions. I am not certain that the Bill offers a solution; I have not had enough time to determine that. Of course promoting volunteering is a good thing. Every hon. Member agrees with that. However, the original version of the Bill contained some things that we could not have supported in any way. The hon. Member for Canterbury helpfully abandoned one of those measures en route, and I am grateful to him for that. There are other measures that the Government will not support in their current form, but if Parliament can come up with ideas or even promote information, schemes and strategies to deal with the anxieties and problems raised, that will be a worthwhile exercise even if our debate uses up the time of many hon. Members and civil servants. It is worth getting more volunteers, making activities safe and reducing the insurance premiums and other barriers to successful organisations.

I hope to deal with all the points raised. My hon. Friend the Member for Edmonton (Mr. Love) said that the law on frivolous claims has not changed and that the courts can prevent such claims from being made. He mentioned shared responsibility. I am grateful to the hon. Member for Canterbury for accepting that there is a problem with the wording. We do not expect that to survive scrutiny in Committee.

My hon. Friend the Member for Brent, North (Mr. Gardiner) referred to BrAVA, an organisation in his constituency, which I hope to visit shortly. He explained that there are other barriers to volunteering than those that are dealt with in the Bill. For example, I have been doing a quick consultation. Usually we have a 12-week consultation period when preparing for a Bill, but that is not possible with private Members' legislation. That is one reason why the Government might like the idea of a private Member's Bill but not its detail. Such a Bill might be designed to solve a problem of which we are all aware but the Government are not sure that the proposed provisions will solve that problem. That is because we have not been able to consult widely enough.

I approached Dame Elisabeth Hoodless of Community Service Volunteers, an organisation with which we work closely. I know that all hon. Members have experience of "make a difference day". I have seen on the website of the hon. Member for Canterbury information about his involvement in a local vinery on "make a difference day". In a typical forthright response, Dame Elisabeth wrote:

> "We understood that the law had just been tightened to address these issues and are not clear what this Bill aims to achieve. CSV feels it is important to stress that day to day living can be a dangerous activity. We feel that the Bill, in particular the statement of inherent risk, will lead to a highly bureaucratic process that would exclude many young people from the activities that they enjoy."

I know that the hon. Gentleman is desperate not to have a "highly bureaucratic process". I know also that the CSV is not alone in fearing that the Bill will lead to a highly bureaucratic process.

The Pre-School Learning Alliance thinks that many provisions in the Bill are standard practice and that the measure might be bureaucratic and deter people. We need to ensure that that does not happen. In a way, I shall agree with part of what the hon. Member for Beckenham (Mrs. Lait) said. She said that this is not an easy issue and that the hon. Member for Canterbury has come up with an ingenious solution. It is ingenious, but I am not certain it will work. However, it is worth testing. It is worth consulting voluntary organisations to ascertain whether parts of the Bill will help. We all share an aim. I disagree with the hon. Lady's points on food and tobacco. In all circumstances, tobacco is always dangerous to people's health. We should not eat the

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wrong sort of food in excess. However, as the hon. Member for Mars, or Masterfoods, I can be assured that a Mars a day, if that is part of a balanced diet, can genuinely help us work, rest and play.

I have outlined how the Government are committed to promoting volunteering. We need to take whatever steps are practical to remove barriers that prevent people from becoming involved in their communities. However, we need to guard against making provisions that create an imbalance of responsibility and duty between the voluntary sector and public and private sectors. There is a risk that that will create confusion and possible resentment, and undermine our belief that the voluntary and community sectors should be considered on the same footing as other sectors and can rival market and state because of their unique way of working.

I am promoting voluntary organisations in their capacity to provide public services, which is a fantastic capacity. When we use their imagination, talent and flexibility, we can do some exciting things.

We recognise that the concerns that the hon. Member for Canterbury seeks to address through the Bill are real. They are being faced by sections of the voluntary and community sectors. We have already been working on some of them through organisations such as the insurance cover working group. I have promised that we shall engage with voluntary organisations to focus on the subject raised by the Bill. I hope that we shall be able to feed that into consideration in Committee. We shall examine the identification and resolution of barriers that prevent some people from engaging in volunteer activity. That might result in the statement of inherent risk. However, I must advise the hon. Member for Canterbury that Ministers are not confident that the Bill can be amended not to give a free pass to the negligent. If it is not possible to amend it, or if it creates a barrier of the kind suggested by Dame Elisabeth Hoodless, I cannot support it, but the matter is worth further consideration.

Sport England's research, which has contributed to the thinking of the hon. Member for Canterbury, shows that volunteers must be better supported to enable them to contribute time and effort. We can achieve that by continuing to work on our volunteering strategies, but the Bill might have something to offer. I am not certain on that point, but it is worth further work.

In conclusion, we should not fall for a myth that has developed in this debate. The Home Office citizenship survey, to which I referred earlier, provides an evidence base to support our work. It helps to assess how we are doing on the target to increase volunteering. The emerging findings from the 2003 survey—as with all research, these things take time to analyse—show that volunteering did not, as we have heard today, decrease between 2001 and 2003; over that period, the number of people participating voluntarily in their community at least once a month increased by 3 per cent. That translates into an increase of more than 1 million in the number of volunteers, which exceeds the challenge set by the Prime Minister in 2000 to get 1 million more volunteers by 2006. We are making progress on the matters that the Bill seeks to address, so let us not say that things have been going backwards, because they have been going forwards.

If the provisions in the Bill enable us to make further progress, I look forward to working with the hon. Member for Canterbury. If, on close examination in Committee, it turns out that the fears expressed to me by ministerial collcagues from across the Government are insurmountable, we may lose the Bill. However, we will end up with a process that will increase volunteering and the safety of volunteers and those who engage in activities and that will promote the kind of active, engaged society to which the hon. Member for Canterbury, every hon. Member who spoke in this debate and I are committed.

1.38 pm

Mr. Brazier: I shall be brief. I am grateful to all the hon. Members who have come along on a Friday morning to support the Bill. I failed to mention that the benefits my children obtained from scouting first started my thinking about the matter.

There has been a string of excellent speeches. The right hon. Member for Holborn and St. Pancras (Mr. Dobson) brought terrific experience to the debate. He has done a lot of work with his working group, and some of its concerns could be addressed through the Bill.

The hon. Member for Torridge and West Devon (Mr. Burnett) rightly focused on the Vowles case, which is at the heart of what has recently gone seriously wrong and is frightening the sector.

My hon. Friend the Member for Esher and Walton (Mr. Taylor) combined a lifelong commitment to volunteering, on which he has written several pamphlets, with a string of interesting constituency cases.

I reassure the hon. Member for Edmonton (Mr. Love) that it is envisaged that people will normally sign one form, but organisations such as the scouts or the CCF might get the form signed annually when children go to particular camps involving particular activities.

I am grateful to the hon. Member for Brent, North (Mr. Gardiner) for volunteering to serve in Committee. I am happy to repeat my reassurance on the Data Protection Act, and that provision could not go on to the statute book as drafted. I discussed that point until the last moment, and I accept that I have still not got it right. I thank my hon. Friend the Member for Beckenham (Mrs. Lait) for the strong support that she promised as Opposition spokesperson and for her interest in the Bill.

The Minister was extremely gracious in her reply. She and I were both suffering with raging colds when we met two weeks ago and I am extremely sorry that while I have got over mine she, perhaps through overwork, has not yet got over hers, and she has been terribly brave. I look forward very much to working constructively with her in Committee. It may help the House and hon. Members who will serve on the Committee to know that, as I have made clear throughout—the Minister has echoed this—the latter parts of the Bill are negotiable. Clause 2, including subsection (2), needs to be tightened up and re-examined, but the underlying principle of the Bill, which the consortium of volunteer organisations

supports, is that we need a solid mechanism for raising the barrier for negligence claims against volunteers. There is not a single organisation that wants a single act of negligence to be committed against a single child or adult, but volunteers are worried about the threat to adventure-training and sporting organisations posed by cases such as Vowles. It is not acceptable that because there was a serious accident as a result of what most volunteers providing sport and adventure training would regard as an acceptable bending of a rule—the Minister was right: although it was called a law, it is in fact a rule—a referee should be declared negligent. His decision was based on the individual player's wishes and the game would otherwise have had to be abandoned.

I shall end where I began. I thank all members of the consortium and colleagues on both sides of the House who have assisted with the Bill and made Second Reading possible. I look forward to working with the Minister and colleagues who agree to serve on the Committee, including my hon. Friend the Member for Beckenham.

Question put and agreed to.

Bill read a Second time, and committed to a Standing Committee, pursuant to Standing Order No. 63 (Committal of Bills).

Town and Country Planning (Enforcement Notices and Stop Notices) Bill

Order for Second Reading read.

1.42 pm

Mr. Eric Pickles (Brentwood and Ongar) (Con): I beg to move, That the Bill be now read a Second time.

When I was preparing my speech yesterday, I did so in the almost certain knowledge that I would not have an opportunity to speak. I therefore thank my hon. Friend the Member for Canterbury (Mr. Brazier) and the Under-Secretary of State for the Home Department, the hon. Member for Slough (Fiona Mactaggart), who is a fine advertisement for eating a Mars a day, for allowing us time to debate an important issue. I put on record my gratitude to the Bill's sponsors, particularly my hon. Friends the Members for Runnymede and Weybridge (Mr. Hammond) and for Cotswold (Mr. Clifton-Brown), as well as Baroness Hanham in another place.

The subject of the Bill is substantially the same as that of amendments tabled in Committee to the Planning and Compulsory Purchase Bill, which were not debated because of the guillotine that the Government ruthlessly impose on Bills. The subject was debated on 5 February in the other place, which is more civilised and confident. My Bill is designed to address the serious and growing problem of landowners abusing and flouting the planning system by constructing unauthorised caravan parks, often in the middle of the green belt. But it has wider use against developers who routinely ignore planning controls. I notice that the Office of the Deputy Prime Minister produced a consultation paper on the management of unauthorised encampments. My Bill has nothing to do with unauthorised encampments where, for the most part, the Travellers are trespassing, but deals specifically with the case where the Travellers own the land.

Before I describe the measure in detail, I shall start—unusually, perhaps, for an Opposition Member—by praising the Government. Whether that will help my sensible and modest proposals get onto the statute book remains to be seen. I was somewhat cheered and felt rather optimistic about my chances when I received a chatty and friendly note from the Government Whips Office dated 14 January. It starts pleasantly with the words "Dear Eric", and continues:

"re: Fridays—Assistance Request

Thank you for being able to assist on 5th March, 23rd April, 14th May, 18th June and 16th July.

I will have briefings for you the week of your Fridays.

Best wishes

Jim"

That was from the hon. Member for Poplar and Canning Town (Jim Fitzpatrick). Although I found the briefings extremely useful, perhaps I can give notice that, regretfully, I cannot be present on 23 April, 14 May, 18 June or 16 July, but in order to demonstrate my good will it is my intention to be in the Chamber next Friday to support the Cardiac Risk in the Young (Screening) Bill, on which I hope to catch the Deputy Speaker's eye and make a brief contribution.

[Mr. Eric Pickles]

The reason why I am so pro-Government at present is their announcement of 25 February that they will table amendments to the Planning and Compulsory Purchase Bill currently in another place, allowing local authorities to issue a new kind of stop notice. That is very welcome and goes some way towards meeting the demands in my Bill.

Ministers have suggested in the past that the existing planning laws and regulations are more than adequate to deal with the problem of blatant disregard of planning laws, despite evidence to the contrary. Given their dramatic change of heart, I shall draw a veil of discretion over past misjudgments.

According to the announcement by the Minister for Housing and Planning— what a pleasure it is to see him in his place today—

"Local authorities will be given more powers to stop unauthorised development and protect the environment".

The announcement continues:

"As a result of the 'Review of the Planning Enforcement System in England', the Government has tabled an amendment to the Planning and Compulsory Purchase Bill to enable local planning authorities (LPAs) to issue a 'temporary stop notice' at the start of unauthorised development, before an enforcement notice is served."

The Minister states:

"When someone starts damaging the local environment by breaking the planning g rules we want to ensure local authorities can act more effectively. The temporary stop notices could be used across a wide range of circumstances such as to stop the setting up of a scrap yard or haulage business without consent in the Green Belt."

He continues:

"Communities must have confidence in the planning system, which will only be the case if the rules are enforced."

I particularly commend the last sentence to the House. However, without the power to overcome the delay in the system, this welcome and well-intentioned move could end up as another piece of paper in the ever-growing stream of ineffective paperwork.

It is precisely because communities have lost confidence in the system as a result of its slowness that I bring the Bill before the House today. Communities also feel powerless and abandoned by authority. Many thousands of taxpaying, law-abiding people feel a mixture of bewilderment and anger that the present system allows, and even enables, blatant breeches of planning control that will take months and probably years to remedy. I suspect that many hon. Members on both sides of the House have stood alongside local councillors and planning officials in an angry public meeting, explaining why nothing can happen immediately and that patience and restraint are required, and saying that there will eventually be an inquiry and a decision. At such meetings, one describes the lengthy and tortuous process and watches the audience's demeanour change from anger to frustration to incredulity, and then back to anger again. When one finally gets up enough courage to tell the audience, as one must, that the outcome is far from certain, one can almost taste the feeling of abandonment in the air. To take the Minister's words to their logical conclusion, communities have lost confidence in the planning system because the rules are not enforced.

When the rules are enforced, it is always years down the line, after Travellers have lived on a patch of land and regard it as their home. I have seen that happen in my constituency, and I see it daily in the village where I live. The eventual decision is rarely happy or harmonious for anyone. In events not far from my constituency, my constituents got a taste of what might be from the eviction of Travellers from a Travellers' caravan site at Meadowlands, near Chelmsford. The eviction, which occurred on the morning of 26 January, made a lengthy item on the regional television news, with footage of blazing barricades, 100 police officers with riot shields, tearful women and rocks being thrown at 40 bailiffs hired by Chelmsford borough council as the Travellers tried to keep their homes.

The Travellers had bought the ground; they moved their caravans on to it three years ago and called it Meadowlands, but their four planning applications to live there had been rejected. Chelmsford borough council has rightly said that no Travellers were hurt during the eviction, and it insists that the eviction was carried out purely on planning grounds, after the Travellers had failed to comply with two enforcement notices and an injunction ordering them to leave the unlawful site, which was zoned for agricultural use only. Four bailiffs were injured during the operation, which cost a staggering £150,000. This is not an isolated incident. We saw on our television screens pictures of similar sieges in Warwickshire this year. Both Brentwood and the Epping forest part of my constituency have about five sites awaiting a similar fate.

I do not want planning controls to be routinely decided on the basis of riot shields, with each scrap of land fought over as in some mediaeval battle, but that is the position that this House has forced on hard-pressed councils such as Chelmsford, which must take such action in order to enforce the rule of law.

I note with approval the words spoken in Westminster Hall in January 2002, when the hon. Member for Wallasey (Angela Eagle), as the Minister responding to the debate, stressed that Travellers

"should be accorded the same rights . . . as others".

She went on to say:

"However, within the context of what I have just said—that all people's rights are equal in our society—if people behave in an antisocial or criminal way, or in some of the ways . . . outlined, the full force of the law can and should be brought to bear."—[*Official Report, Westminster Hall*, 15 January 2002; Vol. 378, c. 67WH.]

She was right, but the full force of the law can be costly and heartbreaking, and the effects of the delay inherent in its enforcement can be extremely harsh. Surely, it is better to have a remedy that discourages abuse of the system, corruption and social blackmail, and encourages openness and respect of the law.

For hon. Members who are lucky enough not to have experienced such events at first hand in their constituencies, let me briefly explain how they usually turn out. The first thing that one notices is that a previously greenfield site is fenced. When inquiries are made, assurances are given that the land has been

purchased for grazing a few horses. In reality, that is a lie that is meant to be seen through—these are but the opening moves of a ritualised dance.

Village meetings are hurriedly called and the planning officers get a taste of what life will be like for the foreseeable future. Next, earth-moving equipment arrives to strip away the topsoil, which is quickly disposed of. Even the most trusting now realise that it is about more than just a few horses. Then come the tonnes of hardcore, which are quickly pounded into the earth. Next, caravans towed by top-of-the-range 4x4 vehicles move in, usually over a weekend to minimise the council's interference.

Let us remember that a lot of money changes hands: the conveyance and purchase of the land cost thousands of pounds. The plot is sub-divided and re-conveyed and there is a rapid churning of ownership, which makes the accurate serving of documents difficult.

Agents make a nice living acting as middlemen in identifying and negotiating the purchase of the land. The new owners of the land purchase it in the full knowledge that it is without planning permission. However, after a period of years has passed it is uncertain whether that fact is passed on to subsequent purchasers, so some injustice, not to say fraud, may be perpetrated.

The arrival of the caravans is just the start of the difficulties. Nervous planning enforcement officers are sent to serve notices and to erect official notices on the site, which, if the officer is particularly forceful, will remain intact throughout the duration of his visit. Mains drainage and electricity are connected in dangerous and unauthorised ways. Negotiations are started to regulate those services, much to the annoyance of local residents. If one is lucky, the matter can be resolved within a couple of years, but it can sometimes drag on for up to seven years.

We should not make the mistake of assuming that such people accord with the stereotype. By and large, they are not penniless, oppressed people who depend on benefits—on the contrary, they are an industrious community with an outward display of wealth, including modern caravans, expensive all-terrain vehicles and smart, well-maintained commercial vehicles. The sites bristle with activity and with TV satellite dishes.

None of those problems would occur without an original vendor. Sometimes, people feel that the provision of Travellers' sites is inadequate and sell off their own land to increase the supply, but that is rare. Most vendors have one driving principle, apart from the money—payback. The land usually has a history of repeated planning refusals, and is often isolated from other land holdings and difficult to develop. It is an act of cocking a snook at authority and lining the pockets at the same time.

The practice is widespread. It has created a new type of blackmail and a modern kind of danegeld. My attention has been drawn to cases where objectors to a development receive a polite call pointing out that if the development does not go through they might find a Travellers' site there instead. I am also aware of cases where the local solution is to buy back the land—in effect, making a payment to export the problem to another community. All that is usually achieved is the identification of a community that is a soft touch, and where a repeat visit would be profitable.

Sadly, the lawlessness is not all one-sided. I am aware of criminal damage and arson committed against Travellers to frighten them into moving off. As the sites usually house families, that is a despicable act. One day, somebody will die as a result of the inadequacy of our planning system.

Direct and illegal action, corruption and blackmail are operating within previously law-abiding communities because people have lost confidence in the planning system as the rules are not enforced.

The Bill is intended to address the inadequacy of local authority enforcement powers to achieve a rapid cessation of the use of land in breach of planning controls. It is especially designed to tackle the problem of use of land for stationing residential caravans with the consent of the owner or tenant of the land.

Under the current system, two notices can be served against development carried out without planning permission. Enforcement notices require steps to be carried out or activities to cease. There is a minimum period of 28 days before they take effect, and usually a period for compliance thereafter. The notices can be appealed to the Secretary of State and do not take effect until after such an appeal has been finally determined. Breach of an enforcement notice after the period for compliance has passed is a criminal offence. If the steps have not been carried out within the required period, the local planning authority may enter the land and carry them out.

Secondly, there are stop notices. If an enforcement notice is issued, the local planning authority may also serve a stop notice that prohibits carrying out any activity that is required by the enforcement notice to cease, and any action that is part of that activity or associated with it. For example, if the enforcement notice prohibits the use of land for residential caravans, a stop notice can also prohibit that activity. A stop notice takes effect from a specified date, which can be immediate, cannot be appealed and is not suspended by an appeal against the underlying enforcement notice. Breach of the stop notice is an offence.

The Bill would give local planning authorities a power to remove from the land objects, not including buildings, that are used for a prohibited activity, if that activity is a breach of an enforcement or stop notice. For example, caravans could be removed, or when the activity is the unlawful construction of a building, the builders' equipment could be removed. It would apply only in circumstances in which criminal offences are committed, although there is no need to bring a criminal prosecution. If caravans are moved on to a site in breach of planning control, the local planning authority could serve an enforcement notice and a stop notice. That amendment to the Town and Country Planning Act 1990 would allow the authority to remove the caravans if the notice is not complied with.

The Bill would allow entry only when a criminal offence was being committed. It builds on existing section 178 powers, and I am advised by counsel that they are compatible with the Human Rights Act 1998.

[Mr. Eric Pickles]

When a similar measure was debated in another place, stress was placed on the shortage of official sites for Travellers. I have sympathy with some of the views expressed, but they have nothing to do with the Bill. Current provision is determined on the basis of neglect, money, corruption, blackmail and intimidation. That is no way to make decent provision for those who seek a permanent settlement for their caravans.

The Bill would make an important shift to make the system work. It would discourage the unauthorised occupation of land as a tactic to bump the planning system; allow proper applications for planning permission; enable Travellers to purchase land for sites in the normal way; place Travellers on the same basis as the settled community; and discourage unscrupulous people from making money out of the sale of land, which offers no long-term security. Above all, it would restore to communities confidence in the planning system through effective enforcement.

2.4 pm

Angela Watkinson (Upminster) (Con): I congratulate my hon. Friend the Member for Brentwood and Ongar (Mr. Pickles) on introducing the Bill. I am delighted to support it, not least because our constituencies share a boundary. Although Havering is a London borough, it is 50 per cent. green belt and therefore especially vulnerable to the sort of Traveller incursions that my hon. Friend described. I am regularly contacted by constituents who have indeed lost confidence in the planning system.

The Office of the Deputy Prime Minister last week issued a very helpful piece of guidance on managing unauthorised encampments, but it has several fatal flaws when it comes to dealing with the sort of case that my hon. Friend has described. It provides advice to local authorities on managing unauthorised encampments where people have camped on land without the landowner or occupier's permission. However, most sites in my constituency where problems occur are owned by Travellers who have bought greenfield sites with the intention of using them for permanent occupation.

Another difficulty with the ODPM guidance is that the powers depend on a local authority's having an authorised site available for Travellers. The London borough of Havering had just such a site, but unfortunately, over a short period, two rival Traveller families laid waste to everything on the site. It had had hard standings, laundry, plumbing, water, lighting and fencing, but by the time the Travellers had finished, there was nothing. Even the fences had been ripped up and burned, and all the facilities had been destroyed. Local authorities in that position are left with a dilemma: either they invest more of their local taxpayers' money in re-providing the facilities that they have already provided, or they leave themselves vulnerable to illegal Traveller encroachment because they do not have an official site to which they can direct Travellers.

Last week, I went to view one site, Hogbar farm in Harold Hill, at the invitation of some of my constituents. The council has been trying to clear that site for the past two years, but one of the greatest impediments to its efforts is its lack of an official site. The new guidance says that councils will have the

"power to remove any vehicles and other property that is on the land",

but the difficulty is that some of the properties are not the sort of caravan that can be hitched up behind a four-wheel drive and towed off the land. They are large mobile homes that have been brought on to the site by transporters and bricked up round the bottom. To all intents and purposes, they look like bungalows. Even police entering the site would have extreme difficulty in removing them, which would be quite a long-winded process. I know from my service as a Havering councillor in the 1990s that the official site was a no-go area to local councillors. No rent was ever collected because no council officer was brave enough to enter the site to try to collect it.

The whole system is fraught with difficulties, and I am delighted that we are debating this Bill today, because it would offer local councils additional powers to deal with these very difficult problems. As my hon. Friend the Member for Brentwood and Ongar said, we are dealing with people who have a great deal of cash available to them. They can employ highly competent barristers to take their appeals through the courts—probably barristers of a higher quality than local authorities can afford, which gives the Travellers a distinct advantage. They know the planning system inside out, they know the appeals system and they are winning, hands down. That is certainly the case on sites all over my constituency, and I know that the constituencies of many of my colleagues also suffer.

There are problems with the planning, enforcement and appeals processes, and having worked in local government, I know the practical difficulties of issuing an enforcement notice in such circumstances. It is now habitual for sites to be subdivided, and an enforcement notice has to be accompanied by an accurate plan, designating the subdivisions in the site, giving accurate details of the owners of those subdivided plots and having the exact spot where a caravan is placed demarcated on each subdivided area. The occupants of the land know that system only too well, and all too often, when a case comes to court, the subdivisions and the ownership of the subdivided plots are found to have changed, and the caravans are found to have been moved within the subdivided areas. So the occupants play the planning system along, and consequently remain on the site for ever-longer periods. During those periods, as my hon. Friend has pointed out, all sorts of commercial activities take place, involving commercial vehicles, hardcore, tiling and slabs for people's front gardens. Those people carry on commercial activities and become more and more established.

The view from the windows of my constituents whose houses back on to what was a greenfield site when they bought their properties is now one of densely parked caravans and mobile homes that have been bricked up round the bottom. The council is now faced with trying to identify somewhere else in the constituency where it can set up an official site before it has any power to get rid of the unofficial site. Finding such a site is not an easy matter. It might be able to find a site that would be large enough and have road access, but the process then has to go to consultation, and the local residents will

undoubtedly object because they do not want a Travellers' site near their homes. Alternatively, the council will have to designate another piece of green belt, which flies in the face of its trying to clear a green belt site that has already been encroached on illegally. That is quite apart from the practical difficulties involved in dismantling what is on the site. We are not talking about a couple of touring caravans that have appeared overnight and can be towed off by the police.

I welcome the steps that my hon. Friend is taking. Any powers that can be given to local councils to enable them to set the processes involving Traveller camps on a legal footing, and to deal with illegal camps, are very welcome, as are any measures that will give stop notices some power so that they can be acted on. At the moment, enforcement notices and stop notices are barely worth the paper that they are printed on. I hope that the Minister will take these comments into consideration and do what he can to help local authorities to deal with this problem. They receive complaints about it on a daily basis, as do I.

2.12 pm

Mrs. Jacqui Lait (Beckenham) (Con): I have no intention of detaining the House for long, but I would like to congratulate my hon. Friend the Member for Brentwood and Ongar (Mr. Pickles) on introducing the Bill. I know that he and his constituents have suffered grievously from difficulties involving Travellers. He was telling me about the Meadowlands operation while it was going on; it was an appalling situation. I commend him for introducing the Bill, and I am grateful to my hon. Friend the Member for Upminster (Angela Watkinson) for supporting him. She and her constituents obviously suffer in the same way. Most of us can tell similar tales. It is a hopeful sign that the Government have tabled some amendments. I do not intend to detain the House for long because I want to hear what the Minister has to say about ensuring that this issue is addressed. I congratulate my hon. Friend once again on introducing such a timely and effective Bill.

2.13 pm

The Minister for Housing and Planning (Keith Hill): I congratulate the hon. Member for Brentwood and Ongar (Mr. Pickles) on securing the opportunity to introduce this Bill, in which he seeks amendments to the Town and Country Planning Act 1990 in respect of enforcement notices and stop notices. He made a typically moderate and balanced speech, in which he dealt with genuine issues of concern in his constituency and gave some vivid illustrations of some highly regrettable incidents. I entirely agree with him that the law needs to be understood and to be enforced in a civilised fashion.

I am glad that the hon. Gentleman welcomes the amendment we have tabled in the other place on temporary stop notices. I suspect that we have, in fact, anticipated most of his wishes. I agreed with his comments on the community and confidence in the planning system; indeed, they were my own comments. I entirely understand the discontent that is felt, often under intense pressure, over the slowness of the planning system to respond to challenges. It is one of the issues addressed in our planning reform agenda, as set out in the Planning and Compulsory Purchase Bill. Our aim is to create a new planning framework that is fair and flexible, while also speeding up the system.

The temporary stop notice amendments are specifically designed to allow the rapid intervention in potentially inadmissible developments to which the hon. Gentleman referred. They are a response to the strength of feeling demonstrated by him and by the hon. Member for Upminster (Angela Watkinson) during the Committee and Report stages of the Planning and Compulsory Purchase Bill. I know the hon. Gentleman agrees—for he said as much—that the amendments must be not just effective, but used objectively and in a non-discriminatory fashion.

The hon. Member for Upminster brought a wealth of experience in local government to her speech, and gave vivid examples of unacceptable practices and inappropriate use of sites. We are greatly concerned about gypsies' carrying out developments without planning permission, whether or not on green belt. We do not want to discourage Gypsies and Travellers from making provision for themselves, but we want them to work with planning authorities to identify land that is suitable for development. As part of our review of policy on Gypsies and Travellers—a report is due in the summer—we have announced that we shall be reviewing circular 1/94 on Gypsy sites and planning.

The hon. Gentleman made a number of kind observations about me, and it is therefore with a tinge of guilt—but nevertheless with utter determination—that I tell him that I am unable to support any aspect of his Bill. It may be helpful, however, if I explain the operation of this element of the current enforcement system. The hon. Gentleman referred to section 178 of the 1990 Act, under which a local planning authority may itself secure compliance with an enforcement notice once the period for compliance has expired. The power is exercisable in respect of steps required by the notice. Local planning authorities may enter land and carry out remedial action specified in such notices. They can also recover the reasonable costs of that action from the current owner of the land. Regulations may allow unrecovered local planning authority expenses that arise from having entered the land to be charged on the land. Section 178 also provides that it is a criminal offence to obstruct a person exercising the powers of entry or taking the steps necessary under the notice.

Let me explain why the measures in the Bill would not be appropriate. It would extend the provisions of section 178(1) on non-compliance with an enforcement notice by referring to activities required by a notice to cease and the removal of moveable objects. The subsection already allows local planning authorities to

"enter the land and take those steps"

required by an enforcement notice. I believe that it is unnecessary to extend the powers as proposed in the Bill because the current powers can be used in connection with any step required by the enforcement notice to be taken.

Mr. Pickles: I am grateful to the Minister for his general attitude, even though he does not want my Bill to go further. It would be helpful to planners generally if he was specific. Is he saying that the removal of caravans and moveable items of building material is permissible under current legislation and regulations?

Keith Hill: I am saying that, and I hope to develop the point further. Let us be clear. It is common ground

[Keith Hill]

between the hon. Gentleman and the Government that the issue at stake in the Bill and in the Government's response in the temporary stop notice amendments is not the substance of the powers, but the speed with which they may be enforced. The purpose is preventive. Imagine a case in which building works are commenced and, because of the delays in the law, continued; ultimately, the authority might be faced with a fait accompli. Our aim in our amendments is to achieve the ability to act far more swiftly in such cases.

As I was saying, it is unnecessary to extend the powers in section 178(1) of the 1990 Act as the hon. Gentleman proposes precisely because the powers can be used in connection with any step required by the enforcement notice to be taken. That includes steps to be taken to remedy the breach, including the removal of objects, to remedy any injury to amenity and to ensure the discontinuance or cessation of a particular activity. The Bill would give local planning authorities similar powers in respect of enforcement of a stop notice as they already have to seek compliance with and to take remedial action in respect of an enforcement notice. We do not believe that that is necessary.

When a breach of planning control occurs, the local planning authority may take enforcement action to remedy the situation by serving an enforcement notice on the owner or occupier of the site where the breach has occurred. If there has been an extremely serious breach of planning control, a local planning authority can serve a stop notice under section 183 of the 1990 Act. I emphasise a point that I believe the hon. Gentleman made that contravention of a stop notice is a criminal offence. However, the stop notice can be served only after, or at the same time as, the enforcement notice. Although both the enforcement notice and the stop notice set out the details of the activity or development that must cease, it is the enforcement notice, not the stop notice, which gives details of the remedial action that must be taken. I note that the hon. Gentleman agrees with my analysis there.

As I have already said, local planning authorities have powers under section 178 of the 1990 Act to enter land and take the steps required by the enforcement notice to remedy the situation. A stop notice can be served only on the back of an enforcement notice, and must relate to the activity prohibited by the enforcement notice. The breach of a stop notice will therefore mean that the enforcement notice, too, has been breached, and the powers of entry and other powers associated with the breach of the enforcement notice will therefore be available to the local planning authority. I believe that that answers the hon. Gentleman's question.

In addition, section 187B of that Act already gives an express statutory power to serve an injunction in support of other enforcement functions, so an injunction can be used to enforce a stop notice's provisions where the law has been deliberately and flagrantly flouted.

A majority of those who responded to our recent review of the planning enforcement system in England—there were more than 500 responses—agreed that the range of enforcement powers currently available to local planning authorities give them the right tools to enforce planning controls. However, respondents also suggested a range of ideas and proposals for making planning enforcement more effective. We shall publish our full conclusions on the review later in the year.

It was evident during our proceedings in Committee and on Report on the Planning and Compulsory Purchase Bill that there was a strong feeling that a measure was needed to deal more quickly with breaches of planning control. That is, of course, part of what prompted the hon. Gentleman to introduce his Bill. However, we believe that there is a better solution than duplicating existing powers, as this Bill would.

As I said earlier, we have tabled an amendment to the Planning and Compulsory Purchase (No. 2) Bill that would give local planning authorities a new power to enable them to issue a temporary stop notice. The hon. Member for Upminster asked me to spell out in more detail the terms of that amendment, and I know that that would also be of interest to the hon. Member for Brentwood and Ongar.

Mr. Pickles: I realise that time is quickly passing us by, but I must tell the Minister that I am not aware of even one example of local planning authorities using the powers that he says they have to remove caravans from a site. I suspect that that is because authorities are not aware of those powers. If the Minister gets his Bill through the House, will he make it absolutely clear in guidance that as well as a temporary stop notice, removal is permissible as part of that process. If he makes that clear and explicit, he will not only make me very happy, but do a great service for local communities.

Keith Hill: I can tell the hon. Gentleman immediately that we intend to spell out as clearly as possible the existing powers, as well as the new powers that will arise from the temporary stop notice provisions.

My ministerial colleagues and I have many meetings with hon. Members from both sides of the House, especially Opposition Members, on problems associated with Gypsies and Travellers. Those problems are high on the Government's agenda, and we want to find practical solutions. My feeling is that the issue has been somewhat in abeyance in terms of policy development for some time, and that this is the moment to take our policy forward. In that context, we shall publicise the new powers under the temporary stop notice provisions as extensively as possible.

If the House will permit me, I shall say something about the content of the amendment that the Government have tabled in the other place. Where the local planning authority considers that there has been a breach of local planning control and it is expedient that the activity that amounts to a breach should stop immediately, it may issue a temporary stop notice or TSN. This differs from the normal stop notice powers, because the TSN does not have to be parasitic—

It being half-past Two o'clock, MR. DEPUTY SPEAKER *adjourned the debate, without Question put, pursuant to the Standing Order.*

Remaining Private Members' Bills

TOWN AND COUNTRY PLANNING (TELECOMMUNICATIONS MASTS) BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 21 May.

TRESPASSERS ON LAND (LIABILITY FOR DAMAGE AND EVICTION) BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 15 October.

WILD MAMMALS (PROTECTION) (AMENDMENT) (NO. 2) BILL

Order read for resuming debate on Question [6 February], That the Bill be now read a Second time.

Hon. Members: Object.

Debate to be resumed on Friday 30 April.

TELECOMMUNICATIONS MASTS (REGISTRATION) BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 20 May.

Milton Keynes/South Midlands Sub-Regional Strategy

Motion made, and Question proposed, That this House do now adjourn.—*[Gillian Merron.]*

2.31 pm

Andrew Selous (South-West Bedfordshire): It is a pleasure to be able to hold this debate on a subject that is of enormous interest and concern to my constituents. I am delighted to see the Minister for Housing and Planning at the Dispatch Box. I know that he is always careful and conscientious, and I am sure that he will give a considered reply to the very serious points that I shall raise on behalf of my constituents.

My first point is that I find it somewhat extraordinary that I should have to hold a debate in Parliament today on what is essentially entirely a local matter that should, in the proper course of events, be dealt with by the relevant local authorities in my constituency. I shall say a little more later in the debate about the constitutional concerns that result from what the Government are doing with planning and house building.

In essence, as far as South Bedfordshire is concerned, the Milton Keynes and south midlands sub-regional strategy intends to ensure that, up to 2031, 43,000 additional houses are built to the north and west of Dunstable and Houghton Regis, with others perhaps around the village of Stanbridge. In addition, there is the possibility that a further 8,000 houses could be built in the town of Leighton Buzzard. Further expansion is possible on top of that.

Let me put the issue in context and explain what the broader parameters mean for South Bedfordshire. If another 51,000 houses are built, we will be looking at an increase of roughly 100,000 people. I have calculated that carefully on the census data, and it is a conservative estimate based on the household numbers currently in Bedfordshire. It will also mean—again, calculated on a conservative basis—roughly 70,000 more cars on the roads of South Bedfordshire. We are looking at doubling the population of the area.

I am well aware, as the local Member of Parliament, that there is great housing need in my constituency. I defer to no one in wanting to see that solved. I feel highly inadequate as a Member of Parliament when, week after week, my constituents come to me because they are unhoused or very inadequately housed. I know that, in the short term, there is very little that I, my local housing authority or local housing associations can offer them.

We have about 2,000 people on the local housing list and South Bedfordshire district council already had in place before the arrival of the communities plan, as it is called, plans to build another 7,000 houses in South Bedfordshire. That alone is not an insignificant expansion for the local area. My constituents cannot understand the scale and nature of the Government's proposals to build between 43,000 and 51,000 extra houses in South Bedfordshire, but, judging by everything that I have heard, they fundamentally disagree with them. I want to analyse why the scale and nature of the Government's proposals for South Bedfordshire are not right for our area. We must relate

[Andrew Selous]

the situation to jobs and consider the Bedfordshire economy, because having a house is one thing, but we must consider how the people who will live in them will survive economically and earn their living.

At the moment, 40 per cent. of the work force in Bedfordshire commutes out of the county to work, which causes massive congestion on our roads. The M1 is regularly gridlocked, and although I know that there are plans to widen it, I suspect that it will remain a pretty packed road, especially at commuting times. Trains on the main railway lines to London that run through Leighton Buzzard and Luton are very full during regular commuting times.

I have heard no convincing explanation of how we will find jobs for the workers among the 100,000 extra people who will come to live in South Bedfordshire. The job growth that we can realistically envisage is likely to happen on the south-east side of Luton—around the old Vauxhall car plant site and Luton airport—but that is directly on the other side of Luton from where the majority of the houses will be built. That does not seem to make sense, and it will lead to further local congestion. Roughly 1,200 people are currently unemployed in South Bedfordshire—the figure has slightly risen over the past few months—and the situation will lead to further competition for those people. Many people in Leighton Buzzard would like to work locally, but are unable to do so. They have to commute to London, Milton Keynes, Watford or other larger towns in the area.

There are fundamental questions on transport to which we do not have the answers. Will the Minister give me an absolutely honest answer to a principal question: what is the purpose of the Dunstable northern bypass? The Highways Agency believes, on the basis of the London to south midlands multi-modal study that the Government commissioned, that the bypass, for which people have been asking for 80 years, is required now to relieve awful congestion in Dunstable and Houghton Regis. It is unusual to find a major stretch of trunk road going through the middle of an urban area to such a degree as the A5 does in Dunstable and on the edge of Houghton Regis. However, if one studies the Milton Keynes and south midlands study and the pronouncements of the Office of the Deputy Prime Minister, one sees that the Dunstable northern bypass is clearly described as a route that will facilitate further growth in the area. Those two statements and reasons cannot stand together. My constituents would tell the Minister that the road is desperately needed as soon as possible to cope with current congestion and that house building on anything like the scale proposed would make the situation even worse than it is at present. We really need an answer about what is happening.

I am pleased that Bedfordshire county council has called on the Government to undertake a serious transport study of the whole of south Bedfordshire. It especially calls on them to create a strategic rail connection between the west coast main line near Leighton Buzzard and the midland main line near Luton. That is significant, not least because Bedfordshire county council has withdrawn its support for the Translink scheme, which it supported for many years in its early days. Recent studies have shown that Translink is likely to lead to a reduction of only 1 per cent. in car traffic between Luton, central Dunstable and Houghton Regis. It would be incredibly expensive and bad value for money, and would not serve people in the outlying areas who need to get to the towns concerned. So we have serious questions on transport in the area.

As for the infrastructure that will need to be provided for even 7,000 to 8,000 additional houses in the district, we know that the Government intend to build the bypass out of the planning gain from the houses that they hope to build south of it—so section 106 money will go towards that. We have no commitments on the additional community facilities that will be needed, such as schools and those that provide health care. There are serious concerns about essential things, such as water. The Minister will be familiar with the report by the Select Committee on the Office of the Deputy Prime Minister, which drew attention to the problem of water supply. It is likely that water will end up being extremely expensive within the south Bedfordshire area because of the additional works that will need to be put in place.

We know from a recent Department for Environment, Food and Rural Affairs consultation that local authorities will not get extra landfill allowances for a growth in population, but the plan to have an incinerator at the Shank's plant south of Bletchley was recently overturned. There are concerns about such basic matters.

Woodland and green spaces outside of our towns will be under huge pressure. The owner of land on the edge of Linslade recently tried to bulldoze a community woodland area. Thankfully, that was stopped, but that action is indicative of the pressures that my area faces.

Leighton Buzzard has a significant infrastructure shortage. There is no local hospital facility. Again, high numbers of people commute out of the town, many of whom would like to work locally. The town is already severely congested. Those issues need to be addressed now, before we agree to large numbers of extra housing.

Perhaps the Minister can help me with my concerns about the green belt. My constituents were intrigued to read a letter from the Minister's boss, the Deputy Prime Minister, in the *Daily Mail* on 6 February, in which he said:

"Your article on Wednesday mentioned 'threatened Downing Street plans to allow thousands of homes on Green Belt land'. There are no such plans. No Ministers are demanding the rules on Green Belt must be relaxed."

The Deputy Prime Minister cannot be that familiar with the plans of south Bedfordshire. Almost the entire housing stock that he proposes will be on green belt land. We want that discrepancy explained. Those green lungs around our towns are important not for the country dwellers who are lucky enough to live in green spaces, but for the people who live in the middle of our towns who want to go out and enjoy them. We have not had a satisfactory answer on that.

The Planning and Compulsory Purchase Bill that the Minister is steering through Parliament allows unelected regional assemblies, through their regional spatial strategies, to dictate the number and style of houses that are built in localities. The Minister's communities plan goes even further, in that it introduces urban development corporations, with a minority of elected councillors who will take the vital decisions that should be taken locally.

We face a worrying fact in respect of the public examination. When the commissioners were asked recently whether the Government would listen if the strategy were found to be unsound, the reply was that this was part of Government policy and that the Government had a majority. What is local democracy for if it is not for local people to take local decisions on the key matters that affect their areas?

I wonder whether the Minister saw the report in *The Times* on 12 February by Camilla Cavendish, one of its distinguished journalists. She wrote:

"This is not even 'predict and provide', it is 'dictate and provide'."

She writes that the Deputy Prime Minister's sustainable communities plan would be better renamed "the Soviet command plan". These are local matters and they should be dealt with by local people—"trust the people" is what I say to the Minister. Does he think that my constituents are not sensible people? Does he think that they do not want homes for their children to enable them to live in an affordable manner close to their wider families?

We are not nimbys in south Bedfordshire. We recognise that there needs to be future growth. We want to provide for those who are inadequately housed in a sensible and planned way. The Minister has many serious questions to answer. My constituents are about to hang on his every word.

2.46 pm

The Minister for Housing and Planning (Keith Hill): I congratulate the hon. Member for South-West Bedfordshire (Andrew Selous) on securing this debate on a subject of such clear importance to his constituents. I should explain that I may be constrained in what I can say at this stage, with the public examination into the Milton Keynes and south midlands strategy starting on 23 March. The hon. Gentleman has raised many issues, and I shall do my best in the limited time available to respond to them.

Dunstable and adjoining Luton are successfully coming through a period of economic change following the contraction of motor manufacture. The growth area proposals represent a major opportunity for local people. As with other parts of the sub-region, the proposals are designed to ensure that the area benefits from the strong economic growth that has characterised Milton Keynes.

Before addressing more detailed questions, I shall provide the House with some background. The Milton Keynes and south midlands area was identified in 2001 as one of four growth areas in the south-east. The others are Ashford, London Stansted-Cambridge, and Thames Gateway. The House will be aware that we are still at only the early stages of what is likely to be a 20-year growth programme in these areas.

In February 2003, my right hon. Friend the Deputy Prime Minister made a statement on our programme of action, entitled "Sustainable Communities: Building for the Future". All Members were provided with a copy of the plan at that time. It made it clear that a step change was essential to tackle the challenges of a rapidly changing population, the needs of the economy and serious housing shortages.

In response to its identification as a growth area, the regional assemblies for the east of England, east midlands and the south-east produced the draft Milton Keynes and south midlands strategy. It was submitted to my right hon. Friend the Deputy Prime Minister in July 2003. There was a 12-week period of public consultation ending in October and a series of public consultation events. More than 1,600 representations were received, which indicates the level of community engagement. We were delighted by that level of participation. This Government trust the people and we will engage with the people throughout the development of the growth area policy.

Andrew Selous: Will the Minister give way?

Keith Hill: No, I will not. I do not have time. I have much to say and little time in which to say it.

There will be a public examination under an independent panel in March and April. The panel will submit its report. My right hon. Friend the Deputy Prime Minister will then publish his decisions on the panel's recommendations, together with proposed changes to the strategy for further public consultation. The finalised strategy will be published at the end of 2004 or early 2005. This process means that there is the opportunity to address concerns about the draft strategy and for further community involvement.

The draft strategy proposes jobs-led growth and the accommodation of development in sustainable ways. It concentrates growth in six main urban areas—Aylesbury; Bedford; Luton-Dunstable; Milton Keynes; Northampton; and Wellingborough-Kettering-Corby. That approach will build strong local communities based on thriving local economies.

For Luton-Dunstable, the strategy proposes the construction of 20,500 dwellings between 2001 and 2021, which will mean perhaps 45,000 extra residents, and the target will be achieved through a combination of regeneration and urban extensions. The hon. Gentleman quotes the figure of 100,000 extra residents, but I stress that current plans do not include such large additional numbers.

Economic restructuring is central with potential to accommodate job growth by the regeneration of existing industrial areas close to Luton airport and in the urban extensions. The announcement in the airports White Paper that Luton airport will expand to 30 million passengers a year confirms the economic realism of the proposals.

The hon. Gentleman expressed concerns about the loss of green belt land and the density of development, and I have four points to make. First, the 50 dwellings a hectare figure he quotes is the net density for the areas of housing alone. It comes from the Luton-Dunstable assessment study, which informed the strategy and can be tested through the examination process. The gross density—with allowance for schools, open space and the rest—is 28.5 dwellings per hectare, which is in line with Government planning policy and is not exceptional.

Secondly, using land efficiently will reduce greenfield land take. Thirdly, I am informed that the local authority that the hon. Gentleman represents holds on to more industrial land than is justified, which is contrary to Government policy and is bound to increase

[Keith Hill]

the requirement for greenfield land. Finally, we accept that green belt land may be released in exceptional circumstances, but I emphasise that the Government are committed to replacing any green belt land that is lost through housing or infrastructure development.

Reflecting the strong population growth in the Luton area, local authorities were already proposing in the Bedfordshire structure plan review that land north of Dunstable and Luton should be removed from the green belt. Sustainable communities are not only about building houses. They are also about providing high-quality, well-designed developments with first-class services where people will want to live. They are about balancing housing provision and expected job growth.

Through the growth areas fund, the Government have made £164 million available to the three non-Thames gateway growth areas for various types of new infrastructure in the financial years from 2003 to 2006. That sum should lever in a further £1 billion from public and private sector partners.

Some £95 million has been committed to the Milton Keynes and south midlands area. For example, £3 million has been allocated to a mixed-use development at Bletchley Park. A key objective is to remove barriers to housing growth, which is, for example, why we have allocated £5 million to the Bedford western bypass, unlocking 3,500 dwellings. The need for feasibility work is recognised by the £800,000 allocated to plan primary care health services, and £6.7 million has been allocated to enhancing the countryside and access to it, including a new visitor centre at Dunstable downs.

The hon. Gentleman made the point that improved transport infrastructure is critical for growth. The Government recognised this in their announcements on the multi-modal studies in July 2003 and on local transport plans in December 2003. Among the schemes approved were widening the M1 between the M25 and Milton Keynes, dualling the A421 from Bedford to the M1 and the Luton town centre project, which includes a new bus station and ring road extension.

The hon. Gentleman referred to the Dunstable northern bypass, which will address existing serious congestion in Dunstable and provide the opportunity to access new development areas rather than relying on the town's existing network. He asks whether section 106 funding will pay for the bypass. The answer is no—it will be funded by the Highways Agency. There is a related proposal for a Luton northern bypass, which is not currently agreed. Section 106 contributions related to development would be one of a number of funding options.

The hon. Gentleman also referred to the Translink guided bus, a joint proposal by Luton borough council and Bedfordshire, which was given provisional funding approval in the December 2003 local transport plan settlement. Subsequently, Bedfordshire county council resolved not to confirm its application for a Transport and Works Act order, though Luton may continue. As an alternative, Bedfordshire is urging the Government to create a strategic rail link between the west coast and midland main lines.

Although the route of the suggested strategic rail link has not been defined, my understanding is that the Strategic Rail Authority is unlikely to be enthusiastic about its prospects. Nevertheless, improved public transport is crucial to the growth area vision. Appraisal of the Translink scheme showed that it would provide a sustainable transport corridor linking Luton airport, Luton Parkway station, Luton railway and bus stations and Dunstable. It would also offer a step change in public transport across the conurbation by utilising on-street routes beyond the core route, with the potential for extension into the new development areas.

Infrastructure requirements go beyond transport. Building sustainable communities means ensuring high-quality health care, recreation and educational services. The Office of the Deputy Prime Minister is working closely with the Department of Health and the Department for Education and Skills to ensure that we plan well in advance for health care provision and education facilities in the growth areas. Delivery of growth depends on strong partnerships between a wide range of organisations. To ensure that, a Milton Keynes and south midlands inter-regional board has been established, chaired by my ministerial colleague Lord Rooker. The board brings together representatives of the full range of delivery agencies at the highest possible level. It will focus on areas where high-level executive intervention is necessary to deliver strategic infrastructure. The board's first meeting has already taken place, and its meetings are open to the public. We trust the public.

Andrew Selous: Will the Minister respond to a number of specific points in the short time remaining? First, he spoke about jobs. The jobs growth that he mentioned is on the other side of Luton from where my constituents are. Can he speak about local jobs in south Bedfordshire? None of my constituents knows where those jobs will come from. Secondly, can he confirm that South Bedfordshire district council will have a place in the consideration of part 1 matters in the examination in public? The local planning authority is currently excluded. That seems extraordinary. Thirdly, the Dunstable northern bypass is needed now to relieve appalling congestion. The Minister will have to come up with quite a lot more if he insists on the proposed number of houses, or the area will be completely gridlocked.

Keith Hill: The hon. Gentleman is properly impatient on behalf of his constituents. A number of the matters that he raises will have to be the subject of further deliberation, discussion and elaboration of policy, in which, I emphasise, South Bedfordshire will play a full role, particularly in relation to part 1 deliberations. I give him that assurance.

On growth, I take the point that the job opportunities identified in the course of my remarks may not be in his precise locality, but he should recognise that the economy is growing and developing intensely, with powerful demographic pressures. Luton, for example, has one of the highest birth rates in the country. That need must obviously be accommodated.

Central to our proposals is putting in place the right local delivery arrangements to reflect local needs and drive development in each of the growth locations. We recently consulted on local delivery proposals for west Northamptonshire and Milton Keynes. In the Luton-Dunstable area, consultants PricewaterhouseCoopers produced a report in December 2003 on the options for the local authorities. A joint proposal to Ministers is expected by Easter. There would then need to be further discussions before any proposal was agreed.

There is now a real opportunity to plan for sustainable growth for Luton-Dunstable, building on the area's economic renaissance. The Government are committed to assist in providing the infrastructure to support growth and enable Luton-Dunstable and the wider Milton Keynes and south midlands sub-region to prosper and play a major role within the national economy.

Question put and agreed to.

Adjourned accordingly at Three o'clock.

House of Commons

Monday 8 March 2004

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

EQUITABLE LIFE INQUIRY

Resolved,

That there should be laid before this House a Return of the Report of the Equitable Life Inquiry, conducted by the Right Honourable Lord Penrose.—*[Mr. Kemp.]*

Oral Answers to Questions

CULTURE, MEDIA AND SPORT

The Secretary of State was asked—

Sports Facilities (Funding)

1. **Mr. David Amess** (Southend, West) (Con): If she will make a statement on the funding of sports facilities from lottery funds. [158916]

The Minister for Sport and Tourism (Mr. Richard Caborn): Lottery funding continues to transform sports provision, but, as everybody knows, receipts are falling, so the Government are reforming Sport England to ensure that lottery money is most effectively used. Facilities and other funding will be based on sport's own priorities and have a true regional focus. The driving force for that will be greater sustainable participation in sport and physical activities.

Mr. Amess: For too long, my constituency of Southend, West has languished in the bottom group of beneficiaries from lottery funds, despite the excellent quality of the many applications that have been made. Will the Minister explain why, two years ago, the Government indicated that £750 million from the New Opportunities Fund would be fast-tracked to sport, yet only £230 million has found its way to our schools, of which only £8.5 million has actually been spent?

Mr. Caborn: Under the six-year programme, £581 million of the £750 million is to be invested, through local education authorities, in sports facilities. We are the first to admit that, had Sport England been up to it—unfortunately, it was not—we should have invested through that medium. Over the past two years, I have been engaged in the reform programme for Sport England, which will work through the governing bodies and the new regional sports boards; the 75 local and regional funding streams have been transformed and the process will be much more bottom-up, influenced by sport, as well as by people in the regions and in the governing bodies.

John Cryer (Hornchurch) (Lab): The Minister may be aware that my Hornchurch constituency has done extremely badly from lottery funding for the kind of facilities referred to in the question. Will he give an assurance that future bids from Hornchurch and from the London borough of Havering will be looked at fairly and, preferably, approved?

Mr. Caborn: Overall, the Department and the distributors have been trying to ensure that lottery funding is much more sensitive to local needs and that distribution is fairer. As I said in my previous answer, sports governing bodies and the regional sports boards will be the major distributors of the money, to ensure that we respond to the needs of sport and of community development. Sport England will be the community platform from which schemes will be developed.

Mr. Nick Hawkins (Surrey Heath) (Con): Does not the Minister recognise that the Government have removed sport's legitimate expectations from the lottery? When they took office, they reduced the proportion of lottery money going to sport, but made sure that lottery money went to many unpopular causes, including the National Coalition of Anti-Deportation Campaigns. As a result, there has been much less lottery money for sport, and the Minister's answer to my hon. Friend the Member for Southend, West (Mr. Amess), who pointed out that only £8 million of the £750 million promised three years ago has been spent, shows that the Government have no idea about joined-up thinking. The money that sport was led to expect it would get is tied up in red tape in the Department for Education and Skills. It should have been given to Sport England and delivered to sport—the Government have broken their promise.

Mr. Caborn: When the hon. Gentleman reflects on his question, he will find that it has many contradictions. Sport England receives 16.7 per cent. of lottery funds and the New Opportunities Fund receives about 33 per cent. A considerable amount of that money has been invested in sport. The £750 million for local education authorities to which the hon. Gentleman refers is actually going into sports facilities—

Mr. Hawkins: It is not getting there.

Mr. Caborn: It certainly is getting there. The hon. Gentleman should have been in the constituency of my hon. Friend the Member for Elmet (Colin Burgon) last Friday and seen the all-weather pitches and the developments for tennis and basketball in Dronfield, just outside Sheffield. Over the next 18 months to two years, 1,700 schemes will be coming on stream as a result of New Opportunities Fund investment in new sports facilities.

Mr. Lindsay Hoyle (Chorley) (Lab): Will my right hon. Friend ensure that better funding is spread throughout the north-west? In Chorley, we have a very

good athletics club but a running track is much needed. How much funding can be made available through Sport England for that scheme?

Mr. Caborn: When I took this job, we had 75 different funding streams. We have acted in an adult way and taken a systematic approach, involving those responsible for sport—the governing bodies—and the new sports boards, which have a much wider constituency than had previously been the case, and the funding will be invested strategically and systematically. I am sure that my hon. Friend will make strong representations to Andy Worthington, the chair of the new north-west regional sports board, who will listen to the case so as to ensure that the scheme is delivered within the time scale that my hon. Friend wants.

Mr. James Gray (North Wiltshire) (Con): At the Labour party conference in September 2000—some four years ago—the Prime Minister said:

"Today we set out plans to invest £750 million"

in

"three years".

By anyone's standards, the Labour party conference in 2000, plus three, gives 2003 and £750 million. In 2002, the Minister said in a very fine speech that he once made:

"I want"

it to happen

"by the summer."—[*Official Report*, 1 March 2002; Vol. 380, c. 999.]

However, in a written answer in the House of Lords on 8 January this year, the Government were forced to admit that they had allocated £750 million, that they had so far committed £230 million, but that only £8 million had been spent, despite the Prime Minister's promise in 2000. When will he start putting his money where his mouth is?

Mr. Caborn: I am not taking lectures from that lot opposite, who were closing 40 playing fields a month when we came to power and had no sports strategy at all. We are spending £750 million, but we happen to be just a little bit behind schedule, so it is a bit rich of Conservative Members to criticise us.

Mr. Dennis Skinner (Bolsover) (Lab): The Minister should not worry too much about the Tories, who gave £13 million towards the Churchill papers. I want to draw his attention back to the baths at Bolsover. I know that he is dealing with Chorley, Sheffield and all those other places, but will he give me an assurance about the proposal to save the baths at Bolsover—a declining area following the pit closures? The last bath was closed because of subsidence. We have got a first-class case. Do not bother about that lot over there—bother about Bolsover.

Mr. Caborn: I assure my hon. Friend that the east midlands sport board will take on board his interesting point. Many of the sports facilities in his constituency and, indeed, in those of many of my other hon. Friends were developed through the pits and the big steelworks. Many of those facilities were lost, but, as my hon. Friend suggests, we are trying to bring them back into community use. In fact, that investment in the community is governed by the community. I will take what he says to the east midlands sports board, and we will discuss it again.

Football

2. **Colin Burgon** (Elmet) (Lab): What plans she has to meet football representative bodies to discuss player behaviour. [158917]

The Minister for Sport and Tourism (Mr. Richard Caborn): I have no such plans at present. Players' behaviour is primarily a matter for the football authorities, but the Government invest substantially in football's development and do not wish poor behaviour to be imitated. I have discussed the issue in the past with those in the sport. Indeed, I wrote to all football clubs at the beginning of the 2002 season, drawing their attention to what teachers have been telling me as I have gone around the country: that what happens on the pitch on a Saturday is copied in the playgrounds on the Monday. I believe that professional players of all sport, but particularly of football—our national game—should take that advice from this country's teachers.

Colin Burgon: I thank the Minister for that reply. I know that he shares my sadness about the regular reports of the behaviour of a significant number of professional footballers over the past year or so, but I want to be positive about the game. When he meets the football authorities will he use his influence to promote the idea of a John Charles fair play award at either national or European level? The Minister, as a Sheffield United supporter, knows a bit about football. John Charles of Leeds United and Wales was never sent off or booked in his career. In many respects, he represents the age of innocence for our national game. What support can the Minister give to all those of us who want John Charles's memory to be honoured properly?

Mr. Caborn: All hon. Members recognise the contribution that John Charles made to football. I know that my hon. Friend is a Leeds supporter and that John Charles played for that team for eight or nine years and was an outstanding footballer who graced many pitches at national and international level. My hon. Friend's suggestion about a fair play award is made at an appropriate time in the development of football in this country. A fair play award, using John Charles's name, is a good proposition—it could probably do a lot—and I will take it up with the national and international football authorities, as John Charles was noted internationally for the way he played the game.

Derek Conway (Old Bexley and Sidcup) (Con): Will the Minister also take time to encourage clubs, such as Charlton Athletic, that do a great deal for schools and whose younger players do a great deal of community work to offset the image of those who are more interested in nightclubbing and floosies? They do a great deal to encourage young children in community schools to take a proper interest in the sport.

Mr. Caborn: I could not agree more with those sentiments. Unfortunately, a minority—it is a minority—of footballers misbehave, but every football

club in the premier league and the first division is part of the playing for success initiative, which brings young people into centres to learn about information technology and uses the power of football to attract young people to learning and being good citizens. We must commend what football has been doing; it is unfortunate that it gets only bad publicity, as it has in the recent past.

Jonathan Shaw (Chatham and Aylesford) (Lab): Does my right hon. Friend agree that sport is a channel for positive behaviour and that we need facilities for sport to take place? If so, he will understand my dismay at the fact that the £15 million scout centre at Bucknall Park in my constituency is still closed. Will he use his good offices—

Mr. Speaker: Order. I did not call the hon. Gentleman on Question 1. He cannot try again on Question 2.

Television Licences

3. **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): What rights of entry the TV Licensing Authority has into households that do not have a TV licence. [158918]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): TV Licensing officers may enter a person's home only with their consent or under a warrant issued by a justice of the peace, or, in Scotland, a sheriff. Such a warrant may be issued only if there is reasonable ground for suspecting an offence related to the installation or use of a television receiver.

Mr. Carmichael: I thank the Secretary of State for that answer. I wonder whether she would be good enough to remind TV Licensing of the extent of its powers, because I am sure that I cannot be the only hon. Member to receive complaints from constituents who do not have a television set, but who feel bullied and harassed by its actions and feel that they are being made to prove the negative?

Tessa Jowell: I am aware of the hon. Gentleman's concerns, which he has pursued with my Department on behalf of his constituents. TV Licensing is independent of Government and is run by the BBC, but I am aware of the concerns expressed by a number of hon. Members about the tone of some of its correspondence and think it right to draw that to the attention of the BBC. It is, of course, yet another issue that will be considered in the context of the charter review.

Mr. Gerald Kaufman (Manchester, Gorton) (Lab): Will my right hon. Friend call on the BBC to desist from the odious licensing campaign that it is conducting, in which it implies, regardless of the Data Protection Act 1998, that it is able to snoop on every household in the country and threatens people with the repulsive slogan, "Get one or get done" and the prospect of a huge fine or a prison sentence? Will she make it clear to the BBC that if it conducts a campaign with menaces and threats of that kind, using licence payers' money to do so, more and more people will believe that there ought not to be a licence at all?

Tessa Jowell: I am well aware of my right hon. Friend's interest in that matter. He has raised it with me before, but I will not intervene in the way he proposes. TV licence evasion costs about £200 million a year. I understand that not just this campaign but previous campaigns have more than paid for themselves in catching offenders but, of course, it is right that any such campaign is proportionate and is operated within the law and acts sensitively in relation to people who are most vulnerable. Although only 2 per cent. of the population have no television sets, I know that the cases that have been pursued—arguably too vigorously—have caused distress. That is wrong.

Mr. Tim Boswell (Daventry) (Con): Does not the Secretary of State feel just a twinge of social conscience when, despite the carefully planned and considered progressive escalation in the stridency of communications from the licensing authority, the outcome is still a significant loss of revenue, to which she referred, and about 150,000 prosecutions a year for licensing offences at considerable public expense, with a high proportion of those summoned being single parents?

Tessa Jowell: The number of people pursued for licence evasion has fallen over the past 10 or 12 years. That is good, because failure to pay for television licences has a direct cost on the BBC and its quality of programming. The hon. Gentleman must accept that he cannot, on the one hand, accuse the Government of unwarranted interference in the BBC, yet, on the other, make the kind of claims that he does. It is incumbent on the BBC to run the operation in a way that is sensitive, consistent with the law and effective in ensuring that people discharge their responsibilities and pay for their TV licences.

Mr. Bob Blizzard (Waveney) (Lab): Is the TV licence fee not just in effect a poll tax—flat rate and unfair? In a digital age with hundreds of channels, is it not looking increasingly like an anachronism? Does my right hon. Friend agree that the best way forward would be to abolish the licence fee and fund the genuine public service broadcasting provided by the BBC that is not on other channels through progressive taxation?

Tessa Jowell: My hon. Friend makes an interesting contribution to the broader charter review debate, and full account of it will be taken at that time.

Mr. John Redwood (Wokingham) (Con): Does the Secretary of State agree that, given the obvious anguish among Labour Members caused by the continued hated poll tax, it would be wise of her seriously to consider other ways of financing the BBC and show that the Government, on this occasion, want a sensible modernisation of something that is causing such distress to those without televisions, those on low incomes and those on her Back Benches?

Tessa Jowell: Responsibility for the hated poll tax sits on that side of the Chamber, not on this one. As I have said on many occasions, the debate about the future of the licence fee is part of the full and vigorous debate being held as part of the charter review. I have also made it clear that a better alternative to the licence fee must be devised before it can be replaced.

Film Industry

4. **John Barrett** (Edinburgh, West) (LD): If she will make a statement on the level of support for the British film industry. [158919]

The Minister for the Arts (Estelle Morris): In 2003–04, the Department provided grant-in-aid funding of £24.11 million to the UK Film Council. By the end of January, the council had also received £21.53 million of lottery funding this financial year. In addition, the Government continue to make available significant tax relief for film makers, in practice providing them with up to 15 per cent. of the budget of individual films.

John Barrett: I thank the Minister for that answer, but what can be done to encourage film production in this country, especially following the announcement on 10 February that threw into confusion the funding of several films in the pipeline? Will she put pressure on the Treasury to introduce transitional arrangements to ensure that those films are funded in the UK and not abroad?

Estelle Morris: Significant help—up to 15 per cent. of the cost of the film—remains available through the tax system for people producing films in this country. That represents a significant investment of taxpayers' money, and it will continue. I am grateful for the opportunity to clarify that, because much has been written about the demise of support through the tax system, but that is not the case. The Treasury is absolutely right to close tax loopholes. It sends a message to film makers that, as the Chancellor made clear, the Government will continue to support them, but that we will act in the interest of taxpayers and ensure that tax loopholes are closed.

Mr. Tom Clarke (Coatbridge and Chryston) (Lab): The film industry accepts what my right hon. Friend says about the Treasury closing loopholes and about the exploitation that was occurring when it took the decision on 10 February. Notwithstanding that, does she agree that it is important that she shows every support for film production studios and post-production infrastructure—before any statement that the Chancellor might make next week—to confirm the Government's commitment to the renaissance of the British film industry, which has been such a success so far?

Estelle Morris: I acknowledge the part played by my right hon. Friend in the Government's contribution to the film industry since 1997. He is right to say what he does. I have not met one person in the industry who has said that the Government were wrong to close that loophole. There is widespread approval of that. I accept that, if contracts had not been signed and filming had not begun, some people were put in a difficult position, but it was right to close the loophole.

The investment that the UK Film Council is making to ensure that we have the necessary range of skills, to which my right hon. Friend referred, is also important for the future of the British film industry. Record investment was made in UK films last year. I believe that that will continue, and the Government are taking action to ensure that it does.

Mr. Mark Field (Cities of London and Westminster) (Con): Members have referred to the tax loophole closed on 10 February. The concern of the film business is the suddenness of the change. What representations did the Minister make to the Treasury in advance of 10 February, or can we assume that it was as much of a surprise for her as it was for everyone in the British film business?

Estelle Morris: The minute a Government start giving notice that they are about to close a tax loophole is the minute everyone who wants to shelter income takes advantage of the loophole. There is nothing unusual about the way in which the Inland Revenue acted. If there is a tax loophole, it closes it without warning to safeguard British taxpayers' money. More than £100 million was saved by closing that tax loophole. Hon. Members should congratulate the Government on ensuring that that money was saved. Some people at the edges got hurt, but film makers who had signed contracts and films that had started filming were allowed to continue, receiving the money from the UK taxpayer. Indeed, the legitimate tax breaks in sections 42 and 48 apply and they will continue to do so.

Miss Julie Kirkbride (Bromsgrove) (Con): The Minister is well aware of the tax reliefs available to the film industry, not least section 42, introduced by the last Conservative Government, which has been enormously successful in boosting the British film industry. She is also aware of the tax reliefs introduced by her Government, which were withdrawn overnight on 10 February in a Treasury press release. Does she recognise the crisis of confidence that has been created for international investors in the British film industry by the overnight withdrawal of those tax reliefs? What representations is she making to the Treasury to ensure that new tax reliefs will be introduced in next week's Budget that are stable, long term and do something to boost investor confidence in the great British success story of the British film industry?

Estelle Morris: That was the most disgraceful statement I have heard from anyone who claims to have an interest in the UK film industry. There was no overnight closure of the tax support to films. Both sections 42 and 48 apply and they will continue to do so. Some £300 million a year is given as relief through section 48. The tax relief that her Government introduced is worth £70 million: good though it is, it is nothing like the section 48 relief, which supports UK film to the tune of £300 million a year.

For the hon. Lady to stand at the Dispatch Box and criticise the Inland Revenue for closing a tax loophole overnight shows a total disregard for taxpayers' money. Again, I make it clear that the tax relief continues and, again, I make it clear that the Government will continue to act to ensure that money is preserved. The hon. Lady is shadow spokesman for a party that has promised to freeze my Department's budget. Were it to gain power and implement its £78 million cut in the Department of Culture, Media and Sport budget, I wonder how long the film industry would continue to be supported.

Sport/Fitness Training

6. **Linda Perham** (Ilford, North) (Lab): What steps her Department is taking to promote better health through sport and fitness training. [158921]

The Minister for Sport and Tourism (Mr. Richard Caborn): The key objective of the Government's investment in sport and physical activity is, indeed, to improve the health of the nation. The activity co-ordination team, which I chair jointly with the Under-Secretary of State for Health, my hon. Friend the Member for Welwyn Hatfield (Miss Johnson), who is responsible for public health, is also preparing a three-year delivery plan on sport and physical activity. I hope that the paper will be published shortly.

Linda Perham: I thank the Minister for that information. Given that participation in sport and fitness activity in the UK is low among the adult population, does he agree that right hon. and hon. Members should lead by example, perhaps by joining the excellent Westminster Gym, which has helpful, professional and friendly staff who can assist Members in getting fit to fight for their constituents?

Mr. Caborn: I saw you, Mr. Speaker, smile at that question. Many of us could do with a good dose of the gym. My hon. Friend is right: we have an excellent gym in the House of Commons, and it can be recommended to many in the House who might wish to join it. About 10 weeks ago, my hon. Friend and my right hon. Friend the Home Secretary introduced in the gym facilities and equipment for disabled people. More disabled people are using fitness suites and there is acceptance of disabled people in that area of operations. That has happened in the House of Commons gym. I commend what my hon. Friend says.

Mr. Don Foster (Bath) (LD): Given the look that the Minister gave me only a few seconds ago, I should tell him that at 7 o'clock this morning I was in the gym.

The Minister tells us that the delivery plan is due shortly. Will it be based on the current active participation target of 70 per cent. to be achieved by 2020? The figures show clearly that it will not be achieved until 2042. The Wanless report said that it was nonsense and Sport England has effectively dismissed it. What action will the Government take? Will they scrap the target, as they have done with the child participation in sports target, or will we see real action to achieve a target that currently there is no sign of the Department meeting?

Mr. Caborn: The target still stands. I know that the hon. Gentleman will agree that we are trying to ensure that our nation becomes much more active. About 30 years ago, a child took part in 70 per cent. more physical activity than a child does today. That illustrates the real problem. Wanless clearly said that it is not that we are absorbing more calories but that we are engaging in considerably less activity. That poses a challenge to many. Architects, for example, should ensure that they incorporate stairways in their designs. Town planners should understand that it is desirable for pedestrian walkways to be a feature of their designs. Investment of about £2 billion in sports facilities and coaching, for example, is a move in the right direction. It remains to be seen whether we shall achieve the 70 per cent. target, but we can make inroads into that if everybody starts to attend gyms such as that in the House of Commons.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): Does my right hon. Friend accept that we cannot meet targets for sports and leisure training without swimming pools and leisure facilities? Three swimming pools in Hackney have closed recently, culminating in the closure, apparently indefinitely, of the Clissold Hall leisure centre. It was one of 12 millennium projects and it opened two years late and was four times over budget. Will my right hon. Friend see what hope he can offer my constituents, who instead of seeing more facilities are seeing fewer?

Mr. Caborn: I cannot comment on the detail of my hon. Friend's question. I can say only that there are more swimming pools in this country than ever before. Although there are fewer pools in the public sector than there are in the private sector, there has been a massive increase in facilities in both sectors. If my hon. Friend wants to write to me giving the details of her points, I shall try to answer them. It is disappointing when facilities are closed, but if that was done as part of a modernisation programme, which many local authorities are going through, that must be weighed against what my hon. Friend has said.

Sir Sydney Chapman (Chipping Barnet) (Con): The Minister will know that back in 2001 his Department had a so-called public service agreement to increase the time that schoolchildren spend on sport or physical exercise. Will he confirm that his Department's annual report last year confirmed that the time spent on such activity had declined? Is it not a matter of urgency that the Government get a grip on this issue and come forward with a programme to ensure that our children spend more time on sport or physical exercise?

Mr. Caborn: The hon. Gentleman is right in that the level of activity that we found in our schools when we came to power in 1997 was deplorably low. We have now committed ourselves to providing, in the period up to 2006, two hours a week of quality physical activity for every child aged five to 16. The investment programme for that is under way, and we will have 400 sports colleges and 3,000 school sports co-ordinators. At the moment, 225 of those sports colleges are up and running and some 1,300 co-ordinators are in place. Money is in the budget for that, and we are rolling out the programme according to plan.

Olympic Games

7. **Eric Joyce** (Falkirk West) (Lab): What assessment she has made of the impact on Scotland of a successful UK bid for the 2012 Olympic games. [158922]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): I am grateful for the support of the First Minister, Jack McConnell, for the London Olympic bid. He recognises the excitement and energy that the Olympics would bring to every part of the United Kingdom. In testing public opinion before the decision to bid, we found that the level of support for bidding was higher in Scotland than almost anywhere else in the UK. Scottish athletes will enjoy the great boost to sport that the Olympics will bring. Hampden will be used as one of the football venues, and training facilities will be needed for the many visiting athletes. Of course, the tourism profile of the whole UK will be higher, which can only be good for Scotland.

Mr. Joyce: I thank my right hon. Friend for that answer. She will be aware that there are a number of super, high-level facilities in Scotland, such as the national swimming academy in Stirling, the judo centre of excellence in Edinburgh and the rowing centre of excellence at Strathclyde university. Does she agree that a successful Olympic bid, or even simply an Olympic bid, would enhance the possibility of the success of a Scottish bid for the 2014 Commonwealth games?

Tessa Jowell: I agree with my hon. Friend, who will know that the four home countries are working closely together through the sports cabinet to plan and support bids for major international events such as the Commonwealth games, when the time comes. I know that Scotland is interested in the Commonwealth games, and we welcome Scotland's support for bringing the Olympics to London.

Mr. Andrew Love (Edmonton) (Lab/Co-op): The best way to have an impact in Scotland is to give Scotland a voice. The Secretary of State is currently setting up a forum in London to give people in London a voice. Why not extend that to other parts of the country so that the whole country can have a say in the way in which the bid is put together? In that way, people can be reassured that their part of the country will be included.

Tessa Jowell: That is a very important point, and Barbara Cassani and other members of the bid team have been travelling all round the UK to have precisely those discussions. She had a good, constructive meeting with the First Minister in Scotland. The key to the success of our Olympic bid will be to achieve a high level of enthusiasm not just in London, but radiating right round the United Kingdom.

National Gallery

8. **Mr. Tam Dalyell** (Linlithgow) (Lab): When she last met the director of the National Gallery to discuss the work of the gallery. [158923]

The Minister for the Arts (Estelle Morris): My right hon. Friend the Secretary of State met the director of the National Gallery on 9 February 2004.

Mr. Dalyell: Goodison recommended tax relief on lifetime donations of works of art to national museums. What is Government thinking on that recommendation?

Estelle Morris: My hon. Friend is absolutely right, and I pay tribute to Goodison and the Goodison committee for their work in the report that they have put before us. The current situation is that the committee's recommendations are being discussed and consulted on by the Treasury, the DCMS and other interested parties. I am afraid that we will have to wait for a future date to take a decision on that matter, possibly as part of the spending review. However, the report has certainly informed our thinking on that important issue.

Mr. Hugo Swire (East Devon) (Con): I declare an interest as the person who founded the development office at the National Gallery. I am therefore fully cognisant of the reluctance among National Gallery staff and trustees to have deaccession rights. Has the Minister had discussions recently with the gallery's director—and with other museums—on the possibility of the trustees being invested with such powers? Although the director is aware of the demands of potential donors such as Sir Denis Mahon, with his Guercinos, he feels very strongly that they should not have those rights. That should be looked into. Has the Minister had those discussions?

Estelle Morris: No, I have not.

Chris Bryant (Rhondda) (Lab): Further to the question asked by the Father of the House, may I press the Minister a bit more? When she last visited the National Gallery did she look at the little labels beside the paintings and notice that many of them are on private loan, which means that they could be put up for sale at any time and leave the country? If our national treasure is not to be raided, can she push the Treasury hard to extend tax concessions so that we can ensure that more of those paintings stay in the United Kingdom?

Estelle Morris: I take my hon. Friend's point, but there has already been substantial investment to make sure that we keep as many works of art as possible in this country. Many in the House will welcome the fact that "The Madonna of the Pinks" is still in the National Gallery, will shortly go on tour and has been saved for the nation. However, we will never reach a point where we can save every single work of art in this country that we would like to save—that is not the real world. At the start of his question, my hon. Friend was almost disparaging about the fact that works of art from private collections are on loan. I think that that is a good thing, but we will keep a wary eye open, make sure that we offer incentives and build on the progress that has been made.

Sir Patrick Cormack (South Staffordshire) (Con): Does the Minister accept that if the National Gallery and other great museums and galleries were allowed to go down the road to deaccession that would deter many private lenders and donors? Does she also accept that there is unanimity among the directors about the wisdom of the report by Sir Nicholas Goodison?

Estelle Morris: On the latter point, the directors were represented on the committee and made a good contribution to it, so I accept the strength of their backing for the report. There have been two comments in Question Time about the tricky issue of

deaccessioning. It is a live issue, and I have heard debates among museum directors in which both sides of the argument were expressed. The Government have not engaged with that debate, and have no plans to change the current regulations. On a personal level, however, if it is a live issue among museum directors, I am pleased that it has been brought into the open—it is a debate in which people interested in museums and galleries and others will want to take part. However, I want to make it clear that that debate was not initiated by the Government, and we have no plans to change the legislation in that respect.

Olympic Games

9. **Mr. Elfyn Llwyd** (Meirionnydd Nant Conwy) (PC): What initiatives she is pursuing to inform other parts of the UK of the potential benefits of a successful London Olympic bid. [158924]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): The arguments that I set out for the benefits of the Olympics for Scotland are exactly the same as those for Wales. The millennium stadium will be an Olympic venue, and just as I am grateful for the Scottish First Minister's support, so I am grateful for the support of the Welsh First Minister.

Mr. Llwyd: I support the London Olympic bid, but there is a certain amount of concern in Wales. The right hon. Lady will know that the Sports Council for Wales has already cut grant funding—only half to two thirds of projects currently receiving grant aid will receive the full amount that they have been promised—because of the introduction of the Olympic lottery game. Bearing in mind the fact that the millennium stadium will host just one football match, the right hon. Lady will understand that the people of Wales are underwhelmed by the prospective bid.

Tessa Jowell: Let me deal with the last point first. Yes, that is the case, but there will also be opportunities to establish training and preparation camps for visiting teams in Wales, which has to sell the case for locating camps there. As for the hon. Gentleman's point about the lottery, there is a misunderstanding among a number of home country sports councils. Very simply, the position is that £300 million of sport lottery money will be allocated to the Olympics, but the decisions about the way in which that money is spent will be taken collaboratively by the four home country sports councils to ensure that each is content with the nature of support for elite athletes that that lottery money will fund.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): I am sure that my right hon. Friend is aware that in Westminster Hall last week we had an excellent debate on the benefits of a successful London Olympic bid, but will she assure me that in the event of a successful bid, funds will not be diverted either from sports projects in the north and other parts of the United Kingdom or from grass-roots sport? The Olympic bid should be a success for the whole country, so will she do her best to press the Chancellor of the Exchequer to make sure that funding is available for facilities in the rest of the country, which should not be hurt by a successful Olympic bid?

Tessa Jowell: Yes, of course. I and my right hon. Friend the Minister for Sport argue, and will continue to argue, the case for sport. My hon. Friend is right—it would be wrong if a successful bid to host the games in London were to lead to a reduction in funding for community and school sports facilities in the rest of the country. Underlying the bid for the Olympics is the ambition to get more kids playing sport, competing and becoming champions.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for Gosport, representing the Speaker's Committee on the Electoral Commission, was asked—

Local Government Boundary Review

20. **Mr. Bill O'Brien** (Normanton) (Lab): To ask the hon. Member for Gosport, representing the Speaker's Committee on the Electoral Commission, what proposals there are to allow further and wider community participation in the procedure for the review of local government ward boundaries; and if he will make a statement. [158936]

Mr. Peter Viggers (Gosport): Later this year, the boundary committee for England will complete its programme of periodic electoral reviews. I understand that the Electoral Commission will then undertake a comprehensive appraisal of its review processes and policies, which will include consideration of community participation in the process.

Mr. O'Brien: I advise the House that from my experience of schemes for changing the ward boundaries of local authorities, local individuals and groups may come up with perfectly good ideas, but because they do not have the ordnance survey, the electoral details or the projected housing for the next five years, and cannot supply that information to the boundary committee, their scheme is not considered. That is unfair and unreasonable to the people involved and changes will have to be made. When will the House have the opportunity to debate the recommendations of the boundary committee and the boundary commission?

Mr. Viggers: The boundary committee asks local authorities being reviewed to make available locally all relevant electoral data so that any interested party should be able to access exactly the same detailed information on which to base their proposals as does the council. The committee also provides a wide range of information to interested parties about its electoral review work through the press, media, its website, council offices and local libraries. I am advised that the Electoral Commission and its boundary committee then give equal consideration to all submissions that are received, with the main consideration being the level of argumentation and advice that accompanies any

submissions. Later today, the House will have an opportunity to consider some aspects relating to Electoral Commission work.

Miss Anne McIntosh (Vale of York) (Con): I declare an interest, inasmuch as the Vale of York came into being in 1995 and is due to expire when the next boundary commission takes effect. Is it the case that in their representations on local government boundary changes, parish councils carry more weight than individuals? Is the Speaker's Committee mindful of that, and should not individuals be heard in the same way as parish councils and others?

Mr. Viggers: The advice I have been given is that the Electoral Commission and the boundary committee review the level of argumentation and evidence that accompanies any submissions, and they seek to be scrupulously fair.

Mr. Harry Barnes (North-East Derbyshire) (Lab): Might there not be more interest in the review of local government boundaries if there were more candidates coming forward in local government elections, especially in parish areas where there are often hosts of unopposed returns? Might there be added interest if there were a television campaign at about the time of the elections to encourage people to stand? There would then be greater interest in what was happening in the community, which might affect boundary reviews.

Mr. Viggers: The Electoral Commission carries out a wide range of activity to encourage interest in the electoral process. I am sure that the hon. Gentleman's point will be noted.

All-postal Elections

21. **Mr. Philip Hammond** (Runnymede and Weybridge) (Con): To ask the hon. Member for Gosport, representing the Speaker's Committee on the Electoral Commission, what assessment the Electoral Commission has made of the potential risks of holding all-postal pilots in four regions in the June 2004 European and local government elections. [158937]

Mr. Viggers: The Government directed the commission to make recommendations as to which regions were most suitable to undertake all-postal voting in the June 2004 European and local government elections. The commission's report published in December therefore examined a range of issues, including the potential risks in each potential pilot region. The commission concluded that two regions best met the criteria and were suitable for piloting all-postal voting. Its opinion on the Government's proposal for four regional pilots, as opposed to two, is set out in the letter of 4 March from its chairman to the Under-Secretary of State for Constitutional Affairs, the hon. Member for Shipley (Mr. Leslie), the text of which is available on the commission's website and a copy of which has been placed in the Library.

Mr. Hammond: I am grateful to my hon. Friend for his reply. I have now seen the letter to which he referred, but it had not been published when I tabled my question. It is clear from the letter that the Government have attempted to lean on the Electoral Commission ahead of today's consideration of Lords amendments to the European Parliamentary and Local Elections (Pilots) Bill, which would have the effect of reverting to two pilots, as the Electoral Commission recommended. It is much to the commission's credit that it is unbowed in its objection to conducting more extensive all-postal voting before necessary legislative changes are made. The letter makes it clear that its expert opinion is being overridden by the Government.

It is only by chance that that important letter came to my attention today, and I suspect that many other hon. Members will not be aware of its presence. Will my hon. Friend explore with the Electoral Commission whether it could routinely make available in the form of briefings to Members of Parliament matters of such importance, where issues touching on its work are to be debated in the House?

Mr. Viggers: I think that the Electoral Commission has been assiduous in keeping hon. Members informed of developments in the field of electoral reform. The issue in question arose at very short notice, and the letter was placed on the commission's website and in the Library, so it was available to colleagues. The commission was concerned about the number of pilot regions. The letter states:

"As I have mentioned, we expected the Government to nominate three regions and were surprised to learn that the Bill was to be amended to name four regions."

It went on to say:

"You are aware of our view that the rollout of all postal elections needs to be underpinned by a more robust statutory framework."

There will be an opportunity for the matter to be discussed in the House later today.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Is the hon. Gentleman aware that the Electoral Commission, which does a good job in protecting the interests of the electorate, is right to be concerned about the lack of proper supervision? If the Bill gets on to the statute book, will he do everything that he can to encourage it rapidly to put in place monitoring machinery that will ensure that there is no fraud or forgery, as that would be very damaging to the electoral process?

Mr. Viggers: Indeed. The hon. Lady referred to her concerns, which are reflected in the chairman's letter, which states that all-postal elections need to be

"underpinned by a more robust statutory framework."

That is one of the risks that was identified in the Electoral Commission's report of December 2003, and one of the matters that has not perhaps been given the weight that the commission might have wanted it to be given in the Government's response.

Mr. David Heath (Somerton and Frome) (LD): Is the hon. Gentleman concerned that the views of the Electoral Commission are being systematically misrepresented by Ministers in this House? For example, on Thursday 4 March the Leader of the House said of the Electoral Commission:

"it has said that we should go ahead with two schemes and, if we judge that there are sufficient resources and so on to enable four pilots to be held, that we should go ahead and hold those as well. That is exactly what it said."—[*Official Report*, 4 March 2004; Vol. 418, c. 1066.]

My understanding is that that is exactly what it did not say. I wonder what the hon. Gentleman would say about that observation.

Mr. Viggers: I have seen a copy of the parliamentary report and it would not be appropriate for me to comment on it. What is more appropriate is for me to read out a section of the letter from the chairman of the Electoral Commission, dated 4 December:

"There is also in our view increased risk, with combined elections and in some cases new boundaries, in running on such a large scale and we are not persuaded that the risk is outweighed by what we might learn from four regional pilots as opposed to two."

CHURCH COMMISSIONERS

The hon. Member for Middlesbrough was asked—

Westminster Abbey

22. **Mr. Roger Gale** (North Thanet) (Con): To ask the hon. Member for Middlesbrough, representing the Church Commissioners, if he will make a statement on the timetable for removal of the temporary builders yard adjacent to Westminster abbey. [158938]

Second Church Estates Commissioner (Sir Stuart Bell): The dean and chapter are working closely with English Heritage and Westminster city council under guidance from the Westminster Abbey Fabric Commission to reduce the size and area of the masons yard, which is required for essential restoration work.

Mr. Gale: As this House appears ready to permit Parliament square to be used as a junkyard for largely unattended protest placards, this question might appear a little churlish, but the last time I did a recce of this particular corner of Westminster abbey—arguably one of the most historic ecclesiastical buildings in the world—I discovered that the yard is no longer used by masons, whose trade is honourable and whose work is essential, but is being used as a storage yard for, as far as I can see, vehicles and other junk from Westminster city council. Will the hon. Gentleman please take that message back to the commissioners, with a view to having the area cleared in time for the tourist season, so that it can be used as a proper facility?

Sir Stuart Bell: I shall certainly check out the use of that space. Ever since Henry III knocked down the Norman abbey and started again in the 13th century, we have appreciated the abbey's magnificence, its daily worship, its splendid architecture, its fine musical tradition and its significance for visitors—to which the hon. Gentleman referred. It brings us joy, but that has a price, and the price is the burden of maintenance. We shall certainly check out whether the city council or the abbey is responsible.

Church Land

23. **Bob Russell** (Colchester) (LD): To ask the hon. Member for Middlesbrough, representing the Church Commissioners, what action parishioners can take to prevent Church land in their parish from being sold by the diocesan authority for development. [158939]

Second Church Estates Commissioner (Sir Stuart Bell): A diocesan board of finance is legally obliged to serve notice of the proposed sale of glebe land on the local incumbent or, in a vacancy of the benefice, on the priest in charge or churchwardens of the parish. They can make representations to the commissioners, who then decide the matter.

Bob Russell: Will the Church Commissioners have words with the Chelmsford diocese over the glebe field in the Mile End area of Colchester, where the diocese used the opportunity of the rector's departure to acquire part of the rectory grounds, add it to the glebe and put it on the market, against the wishes of local residents and the parish council? Does the hon. Gentleman agree that avarice shown by the Church is rather worse than avarice shown by property speculators?

Sir Stuart Bell: I anticipated the hon. Gentleman's question about the glebe field on the edge of Colchester, and we have already taken up the matter with the diocese. The legal obligations of the diocesan board of finance fall under the Endowments and Glebe Measure 1976. On the question of avarice, the Church does the best it can and is not to be compared with property speculators or developers, but I will be glad to take up the matter on the hon. Gentleman's behalf.

Mr. Kevan Jones (North Durham) (Lab): May I raise the question of the development of land at Lingey house in Sacriston in my constituency by the Church Commissioners? What weight is given to local people's views? I ask that especially in light of the letter that I received from Vivien Brooks of the Church Commissioners, saying that she sees no reason for a meeting with local residents if it is for the purpose of discussing access and egress at the development site. I would expect such a hard-nosed approach from the most callous of property developers, but not from an organisation that is supposed to support the local community.

Sir Stuart Bell: I am grateful to the hon. Gentleman for raising that constituency matter. He and I have been in communication on it, and it concerns access and egress, as he said. We have given him some letters, and I have said that, as a Church Commissioner, I will be happy to discuss directly with him his constituents' concerns, and I look forward to our having such a meeting shortly.

GM Crops

24. **Mr. Simon Thomas** (Ceredigion) (PC): To ask the hon. Member for Middlesbrough, representing the Church Commissioners, what the policy of the

commissioners is regarding (a) the cultivation and use of GM crops and (b) the keeping of animals on their land. [158941]

Second Church Estates Commissioner (Sir Stuart Bell): The Church Commissioners do not permit the growing of GM crops on their land. As to the keeping of livestock, the commissioners expect their tenants to observe the requirements of law and best practice.

Mr. Thomas: I thank the hon. Gentleman for allowing me, as a member of a disestablished Church, to ask this question. I am delighted that the Church Commissioners have made this decision. In the light of a likely announcement by the Government tomorrow licensing the commercialisation of GM crops, I hope that the commissioners will maintain an interest in low-intensity and possibly even organic agriculture, and not in chemical-based agriculture.

Sir Stuart Bell: I am always happy to welcome Plaid Cymru to questions, in the best traditions of our national Parliament, in which all right hon. and hon. Members can put questions to a Church Commissioner. The GM policy to which I referred reflects the advice of the Church's ethical investment advisory group in 2000, as endorsed by the commissioners. I have no reason to believe that that advice will change in the none too distant future.

Mission Activities

25. **Michael Fabricant** (Lichfield) (Con): To ask the hon. Member for Middlesbrough, representing the Church Commissioners, what the current plans are for the funding of mission activities and for the future of the section 23 grant for cathedrals with respect to the recent decision made by Synod; and if he will make a statement. [158942]

Second Church Estates Commissioner (Sir Stuart Bell): The Church Commissioners' spending plans for 2005–07 will be developed over the coming months in the light of the actuarial evaluation of the commissioners' fund, and they will take on board views expressed by Synod and others in the Church.

Michael Fabricant: I thank the hon. Gentleman for that answer, but does he not realise that many cathedrals and diocese are concerned that money might be diverted from mission duties and the funds available to cathedrals for restoration, and instead given to other worthwhile causes such as the maintenance of parish churches? What can he do to assure them—including, of course, Lichfield cathedral—that that will not happen?

Sir Stuart Bell: I am grateful to the hon. Gentleman for that question and I welcome him back to our Question Time; I thought that he had deserted us for a while. Having visited Lichfield cathedral, I can well understand his concern about this matter. He is certainly right in that during the early 1990s the decision was taken heavily to cut parish ministry support, which then stood at some £60 million. However, he should know that in 2003 the commissioners provided £2.5 million in grants to cathedrals under section 23 of the Cathedrals Measure 1999; in addition, they spent £3.8 million on cathedral clergy stipends. Having visited Lichfield cathedral last summer, I am looking forward to visiting it—and, of course, other cathedrals—this summer.

European Communities Association Agreement

3.31 pm

David Davis (Haltemprice and Howden) (Con) *(urgent question)*: Will the Secretary of State make a statement on the immigration service's operation of the European Communities association agreement?

The Minister for Citizenship and Immigration (Beverley Hughes): Under the European Communities association agreement—which was signed in 1994, 1995 and 1999—citizens of countries seeking to accede to the European Union must be treated on a par with European economic area nationals for the purpose of establishing themselves in business in any member state. This means that nationals of a number of central and eastern European countries can set themselves up in a company, as sole traders or in a partnership, in any of the existing member states. In the United Kingdom, the EC association agreements are incorporated into the immigration rules. To enter under this category, an applicant has to provide evidence that the proposed business will generate enough income to maintain him or her and any dependants.

Towards the end of last year, a backlog of such cases accumulated in our Sheffield office, following the introduction of charging and a seasonal increase in other applications during the autumn. Without any authorisation from any Minister, or from senior managers or the director general, guidance was issued locally to staff, to the effect that in straightforward cases—mostly those involving people who already had leave to remain—the application should be granted without further inquiries being made, provided that a business plan had been submitted.

There was no question of staff being instructed to grant such leave to those whom they believed to be fraudulent. Furthermore, the guidance made it explicit that applications from those here illegally were to be refused in the normal way. However, the guidance did enable workers to approve applications without further checks in cases involving those who were already here legally—they are the majority—or those who were otherwise judged to be low risk. Ministers were not consulted and I have ordered a full investigation into how this came about. The investigation will be conducted by a senior immigration and nationality directorate official, from outside the managed migration directorate. I have also issued instructions that the local guidance be rescinded forthwith, and that all such cases receive the same level of scrutiny as before.

I refute categorically, however, the suggestion that this was a deliberate policy to reduce the impact of accession on 1 May. The essential point is that, as I have said, no change in practice was authorised by Ministers or senior managers. It is worth remembering that, principally, the people affected were already lawfully in this country.

David Davis: The Minister has announced an investigation, the first stage of which will presumably be to establish the facts about the procedures and the behaviour of the Home Office immigration service. Will she publish those facts within one month, so that the House of Commons can know what is happening before European Union accession on 1 May? Will she assure the House that any civil servant who tells the truth about this issue will not be disciplined or punished for doing so?

On Sunday, a Home Office spokesman said:

"There have been no changes in procedures or dip in the level of the scrutiny applied by caseworkers."

I take it that the Minister no longer stands by that statement. She claims that she was unaware of the behaviour described by Mr. Moxon. However, the Home Office has had three days since it was challenged by *The Sunday Times* over the issue on Friday, and two months since Mr. Moxon e-mailed her. At the very least, she should be able to confirm or deny the existence of the documents described in the newspapers.

As the Minister has asked us to believe that neither she nor the Home Secretary was aware of the decision, will she tell us who authorised it? In particular, will she confirm the existence of the document entitled "Flexibility guidance: ECAA guidance for Entry Clearance cases post August 1st", which stated:

"As this is NOT a published policy, however, no reference should be made to this, either to the applicants/representatives, or on the immigration service computer system"?

Will the right hon. Lady explain that doctrine of unpublished policy? Is this a policy whose existence is withheld from Ministers, or is it just Parliament and the public who are meant to know nothing of it? Are there other secret immigration policies of which the House has not been notified?

Is it true that the document says that

"previous failed asylum seekers or illegal entrants can still benefit under Entry Clearance Rules"?

Is that official policy, or is it another secret guideline unknown to Ministers? Is it true that the document states that guidelines were relaxed so that even if there were no proof of financial status whatever, the policy would still be to grant one year's leave to remain in the country? How many people have been allowed in under the new rules? Will the Home Office review the decisions taken in the last six months, and could decisions be overturned?

Does the Minister realise that this is not the first time stories have emanated from the immigration service about fiddling the figures? There have been at least three, if we include those about soft-pedalling on illegal immigration and asylum. Does she not remember that I raised this question with her at the most recent Home Office questions, and she dismissed it? Will she explain why she did not act on the e-mails sent to her about the problem? Mr. Moxon's supervisor confirms that those were sent to her on 12 January.

Does the Minister recognise that whether there has been collusion, cover-up or simple incompetence, the responsibility for this disgrace rests firmly with her and with the Home Secretary?

Beverley Hughes: I set up the investigation for the exact purpose of establishing the facts, and I will certainly find out how we can make those facts known to Members of the House in the most appropriate way. If it is any comfort to the right hon. Gentleman, I can tell

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him that I do not relish being in this position; it is not a position that I would want to be in. The situation that has been revealed as pertaining at a junior level in Sheffield is quite unacceptable; I make no bones about that.

The right hon. Gentleman has asked me several questions, and I shall deal with them in so far as I have the answers today. The response from the Home Office to the press reports on Friday—that there had been no dip in scrutiny—was wrong. That advice was given to the press office by a senior manager, who was one of the people who did not know at that time that the local guidance had been given and was operating. Arguably, she should have known, but she did not, and she gave the best advice that she had on Friday. Since then, as a result of *The Sunday Times* story, senior officials and I worked all through yesterday to get the information, as far as we could.

The right hon. Gentleman mentioned the e-mail sent to me, and I am grateful for an opportunity to clear up that matter. I visited the office concerned on 4 December and, as I always do, I had a question-and-answer session with staff. I understand that Mr. Moxon wrote three questions that he wanted to put to me. He was not in the meeting, and I did not get to see him, or those—[HON. MEMBERS: "Why not?"] I have no idea why he was not there.

Mr. Moxon's questions then went round a number of managers and eventually came to my private office on 12 January. I did not know that until yesterday—[HON. MEMBERS: "What?"] I know that Members will suspect another conspiracy, but the fact is that I had a new member of staff starting work on 12 January, and in the week from 12 to 16 January she was shadowing the person who was leaving. I am afraid that I was not informed until yesterday about that e-mail, which was not sent on for senior managers to construct a reply for me. The situation is not acceptable, but that particular issue was the result of a human error on the part of an assistant private secretary in my office. As the right hon. Gentleman has been in this position himself, I hope that he accepts that Ministers do not manage civil servants; we depend on senior officials to give us the right information so that we can correct points that need to be corrected.

The right hon. Gentleman asked who authorised the local guidance, and that is the point of the investigation.

Mr. Roger Gale (North Thanet) (Con): On a point of order, Mr. Speaker.

Mr. Speaker: Order. There are no points of order during a statement. I should have thought that a member of the Chairmen's Panel would know that. I also expect a member of the Chairmen's Panel not to shout while the Minister is speaking.

Beverley Hughes: Thank you, Mr. Speaker.

I have not yet established who authorised the publication and distribution of the guidance, and that is the point of the investigation. I saw the flexibility guidance to which the right hon. Gentleman refers for the first time this morning—it was issued in September 2003 and contains the quotations that he read from it.

This is the system for ECAA applications: if a person is in the country, they can initially apply for one year's leave to remain. The terms of the accession treaties require such people to be treated in exactly the same way as other member states' nationals, so it is meant to be a light-touch assessment. If such people are still here after a year and their business is sustaining itself, they must apply again, and bank statements and records of national insurance contributions are required at that point. The situation is the same in every EU country, and there is nothing different about it here.

The right hon. Gentleman asked about numbers. People given leave to remain for that purpose are included in migration statistics, but they are not identified as having come through that route—they are included in the leave to remain figures and the further leave to remain figures. That is not acceptable, and we must see whether we can extract those figures so that they are discernable.

I think that I heard someone call out that 11,000 applications were processed in one week, and that figure has featured in some press reports. I can make no sense of it, and the investigation will explore that point. I am pretty sure that it is not possible that 11,000 applications were processed through the ECAA route in one week, because the backlog that staff were trying to reduce was 7,000 cases. However, the confusion over the 11,000 figure may have arisen because 500,000 cases come through the general group every year—those cases cover leave to remain and do not include asylum, nationality or work permits. That figure covers all the cases processed in Sheffield, Croydon and Liverpool for any purpose—marriage, students or whatever—and it equates to about 11,000 cases a week. I wonder whether it has been promoted as relating to the ECAA applications through confusion or a more malicious purpose, but I am fairly clear that it does not.

Keith Vaz (Leicester, East) (Lab): May I welcome the statement by my right hon. Friend, who is right to initiate an inquiry? This may be the first time in history that Home Office officials have been criticised for removing a backlog rather than creating one. She will know that in 52 days' time such applicants will be full EU citizens with the right to work here subject to registration. Will she give an undertaking that the status granted by the Home Office in Sheffield will not be affected by Conservative Members' comments?

Beverley Hughes: I am grateful for my hon. Friend's question. It is not feasible to reconsider applications that have already been granted—among other things, there would be many legal impediments—but I shall ask my officials to consider the matter. My hon. Friend will know that, as far as self-employed people are concerned, no member state can derogate from the terms of the treaty.

I might point out that the terms of the treaty were agreed in 1994, when the Conservative Government were in control. The treaty allows nationals of acceding countries to come into this country under these special arrangements before 1 May 2004, in anticipation of the rights that they will have after that date. At that point, those nationals will be able to enter any EU country and establish a business without any requirement to publish

a business plan or anything else. They are to be treated exactly the same as EU nationals. As my hon. Friend says, that will be the case in a few weeks' time.

Mr. David Heath (Somerton and Frome) (LD): I have listened with great care to what the Minister has said this afternoon, but the only bit that I feel able to welcome is the fact that an inquiry has been established. Even on that, I believe that it should be independent of the Department, which is clearly at fault. This is no longer about immigration policy: it is a question of the competence and organisation of the Department, right up to Ministers themselves. Is it not unsustainable for an undisclosed policy to run in parallel with the policy disclosed to the House? That is especially the case when it would appear that people are being admitted on little more than a bus ticket, while others in similar circumstances are deported. That is not sustainable.

Was Mr. Moxon required to operate the policy in the Department's Sheffield office at the time when my hon. Friend the Member for Southwark, North and Bermondsey (Simon Hughes) asked questions specifically about the operation of the office on 2 July 2003, at column 324W? Specific requests were made of the Minister to provide information on the operation of the directorate in Sheffield. Were no inquiries made at that time? Was there dissimulation on the part of those working in that office? Was it simply the case that the advice to civil servants that they were not even to refer to the policy guidance on their computers extended to not referring to it in response to parliamentary questions?

If, as the Minister has said this afternoon, the basic principles of what Mr. Moxon has described—for whatever motives—in the newspapers are true, and the documents on which he based his evidence were genuine, is not it extraordinary that it is Mr. Moxon who is suspended and will presumably be subject to further disciplinary action, rather than those who ordered this extraordinary state of affairs?

Beverley Hughes: I agree with the hon. Gentleman's basic premise that questions clearly arise about competence, unacceptable behaviour and management. The investigation will seek to provide the answers to those questions. However, my biggest regret is that incidents such as this, however rare and untypical they may be, create a general impression about the vast majority of very good staff in the immigration and nationality directorate, who have worked hard in the past 18 months to build up an organisation that the Conservatives left in a parlous state in 1997. It grieves me that the efforts that the staff have put in and what they have achieved—in getting to grips with asylum applications and correspondence, and introducing proper practices to the organisation—are diminished and clouded by the actions of some people. However well intentioned those actions may have been, they were wrong and cannot be justified. I am taking action to ensure that we get the full answers as to how and why the problem arose, why senior managers did not know and how people can feel that they can behave in that way without permission.

As to Mr. Moxon, I hope that the hon. Gentleman understands—and agrees—that it is not the job of Ministers to manage personnel. I am sure that in other parallel circumstances, all Opposition parties would acknowledge that. I have to leave decisions about personnel to senior managers, who decide what, if anything, needs to be done.

Sir Teddy Taylor (Rochford and Southend, East) (Con): As the Minister said, the flexibility policy was not approved by Ministers in any way whatever and is now to be cancelled. Given that Mr. Moxon endeavoured to advise the Minister, by writing letters to her, is it not wrong in principle to suspend him? In my view, he has done nothing wrong, and has only drawn the Government's attention to a muddle. Will the Minister try to solve the problem by ensuring that in every month until May, she publishes the number of people who have been permitted to come here from the eastern European countries that are being admitted to the EU?

Beverley Hughes: On the hon. Gentleman's last point, I would like to clarify an important aspect of applications through the ECAA route, where people apply to set up businesses here. The vast majority of people given permission to settle through that route are already—and legally—here. We are not talking about a whole additional group of people coming in: there are some, but the majority are here in one capacity or another, have been admitted regularly and are here legally. Some people are applying to switch into the business route. It is important that Members understand that and avoid claiming that somehow large numbers of additional people are coming into the country through that route. As I said, most are already legally here.

I understand the hon. Gentleman's point about Mr. Moxon, but an investigation is taking place and managers have taken the view that it is right and appropriate for him to be suspended at this time. He will be interviewed and no doubt managers will reach their own conclusions about what, if anything, needs to be done.

Mr. James Clappison (Hertsmere) (Con): In the light of the very unsatisfactory circumstances relating to the Minister's office, which must be her personal responsibility, will she now say exactly when she discovered the state of affairs that she has described today?

Beverley Hughes: Yesterday.

Mr. David Heathcoat-Amory (Wells) (Con): When the House debated and passed the EU enlargement treaty last year, many hon. Members asked the Minister about the immigration figures. We accepted her assurances then on the assumption that she was in control of her Department. It now seems that her Department ran a parallel covert immigration policy, so was not the House misled in that respect when the treaty legislation was passed?

Will the Minister comment on a further specific matter? She alluded at that time to a Home Office study that established that the maximum immigration from the country concerned would be between 5,000 and 13,000 a year. Will she confirm that she still holds and stands by those figures? Ministers have been asked about that repeatedly in recent weeks, but have provided evasive answers.

Beverley Hughes: We have not given any evasive answers. I certainly accept that we should be as well

[Beverley Hughes]

informed and transparent about these issues as possible, but I would also say, with respect, that the right hon. Gentleman needs to be better informed. The questions that he has just asked reveal considerable muddle about the issues. There are two main issues. One is the ability of people to enter the country and seek work—in other words, to be given free movement as workers. In respect of an estimate of those numbers, the Home Office commissioned independent research by University college London, which produced best estimate or best advice figures.

What we are now discussing is a wholly separate issue: under the terms of the EU treaty, every member state signing up to it—I have already said that when it was signed in 1994, the UK was Conservative controlled—agreed to allow a number of people to enter the country not to work, but to set up in business. That applied to all member states under the terms of that agreement up to 1 May this year, after which there will be no further requirements under free movement provisions to allow people to go through some form of process if they are to set up a business. They will be treated like any UK citizen, and the same terms apply in Germany, France, Italy—*[Interruption.]* I am surprised that the shadow Secretary of State does not seem to understand the rules. People from any member state—both now under the terms of the EC association agreements and in May under the terms of the treaty—will be able to come into the country, be treated like any UK citizen and set up a business.

Mr. Michael Jabez Foster (Hastings and Rye) (Lab): Bearing in mind that Her Majesty's Opposition and all the other parties voted for the accession treaty, will a single additional person from the accession countries, who would not have had the right to be here, be in this country on 1 May as a result of this hiccup?

Beverley Hughes: The answer to that question is no; there will not be.

Mr. John Redwood (Wokingham) (Con): Will the Minister take this opportunity to congratulate Mr. Moxon on trying to alert her through the proper channels in December and January? Will she assure the House that disciplinary action will not be taken against him, and will she promise us that disciplinary action will be taken against all those who put through this unauthorised policy and, as she tells us, kept her in the dark?

Beverley Hughes: I have already said that an investigation is under way. I remind the right hon. Gentleman that it was this Government who introduced legislation to protect so-called whistleblowers. I wonder what his view of that was at the time. The bottom line is that I am glad that I now know what has been going on; I am glad that somebody has told me—and so are the senior managers. I repeat, though, that I regret the method that Mr. Moxon has used, not because of me—*[Interruption.]* I say that because it has cast a shadow—*[Interruption.]*

Mr. Speaker: Order. Hon. Members must allow the Minister to answer.

Beverley Hughes: It has cast a shadow over the excellent work of the vast majority of those in the IND, and has created a general impression, which is not typical, of such work.

Mr. John Wilkinson (Ruislip-Northwood) (Con): I am almost sorry for the Minister, but I am a great deal more sorry for my constituents and the many other electors who have been kept in the dark—*[Interruption.]*

Mr. Speaker: Order. Let the hon. Gentleman put his question.

Mr. Wilkinson: They have been kept in the dark by the Home Office and Her Majesty's Government over the extent of immigration into this country. Will not boroughs such as Hillingdon, which are in the front line due to the presence of Heathrow—the premier port of entry in the UK for immigration—be deeply preoccupied by the fact that the Government and the Minister's Department have been allowing a flexibility clause whereby those who came in, perhaps legally, have no work, are not in partnership and are not in paid self-employment? That has put a further burden on the health and social services in my borough, which are already over-stretched by asylum seekers and others.

Beverley Hughes: The hon. Gentleman's question illustrates the dividing line between his party and mine on the subject of immigration. Unlike him and his party, we welcome immigration where our economy needs it and do not automatically reject migrants. Provided that people come in legally and do not try to misuse the asylum system, we want people to contribute to our economy. I remind the hon. Gentleman that people coming in through such a route—I am not condoning for a moment the dip in scrutiny that has taken place—are supporting themselves. They do not have access to public funds. They are not able to take paid employment when they enter the country through this route, but they are supporting themselves and their families. Many are providing much-needed services, particularly in London and the south-east, as plumbers, cleaners and builders—services that many people in this country are not willing to provide. Such immigrants play an important part in that sector of our economy.

Equitable Life Inquiry

3.59 pm

The Financial Secretary to the Treasury (Ruth Kelly): With permission, Mr. Speaker, I would like to make a statement about Lord Penrose's report into the events at Equitable Life, which I can confirm is being published in full today. Copies are available in the Vote Office.

As the House will remember, following the closure of Equitable Life to new business and the cuts in policy values in July 2001, the Government established an independent inquiry under Lord Penrose on 31 August 2001. The terms of reference were:

"To enquire into the circumstances leading to the current situation of the Equitable Life Assurance Society, taking account of relevant life market background; to identify any lessons to be learnt for the conduct, administration and regulation of life assurance business; and to give a report thereon to Treasury ministers."

I would personally like to thank Lord Penrose and his team for their hard work and dedication. The report presents a full and forensic account of events, covering some very complex issues and spanning a period of more than 30 years. The Government sympathise with the plight of policyholders who have suffered much worry and distress over the past four years and who have seen significant reductions in their expected income in retirement.

Lord Penrose says:

"I have interpreted the remit"—

of the inquiry—

"as requiring me to focus on the events that explain the Society's fate."

He also makes it clear that

"it was inevitable that hindsight would instruct much of the inquiry's work and many of its findings".

Lord Penrose does not attempt to judge any person's actions. He says:

"It was not for me to measure any person's actions against accepted standards of conduct defining the legal duties of other people performing comparable duties in other organisations and other similar circumstances."

He observes:

"Breach of duty, and the financial consequences of breach, are properly matters for the established courts of justice and for other appropriate tribunals in the financial sector."

He adds:

"An open adversarial process such as would have been necessary to replicate the litigation process over the longer period and the wider range of issues would have been beyond contemplation . . . It would be unthinkable for an inquiry such as this"—

non-statutory and non-adversarial—

"to have embarked on such a process."

Moreover, he says:

"There was no mechanism that could have been devised and put into effect within a time scale that would have had regard to the wider public interest in obtaining the account of the developments of the Society's position."

Lord Penrose argues that the judgment of the House of Lords in the Hyman case in 2000, which disallowed the society's practice of reducing terminal bonus to meet guaranteed annuity claims, precipitated a crisis, but was not—as some have claimed—solely responsible for it. He notes:

"Superficially claims of £1.5 billion should not have brought down a Society with funds of £32 billion."

In Lord Penrose's own words,

"The Society's uniqueness lay in the approach adopted by its management, not in the essential characteristics of its business."

Lord Penrose describes how a culture of what at various times he calls "manipulation" and "concealment" on the part of some of the company's previous senior management allowed a bonus policy to develop that led to the society's financial weakening—a policy left unchecked by its own board. It was the society's own actions that ultimately precipitated its financial crisis in the summer of 2000.

First, the report details how executive management failed to keep the board fully informed about the true state of the company's financial position, despite the clear responsibility placed on the appointed actuary to inform the board in that regard. Lord Penrose outlines how Mr. Roy Ranson, appointed actuary from 1982, and both chief executive and appointed actuary of the company between 1991 and 1997, did not inform the board

"of management decisions in the period 1983–93 related to the recovery of the cost of annuity guarantees from terminal bonus".

He did not inform the board

"of the risks to which policyholders not entitled to annuity guarantees were exposed by the policies and practices adopted",

and did not inform the board

"about the business risks inherent in the general actuarial management of the Society".

That meant, Lord Penrose says, that

"the Board's understanding of the annuity guarantee issue was at best limited until the autumn of 1997, and some directors may not have had any understanding of the position".

As a result, he says that the decisions of the board

"brought the Society to the position of weakness in which it found itself in 2000 and 2001 without full knowledge and understanding of the developing position."

He does not offer judgment on Mr. Ranson's failure to keep the board adequately informed. In line with his interpretation of his remit, he says:

"I have not sought to form or express a view whether Ranson was in breach of duty . . . that is a matter for the courts and for his professional institute."

But, in Lord Penrose's own words:

"The Board at no stage got fully to grips with the financial situation faced by the Society: information was too fragmented, their collective skills were inadequate for the task, and there were no effective arrangements for ensuring that there was detailed examination of, and onward reporting to the Board, on actuarial reports."

He adds that the

"non-executive directors were so wholly dependent on actuarial input from the . . . chief executive/actuary that they were largely incapable of exercising any influence on the actuarial management of the Society."

Lord Penrose also finds that there was

"Serious omission in communication to policyholders of relevant information about their prospective interests."

He reveals how the differential terminal bonus policy

"was not disclosed to policyholders . . . in any way until 1996."

[Ruth Kelly]

Even when the company decided to inform policyholders about the terminal bonus policy in 1996, Lord Penrose argues that it was done badly—in his own words:

"Attempts were made to change expectations in 1996 and later years. These were ill-conceived, poorly expressed and confusing. The intimations to policyholders were generally uncommunicative."

Lastly, Lord Penrose finds that the society concealed information from the regulators. Mr. Ranson was, in Lord Penrose's own words, "obstructive" of scrutiny and "dismissive" of regulators' concerns. The regulatory returns were, he says, "opaque and uncommunicative". The Society did not inform regulators properly about

"a series of particular valuation practices of dubious actuarial merit"

that were being used by management to sustain the society's capital position and prop up its solvency.

Lord Penrose reveals how, from 1992 to 2000,

"the Society never clearly communicated the nature of its quasi-zillmer adjustment to"

the Government Acturary's Department—an adjustment that, he says,

"was not a legitimate device . . . on the terms of the regulations."

In relation to guarantees, Lord Penrose finds that

"Such references as were made . . . failed properly to disclose their nature and extent to the regulators."

More recently, Lord Penrose observes the then appointed actuary, Mr. Christopher Headdon, wrote a crucial side letter relating to a reinsurance contract, which recorded that it would be cancelled, rather than renegotiated, in the event that more than £100 million was claimed. Lord Penrose notes that, if the Financial Services Authority had been made aware of that side letter,

"they 'would not have been prepared to accept the reinsurance arrangements as providing as much security for reserving purposes as was in fact taken.'"

Lord Penrose writes:

"Those involved at the Society were not in any doubt that a right for the reinsurer to cancel in these circumstances would undermine the regulatory value of the agreement."

Lord Penrose says:

"These matters are potentially the subject of other proceedings, so I do not propose to comment on what may or may not have been the intention in writing the side letter or its legal effect."

In short, Lord Penrose makes it clear that the society's former management adopted a series of "dubious" practices, many of which it concealed from its own board, its policyholders and the regulators. He argues that that led to the situation in which the society found itself in July 2001. Thus, as Lord Penrose says,

"the Society was able to over-allocate bonus beyond available assets at market value, and in particular to make payments on claims that exceeded the relative available assets at the time."

That weakened the society so greatly that it was unable to withstand the claims on guaranteed annuities.

Lord Penrose's central finding is that

"principally, the Society was the author of its own misfortunes."

The House will be aware that Lord Penrose sent his report to the Serious Fraud Office. The Treasury followed up by passing the report to the enforcement arms of the FSA and the Department of Trade and Industry—all three are currently considering the evidence of the report.

As I have described, Lord Penrose lays the blame for events at Equitable Life at the heart of the society. He calculates that, by the end of 2000, as a result of the excess bonus declarations, the society's liabilities exceeded its assets and £1.8 billion had been lost to the fund as policies matured taking more than their fair share of assets. That past over-bonusing was a driving factor, he says, behind the need to cut policy values in July 2001.

The current management argue strongly that the cuts in policy values in 2001 reflected different factors. The House will appreciate that this is a complex legal, actuarial and accounting issue, which could ultimately be determined only by the courts. Lord Penrose himself makes it clear that he could not

"adjudicate on the policyholders' complaints and claims: that again is a matter for other proceedings".

It was, however, important that the Government acted with due diligence to check with the FSA the potential impact of these complex issues on the society's current policyholders and on wider financial stability. That is why we have been unable to publish the report earlier.

The current board of Equitable Life will, together with the FSA, assess the impact on the society's liabilities and any risks to policyholders posed by Lord Penrose's findings. Those who have already seen limited extracts of the report on behalf of Equitable's board have concluded that it is in the best interests of policyholders to continue in business as before.

To conclude on over-bonusing, Lord Penrose himself makes it clear on claims that

"that again is a matter for other proceedings."

The FSA will continue to monitor the society closely and take whatever action is needed to protect policyholders.

Lord Penrose raises a number of important issues about the deregulatory, light touch, reactive system in the decades before the creation of the FSA. It was a system, however, that in that period clearly reflected the will of Parliament. He finds that the

"lack of co-ordination of prudential and conduct of business regulation . . . was unacceptable"

and that

"the accounts did not reflect the realistic"

financial

"position of the office".

In 1997, as soon as this Government came to power, they took action to put an effective regulatory system in place, setting up a single integrated regulator combining prudential and conduct of business regulation. A key part of the new regulatory regime was the creation of a comprehensive financial services compensation scheme and a single financial ombudsman service.

Since then, the FSA has proceeded to introduce risk-based insurance regulation and individual capital standards. It is also in the process of introducing realistic accounting by life offices, including a

requirement to reserve for terminal bonus. In addition, the use of future profits implicit items is being phased out. The FSA is also removing responsibility for making key decisions on asset allocation and distribution in with-profits funds from the appointed actuary and transferring it to company boards, and it has brought forward proposals on better treatment of customers by firms and fuller transparency of with-profit funds.

Lord Penrose fully endorses the Government's, actions since coming to power, saying that the FSA's reforms reflect

"a major, comprehensive reassessment of the requirements of an efficient regulatory system for the insurance sector".

In particular, he welcomes the FSA's detailed proposals for realistic accounting, which, he says,

"are clear recognition of the importance of looking beyond a narrow concept of solvency".

In summary, he argues that the FSA's work since 1997

"has sought to anticipate many of the lessons that might be drawn by this inquiry and it should come as no surprise that it has largely succeeded."

However, Lord Penrose's report deals with a time when a different regulatory system was in place, and a regulatory culture that was light touch, reactive and placed the responsibility for monitoring policyholders' reasonable expectations firmly on the appointed actuary of companies—a regulatory system that was argued for by Ministers and reflected the will of Parliament.

Lord Penrose notes that in 1973, during the passage of the Insurance Companies Act 1974, DTI Ministers resolved

"that action on the basis of policyholders' reasonable expectations would be reactive to what was found in the"

annual regulatory

"returns so as to restrict the workload that a less restrained approach would involve."

Lord Penrose argues that the system was not updated to take account of developments in the industry, particularly the trend toward terminal bonuses. He notes that aspects of the regime were reviewed, but that no proposals for change were pursued by Ministers. He writes:

"Virtually no primary legislation in the regulatory area for which DTI was responsible was taken forward by Ministers ... there were specific proposals for change that Ministers did not pursue."

In particular, a proposal was made in 1988 to update life insurance regulation, but in Lord Penrose's own words,

"the Minister"—

the right hon. Member for Bromley and Chislehurst (Mr. Forth)—

"did not regard the subject as a high priority for legislation."

Lord Penrose notes that senior regulatory officers argued to him that

"the Government required a 'light touch' approach to regulation, and allocated resources accordingly."

He says:

"I was urged to take into account the political climate that prevailed for most of the 1990s when the Government's objective was to deregulate, to reduce regulatory burdens on business, to avoid interference in private companies, and to let market forces prevail."

Lord Penrose goes further. He says that Ministers argued against reform in the early 1990s—a critical time of development in the industry—when the third life directive was being negotiated in Brussels, maintaining that the reactive approach to monitoring policyholders' reasonable expectations based on regulatory solvency was sufficient. According to Lord Penrose, the DTI believed that forcing insurance companies to reserve for terminal bonus would have been "over cautious". And Lord Penrose adds that the UK delegation "led the resistance" to measures requiring more cautious valuation techniques.

Lord Penrose says:

"As for the regulatory system, I do believe it has failed policyholders in this case."

However, he emphasises:

"Regulatory system failures were secondary factors",

and argues that

"it was the system that failed to provide the regulation that changing circumstances in the industry required, not that there was failure to implement what was fundamentally a satisfactory system."

That system was one that Ministers and Parliament intended.

Lord Penrose makes no recommendation for the payment of compensation. His central finding is:

"Principally, the Society was the author of its own misfortunes."

And when he itemises specific findings about the regulator, he is clear that these are matters that are not for him, but for the courts. Nor does he conclude that economic loss was caused to policyholders by the regulatory system. However, as Lord Penrose says in his own words:

"The deficiencies are not so obvious as some are inclined (or wish) to believe. And ... it is not enough in this case, to infer from the coincidence of systems deficiencies and loss that one caused or contributed to the other."

He stresses that he examined the regulators with the benefit of hindsight and that they were operating under a system different in its approach, resources and values from that applying today. The misfortunes of the society were caused primarily, he finds, by deep-seated management problems that began as early as the 1980s.

Lord Penrose makes no allegation of maladministration or of negligence against the regulator. He clearly establishes, with the benefit of hindsight, that the "light-touch" approach to regulation was inappropriate. It was not updated to meet the requirements of the industry, but it clearly reflected the will of Ministers and Parliament. He says:

"Ministers resolved ... that scrutiny would continue to be based on the examination of the regulatory returns, and that action on the basis of policyholders' reasonable expectations would be reactive to what was found in the returns".

So, it is a question of the laws that Parliament enacted and the context in which Ministers resolved how those laws should be implemented that Lord Penrose criticises rather than the discrete actions of the regulators themselves. Indeed, Lord Penrose accepts that it cannot be the role of the regulator to prevent all failures. The costs of regulation are paid ultimately by the consumer rather than by the institutions themselves.

[Ruth Kelly]

Lord Penrose also accepts that even had a different, proactive regime been in place earlier, no regulator can guarantee to protect consumers against what he at various times calls concealment and manipulation. Indeed, the losses suffered by policyholders are attributed by Lord Penrose to decisions that were made by the management of the society from the early 1980s onwards. He observes:

"by appearing to insulate consumers entirely from the risk inherent in the selection of an investment product such an approach could give rise to perverse economic incentives for both consumers and providers."

That position is, I know, shared widely across the House. In July 1995, the then Chancellor of the Exchequer, the right hon. and learned Member for Rushcliffe (Mr. Clarke), said:

"I should like to remind the House of an important point. No regulatory system can provide a 100 per cent. guarantee against . . . failure, especially where there is a deliberate intention on the part of individual traders to conceal or deceive, combined with inadequate management controls. In cases such as this, it is important that lessons are learned quickly and promulgated widely, so that all parties, including the management of other financial institutions, can learn from the unfortunate example".—[*Official Report*, 18 July 1995; Vol. 263, c. 1457.]

The Government sympathise with all policyholders who were deceived by a company that Lord Penrose says manipulated and concealed information from them. Although we will do all in our power to stand behind policyholders in difficult times, we cannot, in a financial services industry, like any other industry, underwrite each and every company whose managements and boards make fundamental mistakes and questionable decisions. In dealing with the issues, we have a responsibility, too, to the needs of taxpayers now and in the future.

Many people have drawn parallels between Equitable and Barlow Clowes. It has been put to us that as the then Government provided redress in the Barlow Clowes case, we should do so with respect to Equitable, but there are major differences between the two cases. Barlow Clowes had ceased trading; Equitable is still trading. In the case of Barlow Clowes, there was a finding of maladministration; for Equitable, there has been no such finding. At the time of Barlow Clowes, there was no compensation scheme; now there is the financial services compensation scheme. Those who continue to argue that what happened for Barlow Clowes should also happen in the case of Equitable Life have got to take into account both the existence of a compensation scheme and no finding of maladministration.

In the event that Equitable were to be subject to insolvency proceedings, there is now a statutory safety net, which was recognised as not being available at the time of Barlow Clowes, to protect investors, provided by the financial services compensation scheme, which would pay out 90 per cent. of guaranteed policy values. Further, the Government have also provided for a single financial services ombudsman to consider individual complaints. I understand that he is currently considering the cases of a number of different categories of former policyholder who have made claims for redress, for which the society has already made provisions. I want to make it clear to the House that we stand ready, if requested, to assist the financial ombudsman in expediting the resolution of those complaints. As I have made clear, Equitable's current board stresses that the company is solvent and policyholders' interests are best served by it remaining in business.

In his report, Lord Penrose raises a number of issues concerning the unlimited liability status of Equitable Life. I can announce that the Government intend, at the earliest opportunity, to publish and consult on draft legislation to protect policyholders in the event that that were ever to become material.

In line with his interpretation of his remit, Lord Penrose does not set out a comprehensive list of recommendations for the Government. Nevertheless, he does make a number of observations that merit further action. I have no doubt that Committees of this House that have taken an interest in these matters will wish to examine what further can be done, but the principle that the regulatory system—even one so recently updated—should be subject to constant review is one that we accept.

I can announce a programme of work to build on Lord Penrose's findings. The Government accept the need to re-examine the corporate governance arrangements applicable to mutual life offices in the light of the experience at Equitable Life. I can announce a review of the governance of mutual life offices, to be led by Paul Myners, so that the boards of mutual life offices are as accountable to their members as those of comparable companies are to their shareholders.

Lord Penrose also offers a number of criticisms of the actuarial profession. He says:

"The profession resisted prescription. The individual judgement of the appointed actuary prevailed."

He adds that

"the guidance offered no standards of performance that might reflect generally accepted principles or rules of conduct such as one might have expected of a professional body."

I can announce that Sir Derek Morris will lead a review of the actuarial profession with a particular focus on considering how best to modernise the profession and to ensure that high standards are delivered in a more open, challenging and accountable professional culture.

I can announce also that I have asked the independent Accounting Standards Board to initiate a study into the accounting for with-profits business by life insurers. The study will have a particular emphasis on identifying ways of improving the transparency of reporting.

Lord Penrose also argues that there is a clear responsibility on Government to inform and educate consumers about the nature of the financial system. This Government were the first in the world to incorporate consumer education as a key statutory objective of the financial services regulator. The FSA has recently stepped up its work in this area, with the launch of the financial capability steering group, which will examine the approach to consumer education from first principles.

I have set out Lord Penrose's account of events leading to the situation in which Equitable Life found itself in July 2001. Lord Penrose finds that

"the first and most significant failure identified in this report lay at the heart of the Society".

However, he adds that a key lesson from the report is that

"it is important to ensure that the continued relevance of the regulatory tools is regularly assessed in the light of a constantly developing industry, and to ensure that those tools are diligently and intelligently applied".

"It seems not unreasonable to suggest",

he says,

"that those in control of any supervisory regime have a duty . . . to take steps to ensure that the systems of regulation that are in force and enforced remain relevant to the changing requirements of the industry".

We made those changes.

Inevitably, certain key issues arising from Lord Penrose's report, as he recognises, can be resolved only in the courts. Nevertheless, as a result of his findings we will publish and consult on draft legislation to remove any possible concerns relating to unlimited liability potentially facing Equitable Life and some other policyholders.

We stand ready, if requested, to assist the financial services ombudsman in the resolution of any consequential issues before him and his staff. The FSA is working intensively to ensure that all its current policyholders are treated fairly.

Looking forward, there will be a programme of comprehensive reviews on corporate governance of life mutuals, actuarial standards of performance and accounting standards. These, alongside the FSA reforms welcomed by Lord Penrose, are developing the architecture of the life assurance industry for present and future policyholders.

It is now for the Serious Fraud Office and the companies adjudication branch of the DTI to decide whether a prosecution should follow.

Mr. Howard Flight (Arundel and South Downs) (Con): I am grateful to the Financial Secretary for giving us a copy of her statement at 3 o'clock this afternoon and access to the report previously at 1.30 pm. I and my colleagues cannot claim to have absorbed every detail of the 818-page report during the past two and a half hours. Manifestly, over the course of the next few days, we shall need to study the report in great detail. It deals with matters that are of huge importance to many of our fellow citizens whose lives have been so badly affected by the Equitable saga.

The Opposition do not wish to make party political points about the grave substance of the matter for so many citizens. To say the least, I am surprised that the Financial Secretary has focused almost exclusively on the society itself and on the pre-1997 regulatory regime. That was no doubt meant to deflect criticism for regulatory failure after 1997. Surely, however, that is not an appropriate or a grown-up way for the Government to respond to a report of this nature. We should not allow ourselves to indulge in the childish game of making competing attributions of blame. We should rather work together to seek to address the harm done to innocent people, many of whom are vulnerable and elderly—*[Interruption.]*

Mr. Speaker: Order. Please allow the hon. Gentleman to speak. Mr. Ronnie Campbell, you are usually quite noisy and I sometimes tolerate it, but you are being even noisier than usual.

Mr. Flight: Many different groups of people are involved, each with their own tale to tell: annuitants, policyholders who are not yet annuitants, those with guarantees, those without guarantees, those who joined early and those who joined late. I am sure that we will need to make distinctions in how we respond, because each group of people has been affected in a different way.

I hope that the Financial Secretary will agree with us on two points. First, it is not appropriate for the taxpayer to make good the losses suffered by savers when those losses arise from ordinary business risks. Secondly, it is appropriate for the Treasury to make good those losses that are directly attributable to negligence or to incorrect interpretations on the part of the regulatory authorities.

I hope that the Financial Secretary will also agree that it is important, when the state is shown to be directly at fault, that people can trust the Government of the day always to do the decent thing by those who have suffered. That was the view taken by the present Chancellor when he responded to the statement on Barlow Clowes in the House at the end of 1989. The Financial Secretary has drawn our attention to the differences between Barlow Clowes and Equitable Life, but there are striking parallels. In 1989, the present Chancellor said:

"I welcome . . . this . . . payment to Barlow Clowes investors".

But it is somewhat ironic that he went on to ask the House

"why it took an internal inquiry, a departmental inquiry and now the ombudsman's investigation . . . before justice began to be done?"—*[Official Report*, 19 December 1989; Vol. 164, c. 204.]

I cannot think that the Financial Secretary or the Chancellor would want, in government, to apply standards different from those that they applied to the Government when they were the Opposition.

There can be no doubt that this report, even on a first reading, provides unambiguous and compelling evidence of regulatory failure at operational level, despite the Financial Secretary's efforts to avoid that conclusion. In paragraph 240 of chapter 19, Lord Penrose tells us:

"There was a general failure on the part of the regulators and"

the Government Actuary's Department. In paragraph 158 of chapter 19, he describes the Department of Trade and Industry and the Treasury as "ill-equipped" and the Government Actuary's Department as complacent.

In paragraph 171 of chapter 19, Lord Penrose describes the regulator's

"failure to appreciate that a change of valuation assumption . . . had real implications".

[Mr. Flight]

In paragraph 187, he describes

"short-term objectives related to support of solvency that should have alerted regulators to the Society's weakening position."

In paragraph 209, he tells us that

"information was not used to form a realistic appraisal of the Society's financial position",

and in paragraph 228, he tells us:

"Unsatisfactory answers were accepted without follow-up."

In paragraph 232, he expresses his concern that

"the FSA and GAD did not have sufficient independent knowledge and understanding of the Society's business",

and in paragraph 236, he tells us that

"regulators and GAD also failed to identify and question the adequacy of disclosure".

I believe that the Financial Secretary is bound to accept that that is a comprehensive series of findings against the regulators at operational level. I remind her that at the time of Barlow Clowes the present Chancellor said, in the face of similar operational failure on the part of the regulators, that

"the need for compensation is agreed"—[*Official Report*, 19 December 1989; Vol. 164, c. 204.]

I hope that the Financial Secretary will now tell us what she did not tell us in her statement—that she will find a way of allowing the parliamentary ombudsman to investigate the operation of the Government Actuary's Department and other regulators to establish the extent of maladministration so that the question of compensation can be properly addressed. I hope that she will tell the House that she is willing to join hon. Members from other parties and the professional parties involved so that we may together consider how best to address the issues arising from the report.

As responsibility for the events is shared, so should solutions be, not least because pensions and the savings that give rise to them, as well as the associated liabilities, are long-lived items that must inevitably be addressed over the span of several Parliaments. When a crisis of this kind affects a large number of people, it is of the utmost importance that we forge political consensus on the appropriate remedies so that the steps that are taken can be maintained with consistency over a long period.

The implications of the episode are deep, because it raises issues of trust, not trust in this or any other Government, nor in this or any other organisation, and not even in this or any other particular regulatory regime, but of the trust of the ordinary family in the pensions industry, which lies at the heart of our financial system. Ultimately, it is a question of trust in capitalism and the fulfilment by the financial system of obligations that, whatever their legal status, have great moral, social and economic importance. I hope that the report's receipt will be the beginning of a process that leads to the restoration of a trust that has been sorely and dangerously diminished in recent years, and that the Financial Secretary will join us and others in a common effort to achieve that common aim.

Ruth Kelly: I thank the hon. Member for Arundel and South Downs (Mr. Flight) for his most reasonable response and shall try to deal with his points in turn. First, however, he ought at least to acknowledge the fundamental reforms that the Government introduced in setting up the Financial Services Authority. Those reforms were long overdue, and the notion that the Government have not done everything that they can to overhaul regulation, protect policyholders and keep the system up to date is ludicrous.

We, too, sympathise with the plight of Equitable Life policyholders, some of whom have suffered tremendous hardship. The hon. Gentleman cannot, however, argue on the one hand that the Government do not have responsibility for underwriting business failure up and down the country and fail, on the other, to acknowledge that Lord Penrose firmly pinned the blame on the society in this case. Lord Penrose said that the problem started and continued there, and was born of the society's policy. It was founded on a mistaken strategy by the society and was concealed by its officials from its own board and policyholders and the regulators.

Lord Penrose makes it clear in this case that

"principally, the Society was the author of its own misfortunes".

At the heart of the society there was, as Lord Penrose says, "a self-perpetuating oligarchy" that "aggressively pursued growth" with "missionary zeal". They failed to inform the policyholders of the position of their company. They buried and concealed information from the regulators. Even their own board was kept in the dark about essential financial information, including the impact of guaranteed annuities, until 1998.

The hon. Gentleman raises questions about the regulatory system in place. I dealt with those in my statement. Lord Penrose says

"regulatory system failures were secondary",

but a system failure there was—one that the hon. Gentleman's party cultivated and over which the Leader of the Opposition presided when he was a financial services Minister. As Lord Penrose states, Conservative Ministers, in an attempt to minimise the work load involved,

"resolved . . . that scrutiny would continue to be based on the examination of the regulatory returns, and that action . . . would be reactive to what was found in the returns".

As a result, he says—a point that the hon. Gentleman picked up—the DTI insurance division was ill-equipped to participate in the regulatory process—a deliberate decision of his Government when they were in power, and one that reflected the will of Ministers and of Parliament.

When proposals were made to update life insurance regulations, they were rejected. In 1997 when we came to power, we inherited a light-touch, under-resourced, reactive regulatory system that lacked challenge, and we moved quickly to set up the FSA—a system that Lord Penrose calls

"a major, comprehensive reassessment of the requirements of an efficient regulatory system for the insurance sector".

I shall deal with each of the specific points that the hon. Gentleman raised, but first I shall quote Lord Penrose. He says:

"I have not qualified my comments by reference to professional standards current at the time that the events occurred: that is a matter for the courts and professional bodies exercising disciplinary functions. Further, I have the benefit of hindsight . . . In seeking material from which lessons can be learnt for the future it would be impossible to restrict oneself to what individuals knew or ought to have known at any time in the past."

The hon. Member for Arundel and South Downs argued that the DTI was under-resourced and that it could not monitor policyholders' reasonable expectations. Lord Penrose says it was it was resolved by ministerial decision that PRE would be monitored from the annual regulatory returns. Up until the FSA was in force, he says

"regulators were never in a position to form a view on the issue".

The hon. Gentleman quoted Lord Penrose on future profits and the fact that the FSA allowed the society to take out an implicit future profits item. Perhaps if he read further, he would see that Lord Penrose notes

"it appears that in the context of current guidance and the regulatory framework in force, regulators could not have done otherwise".

The hon. Gentleman argued that the point about subordinated debt should have been picked up by the regulators. If he read further, he would see that Lord Penrose says:

"I do not criticise any of the formal steps taken of the propriety of the order granted".

Lord Penrose makes it clear that guaranteed annuities were not the cause of the society's weakening. He accepts that the presentation of the issue was disjointed and opaque, and that even the society's own board did not fully understand it until 1998. The regulators—the Treasury, in this instance—took strong action against Equitable throughout 1998 and 1999. Equitable threatened judicial review. The regulators threatened regulatory action. In the end the regulators' view prevailed and Equitable reserved in full.

The hon. Gentleman raised the case of Barlow Clowes. In that case, there was a finding of maladministration. The company was not trading. No compensation scheme was in place. In the case of Equitable Life, there is no finding of maladministration, the company is still trading, and a comprehensive compensation scheme is in place. The hon. Gentleman asked whether the parliamentary ombudsman should be asked to investigate the Government actuary service. He failed to notice that we have just set up a review of actuaries, including the Government Actuary's Department, under Sir Derek Morris. I wonder what else he had in mind.

There is no new evidence in the report to suggest any allegation of maladministration or negligence. Lord Penrose does not pin the blame on individuals who, he says, have in the main operated in good faith and to the best of their abilities within the system as they found it. Principally, he says, the society was the author of its own misfortunes. Regulatory system failures were secondary factors.

The hon. Gentleman made a last plea about trust in financial services. Perhaps I should go back to the Penrose report for a last time. Lord Penrose himself says:

"If the proposals in hand for the future of the new regulatory system are implemented and if they are effective in practice, the major criticisms of the earlier regulatory regime will have been addressed both in relation to the general approach to regulation and in relation to the particular issues arising from the discussion of regulation of the Society."

Dr. Vincent Cable (Twickenham) (LD): I, too, thank the Minister for early sight of the massive report. Clearly, I have not read all of it, but I have read enough to see that there are considerable discrepancies between what it actually says and the way in which she has interpreted it to us.

I want to deal with three specific points. First, on whether there was a regulatory failure, the key sentence in the summary, which the Minister quoted and on which she hinged her whole argument, was:

"As for the regulatory system, I do believe that it has failed policyholders in this case."

She interpreted that as being a criticism of the system as a whole, and as meaning that there was therefore a failure of the previous Government and the wicked, incompetent Tories, who failed to put the proper legislative framework in place. I do not need any persuading that the Tories are wicked and incompetent, but anyone who reads the report carefully will see that that is only part of the truth. Why did she not read the whole paragraph in which that sentence was embedded? The concluding sentence starts with the word "but", which is crucial:

"But I do take the view that the system itself was not overseen . . . was not kept up-to-date, and operated in an ineffective manner."

There is specific reference to a major scandal that arose when the Department of Trade and Industry was overseeing Equitable Life, when the DTI commissioned as its own auditor the chief executive of the company that it was supposed to be regulating. If that is not negligence, what is? Clearly, there was a system failure, but there was also negligence.

Secondly, let me turn to compensation. The Minister said that Lord Penrose did not advocate compensation. Of course he did not, because it was not in his mandate, as paragraph 77 of the conclusions makes clear. Why did the Minister not quote a key paragraph in the conclusion in which Lord Penrose introduced the discussion on compensation:

"However, whatever the position on compensation might prove to be in the end of the day, it is clear that many Equitable policyholders have suffered much worry and distress, and many have been and will continue to experience real financial hardship, as a result of seeing the returns they had expected from their savings very dramatically reduced"?

That happened as a consequence of failures of regulation of the company.

The Minister stated that the fundamental difference in respect of Barlow Clowes—I want to pursue in a little more detail the point made by the Conservative

[Dr. Vincent Cable]

spokesman—was that there was no finding of maladministration in that official inquiry. That is simply untrue. The finding of maladministration came in a subsequent report by the ombudsman. Indeed, in a particularly trenchant paragraph, the current Chancellor of the Exchequer, commenting in Parliament in 1989, confirmed that point precisely:

"I must ask why we have had to rely on the ombudsman to confirm . . . mismanagement, maladministration and incompetence".—[*Official Report*, 18 December 1989; Vol. 164, c. 204.]

That is why we and members of the society now expect a follow-up report by the ombudsman to interpret Lord Penrose's findings. If that is not possible, why cannot Lord Penrose be asked to spend an extra three months extending his mandate to look specifically at compensation, which he was precluded from doing before? If his findings are as the Government think, they need have no worry that they will be asked to sign any cheques, so why cannot they ask him to examine that dimension?

My third and final comment relates to the future of the society, about which the Minister said very little. As I understand it, her only practical recommendation to policyholders is that they should pursue mis-selling claims. Is she not aware that Equitable Life's policies were essentially sold by its salaried staff, not by commission agents? Any attempt to pursue a mis-selling claim must necessarily involve raiding the society's residual funds—less, of course, very large fees for the lawyers. The only recourse that she is offering is for the lenders to sue themselves. This is a hopeless outcome, and one that is totally unworthy and unsatisfactory. Not Penrose, but the Minister's interpretation of Penrose, will be alarming and demoralising to the million people who have policies with the company, and it will have very damaging long-term effects on the savings culture for millions of others.

Ruth Kelly: The hon. Gentleman has fundamentally misread the central findings of Lord Penrose's report. He made a point about regulatory failure. I accept that there was a system failure of regulation, as Lord Penrose says. That failure was the policy pursued by the previous Government, implemented according to the will of Ministers, and accepted by Parliament. Lord Penrose is specific in saying that the coincidence of system failures in this case did not lead to loss.

The hon. Gentleman made a point about the combination of the role of chief executive and appointed actuary. If he reads deeper into the report, he will see that there was no law that could have prevented the situation from occurring at that time.

The hon. Gentleman talked about Barlow Clowes and the fact that no compensation scheme was in place at the time. The parliamentary ombudsman made a clear finding of maladministration in that case. The previous Government did not accept liability but said that they would pay compensation out of respect for the offices of the parliamentary ombudsman, recognising that there was no other way that distress could be alleviated among the Barlow Clowes victims. Now we have a comprehensive financial services compensation scheme in place, and it pays out 90 per cent. of guaranteed policy values.

The hon. Gentleman asked whether Lord Penrose could now investigate whether compensation should be payable, but if he had listened to my opening statement, he might have heard Lord Penrose's own words:

"There was no mechanism that could have been devised and put into effect within a time scale that would have had regard to the wider public interest"

that could have allowed him to investigate those issues.

The hon. Gentleman made a point about the future of Equitable Life itself and its policyholders. Yes, they had a very difficult time and I sympathise with their plight, but the question now is what is the right thing for the Government to do. Lord Penrose identifies a prolonged and sustained period of over-bonusing in the society. His estimate is that more than £3 billion was paid out to policyholders in the 1990s. He says that that issue can ultimately be resolved only by the courts.

Mr. John McFall (Dumbarton) (Lab/Co-op): The Financial Secretary will be aware that the Treasury Committee has invited Lord Penrose to give his views on his report next week. Surely it sounds the death knell for the post of appointed actuary. The report's conclusions are bitter for the many hundreds of thousands of Equitable Life policyholders. We have had prudential regulation, conduct of business and realistic reporting improvements, but all that, for Equitable Life policyholders, sadly, is locking the stable door after the horse has bolted.

The big question today is how we can improve transparency to ensure that there is no rerun of this scandal and fraud by future managements and that when people put their money in savings they can have confidence in the system. How will the Minister and the Government work to ensure that we restore confidence in the long-term savings market?

Ruth Kelly: My hon. Friend draws attention to the appointed actuary system that was in place for a prolonged period during the 1980s and 1990s. The Financial Services Authority has decided to abolish that system, to remove from the appointed actuary responsibility for making key decisions about asset allocation and distribution in respect of with-profits funds, and to place that responsibility firmly on the board.

My hon. Friend asks how we can restore confidence; the way to do so is to take the action required. We have made the changes that Lord Penrose thought essential to regulating the life insurance industry, and we will continue to make them. That is why we have set up a review of the mutual sector and the actuarial profession, and we are reviewing the accounting treatment of with-profits funds. My hon. Friend will know that if there are aggrieved policyholders, as undoubtedly there are, they are at liberty to pursue any claims that they feel are rightly theirs through the financial ombudsman service, which this Government put in place for the resolution of such complaints.

Mr. Kenneth Clarke (Rushcliffe) (Con): The Minister seemed with approval to quote me from the time of the Barings bank collapse, when I said that there was no failure on the Bank of England's part in respect of regulations that could protect against a rogue trader

who deliberately deceived and obscured the truth. She also reminded us of the occasion on which the previous Government accepted a finding of maladministration against the Department of Trade and Industry, in the case of Barlow Clowes, and paid compensation to the innocent victims.

Will she, therefore, clear up the seeming ambiguity in her comments on the regulators in this case? She attacks the DTI's actions before 1997 with considerable vehemence when she is making party political points, but she defends its actions when resisting the claim for compensation. She is totally silent about the Financial Services Authority and the Government Actuary during the period after 1997—the three years that led up to the revelation of the true facts about Equitable Life. Is she saying that the DTI, as regulator, made no errors or misjudgments before 1997 under the existing regime, and that after 1997, the FSA or the Government Actuary made no errors or misjudgments? When she answers that clear question—she has yet to do so—will she bear it in mind that 800,000 policyholders will not welcome party politics on this subject, and that they will want a clear description of where fault lay, including with the regulators, if part of the blame did indeed lie there?

Ruth Kelly: The right hon. and learned Gentleman makes an important point about Barlow Clowes, but unfortunately it is not right. There was a finding of maladministration, but the previous Government did not accept it. I quoted him deliberately, because in 1995 he accepted the point that no regulator can guarantee against a company that is intent on concealment, manipulation or deception. In this case, Lord Penrose sets out clearly a litany of occasions on which the regulators were not given full information, and on which the company concealed information from the policyholders and from its own board.

The right hon. and learned Gentleman asks me to distinguish between the operation of the regulatory system and the regulatory policy. Lord Penrose is absolutely clear: there was regulatory system failure. There was a failure of policy by the right hon. and learned Gentleman's Government, in that they failed to regulate the life insurance industry appropriately. Indeed, when they were offered the opportunity to do just that in 1994, they rejected it.

The right hon. and learned Gentleman asks about individual instances after 1997, so let me give him the details. Lord Penrose questioned, for example, whether the FSA should have granted a reinsurance treaty. On taking a closer look at the report, however, it is clear that he accepts that the company wrote a side letter that withheld information from the regulator. The FSA has said that, in such a situation, in no case would it have accepted a reinsurance treaty. The claim is made that the regulators should have taken action when the company asked for a subordinated debt agreement, but in the next paragraph Lord Penrose says that he does not criticise any of the formal steps taken, in terms of the propriety of the order granted. He accepts—and I must accept some failure here—that the FSA should have handled late joiners in a slightly more sensitive way. That criticism, too, was made by the parliamentary ombudsman when she reviewed the case, and the FSA has already accepted that it could have handled the situation more fully. However, the company has already admitted liability in that case, and a reserve for late joiners. There is no issue after 1997 in Lord Penrose's report that has not been considered by the parliamentary ombudsman, and she has cleared the Government of all cases of maladministration.

Mr. Frank Field (Birkenhead) (Lab): I thank the Minister for the announcement about the Paul Myners inquiry and the inquiry into the actuarial profession. Given the strategic importance of actuaries to the long-term delivery of our pension schemes, will the House have some say in the terms of reference of that inquiry? Do the Government accept that, whatever final decision the House may come to about compensation in that respect, there is a clear distinction between people like me, who voluntarily saved in an organisation that gave us bad advice, and the 60,000 people who, as a condition of their employment, were made to save in a company pension scheme and now find that all or most of their pension has been lost?

Ruth Kelly: I thank my right hon. Friend for his insightful comments on the actuarial profession. Although we have published terms of reference for that review today, I assure him that they are extremely broad. I am sure, too, that Paul Myners will be interested to learn of my right hon. Friend's interest in the subject of his review, and I shall refer my right hon. Friend to him. My right hon. Friend spoke of the 60,000 pensioners in the ASW case and others. He will understand that as a result of their position the Secretary of State for Work and Pensions has made it a priority to put in place a pension protection fund, through the Pensions Bill now passing through the House.

Mr. John Redwood (Wokingham) (Con): What would the Minister say to a constituent of hers, or mine, who has lost a lot of money and has been hanging on in the hope of something from Penrose, or Government compensation, but who now faces a very mean retirement because of those losses? Is she really saying that such people should spend what little money they have left on good lawyers, that they should just sit and hold on, or that they should get out? That is what my constituents need to know. They have been extremely badly done by, and they want an answer.

Ruth Kelly: The right hon. Gentleman must understand that it is the Government's responsibility to act on the basis of what Lord Penrose has said in his report. Of course, I entirely sympathise with the distress of individual policyholders who have suffered loss over the last four years as a result of the actions of the society. However, I can perhaps give some words of assurance about the fact that the Government have introduced the comprehensive financial services compensation scheme, which is ready, were problems to materialise in a company, to pay out 90 per cent. of guaranteed policy values. Apart from that, the financial ombudsman service is also there ready to offer help, without the expense of lawyers, to individuals who feel that they need redress.

Tony Wright (Cannock Chase) (Lab): Is this not the story of a period when this country was in the grip of an

[Tony Wright]

ideology that said that people would be more prosperous and freer to the extent that the state did not interfere with their lives? Are not the Equitable Life policyholders now being asked to pay a terrible price for that ideology? More specifically, my hon. Friend has made an important distinction between regulatory failure and regulatory maladministration, but I am sure that she will agree that that is a proper distinction for the parliamentary ombudsman to examine, in so far as it is within her jurisdiction, and that she will want to make her own judgment on the matter.

Ruth Kelly: My hon. Friend makes some important points. Lord Penrose's report provides a cautionary tale for all hon. Members on both sides of the House. His main recommendation is that the regulatory system should be constantly reassessed and kept up to date in the light of changing developments in the industry. We set up the FSA immediately on coming to power, and alongside it we are prepared continually to review and update its effectiveness to make sure that adequate protection is in place. My hon. Friend draws a distinction between regulatory failure and operational failure, and it is one that Lord Penrose himself draws in the report. Lord Penrose is clear that the fault principally lay at the heart of the society and that regulatory system failures were secondary factors.

Norman Lamb (North Norfolk) (LD): May I declare an interest as a former policyholder? I draw the Minister's attention to the report's key findings, which identify not only a systems failure but a specific failure by regulators operating within the system. Is it not remarkable that she failed to mention that at all in her statement and that she concentrated only on the systems failure? Her statement is a recipe for years of litigation, which will enormously benefit many lawyers but which will be at the expense of all those who have suffered enormous hardship, and will do nothing to address the crisis of confidence in the industry. It is time for a proper process through either the parliamentary ombudsman or a further remit to Lord Penrose to identify the loss resulting from the regulatory failure—not system failure—identified by Lord Penrose, so that compensation can be paid.

Ruth Kelly: The hon. Gentleman's interpretation is not correct. Lord Penrose's main finding is that there has been systematic and sustained over-bonusing in the society over a matter of decades, and perhaps even longer. As Lord Penrose says, the issue could be determined only by the courts. He specifically rules out any attempt to give him extra powers to deal with consequential issues and says that such issues could be determined only by the statutory process.

The hon. Gentleman points to particular issues about the regulatory system and leads me to examine Lord Penrose's central findings and conclusions. Lord Penrose says that "the system lacked challenge", and he also says why. The system was set up by deliberate ministerial decision to lack resources. In 1999, 70 regulators supervised 800 life insurance companies while 400 regulators supervised 600 banks, which was a complete bias in the system. This Government have doubled the resources going into life insurance regulation and made sure that the system is set up in such a way that it now has sufficient to do the job properly.

Mr. James Plaskitt (Warwick and Leamington) (Lab): May I refer my hon. Friend to the Treasury Committee's interim report on Equitable Life? We found that the Treasury asked the Government Actuary's Department to survey life offices in 1998. When Sir Howard Davies gave evidence, he told us that the case of Equitable Life stood out among all the others. Equitable Life did not like the regulator's comments and threatened the Treasury with judicial review. Although Lord Penrose rightly says that the society was the author of its own misfortune, does my hon. Friend think that the pre-FSA regulatory vacuum aided that situation?

Ruth Kelly: My hon. Friend makes an important point. Regulators became aware of the guaranteed annuity issue in 1997, and, in effect, the regulators and Equitable Life had a running battle over the following two years. Equitable threatened the regulators with judicial review; the regulators threatened to take regulatory action and shut the company. In the end, the regulators' view prevailed and the company reserved in full. The reason that situation did not materialise earlier is, as Lord Penrose says, that the system was not set up to allow the regulators to pick up any impact on policyholders' reasonable expectations.

Mr. Graham Brady (Altrincham and Sale, West) (Con): I, too, have a small interest to declare. The Minister refers to the statement by Lord Penrose that insulating policyholders from any kind of risk would provide a perverse incentive. On the other side of the account, does she accept that leaving people suffering loss and hardship in their retirement also provides a perverse incentive? What is her assessment of the damage that could be done to confidence in the industry and of the danger that people will simply stop saving for their pensions?

Ruth Kelly: The hon. Gentleman makes an important point, and it was one that Parliament considered when it set up the financial services compensation scheme, which acts as a comprehensive safety net for individuals in a case of insolvency. Were Equitable to become insolvent—I stress that the company thinks that it is still solvent—the financial services compensation scheme is there to meet individuals' needs and would pay out 90 per cent. of policy values. However, in addition, the financial ombudsman scheme is available, whether a company is solvent or insolvent, to pay out on the basis of individual policyholder complaints. It is to that scheme that individuals should look in the first instance if they feel aggrieved.

Mr. Nigel Beard (Bexleyheath and Crayford) (Lab): Equitable Life is the oldest insurance society in Britain and, in many people's eyes, was the gold standard of the life insurance industry. What are the implications for the rest of the life insurance industry?

Ruth Kelly: Lord Penrose says that the FSA, in its reforms, has anticipated many of the lessons that could

have been drawn from his report. He says that it has "largely succeeded" in that. The lessons for us as a Government are to keep his report in mind to ensure that the regulatory process is constantly updated and to ensure that policyholders have the most effective system possible in place. At the same time, we must acknowledge that no regulator can guarantee against a deliberate and particular intention to conceal and manipulate by a company. No regulator could guarantee to prevent that from happening.

Richard Ottaway (Croydon, South) (Con): Millions of policyholders listening to the Financial Secretary's statement this afternoon will be dismayed by its content and tone, and the way in which everybody seemed to be to blame except the Government. I remind the Minister of the guidance in the letter of 18 December 1998 from the Treasury's insurance directorate, which condoned, confirmed and accorded with the accounting practices of Equitable Life. That guidance was slaughtered by the House of Lords in its judgment of July 2000. However, the Treasury has always stood by that guidance and never suggested that it was wrong. Will she now take this opportunity to admit that the guidance was wrong and that Equitable Life did not operate in accordance with proper procedures?

Ruth Kelly: I have already said to the Treasury Committee, when the issue was last considered, that with hindsight it probably would have been better not to have issued that guidance. I can only cite Lord Penrose who, when he looked at the issue, accepted that the regulators' view of the guidance was that it was neutral. Indeed, he accepted that the regulators thought that the guidance could act as a warning shot across the bows of Equitable. He accepts that that is the case, and that was the view that was held by regulators at the time.

Mr. Harry Barnes (North-East Derbyshire) (Lab): There is the widest possible distinction on the issue of regulation between the former and current Governments—I hope that we will hear less bleating from the Conservatives about red tape—but Governments are a seamless whole as far the public are concerned. Do we not often have to clear up the mess that was created by the Conservatives? That needs to be taken into account in connection with the Equitable Life policyholders, and we may have some responsibility to deal with their problems.

Ruth Kelly: The distinction is fundamental, and it is essential for the Government of the day to get it right. There is a clear separation between policies, which are dreamed up and implemented by Ministers of the day, with Parliament's support—effectively representing the will of Parliament—and the operation of a regulatory system that can lead to circumstances in which policy is not effectively implemented and does not represent the wishes of Ministers and Parliament. That is a distinction that Lord Penrose makes when he says that in this case the problem was regulatory system failure: it was the policy that was the cause of the problem.

Mr. Mark Field (Cities of London and Westminster) (Con): Will the Government find a way to enable the ombudsman to investigate the serious regulatory failure of the Government Actuary's Department, which was identified in Lord Penrose's report?

Ruth Kelly: The ombudsman has already considered the position since 1997 and found no evidence of maladministration. The hon. Gentleman should look more carefully at the *Hansard* report of my original statement. I pointed out that Lord Penrose himself made serious criticisms of the actuarial profession—not least the fact that one appointed actuary was reluctant ever to criticise the opinion of another appointed actuary. Lord Penrose also said that the profession was set up in such a way that there were no standards of discipline of the type that are normally accepted as applying to any professional body. That is why the Government have set up an independent review to examine the actuarial profession, and it will include the Government Actuary's Department.

Mr. George Mudie (Leeds, East) (Lab): I genuinely commend the Minister and other Treasury Ministers on dealing with the political and technical aspects of the problem, but I genuinely put down a marker on my concern about the humanity of the position. This is the second time in a week that the House has debated the plight of ordinary pensioners who now have to face life on reduced pensions. That is their reward for doing exactly what the House has urged them to do—to put money aside and save for pensions. I acknowledge that the Minister has set out an able case against compensation, but the prospects for Equitable Life pensioners now hinge on succeeding in legal action against the directors and auditors. That will take years and will enrich only the lawyers. It will in no way help the ordinary pensioners who are now living on reduced pensions.

Will the Minister and other Treasury Ministers speak to the FSA to establish whether it can do something similar to what it did last week to the split capital investment industry—by knocking some heads together? They should try to bring some help not only to people affected by Equitable Life, but to the pensioners we spoke about last week, who look to us not for technical or political arguments, but for help to maintain their standard of living.

Ruth Kelly: I understand my hon. Friend's empathy for the policyholders in Equitable Life and I share it. It is difficult to see people suffer financial hardship and stress, but my hon. Friend must also be aware of the scale of the problem that we face. Lord Penrose identified a problem that was driven primarily by management failure at the society itself. That is what led to £3 billion extra being paid out in bonuses than the society could afford. Of course the Government stand ready to help where we can and where appropriate in that context. Indeed, I have personally spoken to the financial ombudsman to see whether there is any more we can do to help people as they pursue any consequential claims through his office. The reason we set up the financial ombudsman service was to provide an avenue for people to seek speedy resolutions of their complaints.

Chris Grayling (Epsom and Ewell) (Con): Is it not curiously ironic that the one person who was successful

[Chris Grayling]

in extracting money from Equitable Life pension funds after 1997 was the Chancellor of the Exchequer? When the company was pulling the wool over the eyes of the regulator in the early 1990s, the system was supposedly to blame; but when the company was still pulling the wool over the regulator's eyes at the end of the decade, the post-1997 Labour-introduced regulatory system was entirely blameless. Does the Minister honestly believe that the policyholders will think that that is credible?

Ruth Kelly: The hon. Gentleman suggests that the society was pulling the wool over the eyes of the regulator, but in fact Lord Penrose set out a litany of ways in which the company failed to disclose information to the regulator. For example, it failed to disclose in 1992 with the quasi-Zillmer adjustment—and it went on from there. It also failed to disclose information about a side letter written on reinsurance agreements under the stewardship of the FSA. However, the Penrose report found no maladministration or negligence by the regulator and also states clearly that no discrete actions by the regulators led to loss. It was not the regulatory system that was responsible for policyholder loss, but the action of the society itself.

Alan Howarth (Newport, East) (Lab): Wherever responsibility may lie for the disasters that have so devastatingly affected Equitable Life policyholders, does my hon. Friend agree that it may have contributed to a dangerous undermining of confidence in pensions more broadly, and that there is an urgent need to rebuild that confidence? Over and above the regulatory improvements that the Government have already brought in, will the Treasury act to improve incentives for savers who are not high earners, perhaps by replacing tax relief with grants, for example? Will the Treasury also offer incentives to employers to contribute more generously to the pensions of those who work for them, as well as to provide financial education and financial planning advice in the workplace?

Ruth Kelly: My right hon. Friend makes an important point. That is why in 1997 we took immediate action to set up the FSA. We also set up the comprehensive financial services compensation scheme, and the financial ombudsman service to help people with speedy resolution of their claims. Confidence in the financial services industry will be restored by an effective regulatory system that is updated adequately to reflect movement in the industry. As for the subjects that my right hon. Friend mentioned, workplace advice, for instance, is very close to my heart. We are consulting on ways to make that work better so that employees can receive appropriate advice in the workplace. We shall keep under review—as, indeed, will Adair Turner as head of the Pensions Commission—all ways of promoting pensions in the workplace.

Mr. Henry Bellingham (North-West Norfolk) (Con): I represent a large number of victims, many of whose lives have been ruined as a result of this matter. The shadow Chief Secretary asked the Minister about the Government Actuary's Department, which saw Equitable's returns and gave it a solid rating every year—both before 1997 and for four years after that, at which stage the deterioration in the company's balance sheet became apparent. Surely the Government Actuary's Department is to some extent culpable. How much responsibility should it carry?

Ruth Kelly: The Government Actuary's Department acted as advisers to the regulator. I have already set out the inadequacy of resources given to life insurance regulation over a prolonged period. It was natural that the regulator, when completely under-resourced, should rely on 20 Government actuaries for support. The hon. Gentleman also asked about the case after 1997. We took immediate action as a Government to set up the FSA; we have doubled the resources to life insurance regulation; we have increased the skill levels for carrying out life insurance regulation; and we stand ready to make any changes on the back of Lord Penrose's recommendations.

Mrs. Betty Williams (Conwy) (Lab): Like many Members, I have waited a long time for this report to be announced to Parliament. I welcome my hon. Friend's announcement today of an independent review. I believe that I have understood her point about the failure of the regulatory system pre-1997, but for the benefit of Conservatives Members who were in government before then will she once again reiterate—I know that she has done so several times already—the point about the regulatory system? I am very angry on behalf of the constituents who have written to me when I hear such an announcement and what Lord Penrose said in his report.

Ruth Kelly: As a result of Lord Penrose's report, the House will want to take time to reflect on whether it was appropriate to have a light-touch regulatory system for the protection and care of long-term pensions held by millions of people in this country. Lord Penrose says:

"I do not pin that blame on individuals, who in the main have operated in good faith and to the best of their abilities within the system as they found it."

He adds that, primarily, the company was the

"author of its own misfortunes",

and that

"regulatory system failures were secondary factors."

Mr. Andrew Love (Edmonton) (Lab/Co-op): Did my hon. Friend have a chance to read the *Financial Times* over the weekend, in particular the comments of its respected City analyst on pensions? He said that

"despite the problems, the return on an Equitable pension might be no worse than on one bought through any other poorly-performing life offices.

Many life offices are paying zero bonuses, so Equitable policyholders may be no worse off than some of those with the competitors . . . If that's a case for compensation, I can't see it."

That is the voice of a reputable, independent expert from the City. Would my hon. Friend care to comment?

Ruth Kelly: I hear what my hon. Friend says, but he must agree that Lord Penrose's central finding was that the company was the author of its own misfortunes. It paid out £3 billion more in bonuses than it could afford

over a prolonged period. That has clearly had a differential impact on policyholders, depending on when they joined or left the company. In this case, however, it is very much the society itself that is under the spotlight.

Mr. Barry Gardiner (Brent, North) (Lab): Lord Penrose has accused the management of the company of manipulation, concealment and serious omission. Is not that just another way of describing the current state of the actuarial profession? I am sure the whole House will welcome my hon. Friend's announcement of the report by Derek Morris on the actuarial profession. Can she tell us when she expects to receive that long overdue and much to be welcomed report?

Ruth Kelly: I cannot agree with my hon. Friend's detailed point, although Lord Penrose suggests that the actuarial profession is in need of review. However, I can tell him that the review process should be completed by spring next year.

Points of Order

5.26 pm

Tim Loughton (East Worthing and Shoreham) (Con): On a point of order, Madam Deputy Speaker, of which I have given prior notification to Mr. Speaker. Last Thursday afternoon, it appears that I was the subject of not one but two points of order from Labour Members. On Friday morning, I received a letter from the hon. Member for Harwich (Mr. Henderson) informing me that I was to be the subject of a point of order on the previous day. Apparently, the hon. Gentleman took issue with a visit that I made to his constituency as a shadow Health Minister, at the invitation of local residents and of Mr. Douglas Carswell, the excellent Conservative parliamentary spokesman in that constituency. The hon. Gentleman was told about my visit, as is my custom—a courtesy that has never been extended to me by any Labour Ministers or Liberal Members of Parliament visiting my constituency.

In Mr. Speaker's response to that notified point of order, he referred to a convention about Members being involved in colleagues' constituencies or those of other Members. However, when my hon. Friend the Member for Worthing, West (Peter Bottomley) pointed out that I was visiting as a shadow Health spokesman and that it was common practice during the previous Conservative Government for Labour Front Benchers to ask questions about the constituencies of other Members, Mr. Speaker said that that was an entirely different matter.

There thus seems to have been a degree of confusion as to what hon. Members can or cannot do outside their own constituency. Given the practice, especially of the Department of Health, of answering questions tabled by my hon. Friends and me by saying that information is not collected centrally, thereby requiring us to ask for information about individual constituencies or primary care trust areas, it would be exceedingly damaging to the availability of information to Opposition Members if we were unable to ask such questions. Perhaps, Madam Deputy Speaker, you can give us some—

Madam Deputy Speaker (Sylvia Heal): Order. I think that we have heard the point of order that the hon. Gentleman is making.

Mr. Roger Gale (North Thanet) (Con): On a point of order, Madam Deputy Speaker.

Mr. Ivan Henderson (Harwich) (Lab) *rose—*

Madam Deputy Speaker: Order. May I first respond to the point of order raised by the hon. Member for East Worthing and Shoreham (Tim Loughton)?

I really have nothing to add to the rulings that Mr. Speaker gave on Thursday, when he said that these things are best dealt with between Members and not on the Floor of the House.

Mr. Gale: On a point of order, Madam Deputy Speaker. Mr. Speaker had occasion to rebuke me for seeking to raise this point of order earlier during what I had forgotten was an answer to an urgent question, not a ministerial statement, for which I unreservedly apologise.

[Mr. Gale]

Earlier this afternoon, a Minister of State quite disgracefully criticised civil servants in her Department for failing to inform her until yesterday of matters that she should properly have heard about in January. Madam Deputy Speaker, you would immediately rule that it is up to Ministers to take responsibility for what they say—I understand that—but could you reaffirm the convention that Ministers should take responsibility for their actions, and the fact that it always has been the convention of the House that Ministers do not come to the Dispatch Box and criticise civil servants who do not have the opportunity to answer for themselves?

Mr. Eric Forth (Bromley and Chislehurst) (Con): Further to that point of order, Madam Deputy Speaker. May I invite you to go somewhat further than my hon. Friend suggests in extending the protection of the Chair in the Chamber to civil servants who are unable to protect themselves—indeed, they are unable to speak for themselves—when attacked by their own Ministers? Surely that is something for which the occupant of the Chair can rightly and honourably take responsibility. Today, we had the most disgraceful example of a Minister of State dumping on her own officials. Surely that is unacceptable.

Madam Deputy Speaker: I have to tell right hon. and hon. Members who have raised that point of order with me that the way in which Ministers answer urgent questions is entirely their responsibility. It is not the responsibility of the occupant of the Chair.

Mr. Henderson: Further to the point of order raised by the hon. Member for East Worthing and Shoreham (Tim Loughton), Madam Deputy Speaker. If the hon. Gentleman had gone to the notice board on Thursday afternoon, during Question Time, he would have seen his letter there. I am not responsible for when he receives his mail in his office. If he, like other hon. Members, had contacted the hon. Member responsible when issues are raised on behalf of constituents, he would have got the answers that he required, including on the £7 million investment in the primary care trust in my area.

Madam Deputy Speaker: I repeat what I said earlier. Mr. Speaker gave his ruling in the House last Thursday. I have nothing further to add—certainly, nothing on the matter of when Members do, or do not, collect their post.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Further to the point of order that was raised by Opposition Members, Madam Deputy Speaker. There has been a long tradition—this may be unwritten, but it is very important—that the House does not attack those who cannot answer back and that the use of privilege is carefully protected because it involves a very great responsibility. We have the right of privilege. We are able to say what we think here and to be protected. I hope that the House will be reminded from time to time that that tradition includes not having a go at those who cannot protect themselves.

Madam Deputy Speaker: I can only repeat what I said earlier: the responsibility for replies to urgent questions lies with Ministers themselves.

EUROPEAN PARLIAMENTARY AND LOCAL ELECTIONS (PILOTS) BILL (PROGRAMME) (NO. 3)

Motion made, and Question put forthwith, pursuant to Orders [28 June 2001 and 6 November 2003],

That the following provisions shall apply to the European Parliamentary and Local Elections (Pilots) Bill for the purpose of supplementing the Orders of 21st October 2003 and 29th October 2003:

Consideration of Lords Amendments

1. Proceedings on Consideration of Lords Amendments shall be completed at today's sitting and shall (so far as not previously concluded) be brought to a conclusion three hours after their commencement.

Subsequent stages

2. Any further Message from the Lords may be considered forthwith without any Question put.

3. Proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.—[*Jim Fitzpatrick.*]

The House divided: Ayes 265, Noes 150.

Division No. 76] **[5.33 pm**

AYES

Abbott, Ms Diane
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Armstrong, rh Ms Hilary
Atkins, Charlotte
Austin, John
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Bell, Sir Stuart
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Boateng, rh Paul
Bradley, rh Keith *(Withington)*
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Connarty, Michael
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Corbyn, Jeremy
Corston, Jean
Cousins, Jim
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Dalyell, Tam
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Drew, David *(Stroud)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel

Gardiner, Barry
Gibson, Dr. Ian
Godsiff, Roger
Goggins, Paul
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Henderson, Ivan *(Harwich)*
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Hoey, Kate *(Vauxhall)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jamieson, David
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kemp, Fraser
Khabra, Piara S.
Kilfoyle, Peter
King, Andy *(Rugby)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Liddell, rh Mrs Helen
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, Thomas
McCabe, Stephen
McCartney, rh Ian
McDonnell, John
MacDougall, John
McFall, John
McIsaac, Shona
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
McWalter, Tony
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marshall, Jim *(Leicester S)*
Martlew, Eric
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot
Mountford, Kali
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
Organ, Diana
Perham, Linda
Picking, Anne
Pickthall, Colin
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prescott, rh John
Price, Adam *(E Carmarthen & Dinefwr)*
Primarolo, rh Dawn
Prosser, Gwyn
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruane, Chris
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Sarwar, Mohammad
Savidge, Malcolm
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Soley, Clive
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Stringer, Graham
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Simon *(Ceredigion)*
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Wicks, Malcolm
Williams, Betty *(Conwy)*
Winnick, David
Wishart, Pete
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*

Tellers for the Ayes:
Jim Fitzpatrick and Vernon Coaker

NOES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baker, Norman
Baron, John *(Billericay)*
Barrett, John
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Bruce, Malcolm
Burnett, John
Calton, Mrs Patsy
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Davies, Quentin *(Grantham & Stamford)*
Djanogly, Jonathan
Doughty, Sue
Duncan, Alan *(Rutland)*
Fabricant, Michael
Fallon, Michael
Flight, Howard
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Hawkins, Nick
Hayes, John *(S Holland)*
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Holmes, Paul
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Jack, rh Michael
Jenkin, Bernard
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Lait, Mrs Jacqui
Lamb, Norman
Laws, David *(Yeovil)*
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
Malins, Humfrey
Maples, John
Marsden, Paul *(Shrewsbury & Atcham)*
Maude, rh Francis
May, Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Murrison, Dr. Andrew
O'Brien, Stephen *(Eddisbury)*

Öpik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paisley, Rev. Ian
Portillo, rh Michael
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Randall, John
Redwood, rh John
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Sanders, Adrian
Sayeed, Jonathan
Shephard, rh Mrs Gillian
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spicer, Sir Michael
Spring, Richard
Stanley, rh Sir John
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Teather, Sarah
Turner, Andrew *(Isle of Wight)*
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Willis, Phil
Wilshire, David
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Mark Field and
Mr. Mark Francois

Question accordingly agreed to.

Orders of the Day

European Parliamentary and Local Elections (Pilots) Bill

Lords amendments considered.

Clause 1

PILOTING CONDUCT AT EUROPEAN AND LOCAL ELECTIONS

Lords amendment: No. 1.

5.47 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): I beg to move amendment (a) to the Lords amendment, in line 15, at end insert—

'(c) Yorkshire and the Humber;

(d) North West.'

Madam Deputy Speaker (Sylvia Heal): With this we may discuss Lords amendments Nos. 2, 4 to 12, 14 to 20, 22, 24 to 43 and 45 to 50.

Mr. Leslie: This large group of amendments brings the Bill up to date. Apart from the issue dealt with in our amendment, we agree with their lordships on the need to name in the Bill the regions to pilot all-postal voting. The amendments negate the need for an affirmative order by naming all-postal voting as the method of piloting and specifying the choice of pilot regions. That has allowed greater parliamentary scrutiny and means that electoral administrators will be able to plan with certainty without having to wait for an order to be brought before both Houses.

Government amendment (a) reinstates Yorkshire and the Humber and the north-west as pilot regions, supplementing the north-east and the east midlands as the Government's preferred four regions for piloting, as I announced in January. Although their lordships opted for only two regions, I shall explain why I hope that the House of Commons will settle on four regions and why this can be the final word on the matter.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Is my hon. Friend perfectly satisfied that there is sufficient time for the regulators to ensure that the machinery is in place in the north-west, because it was thought that we would not be included in the pilot scheme? Although many of us approve of postal voting, we are worried about people acting fraudulently to change the results in those constituencies where, for one reason or another, the vote is close.

Mr. Leslie: I hope to put my hon. Friend's mind at rest by quoting the regional returning officer for the north-west, I shall come to his specific comments and how he is content to have all-postal voting in the north-west shortly. However, it will help if I first remind the House why we are considering the issue.

Turnout in local and European elections has been low for some time. As society evolves, it is important that our democracy can also evolve to match the lifestyles

and needs of the public. We have a responsibility to make the process of casting a vote as convenient and simple as possible. The more obstacles in the way, the fewer will cast a vote, and the less likely it is that elected politicians will receive a resounding mandate if turnout continues to weaken.

One of several reforms that could help is improving the physical mechanisms of voting. Taking the choice to the elector instead of always requiring the elector to seek out the polling station is a tactic worth trying. I emphasise that that is worth trying because we are talking about pilots.

Mr. Graham Brady (Altrincham and Sale, West) (Con): It is a tactic worth trying. The independent Electoral Commission agreed with that. Irrespective of the north-west and Yorkshire and the Humber, the commission

"felt unable to make a positive recommendation in respect of those regions"

in the pilot exercise. As recently as last week, it was still saying that it felt that those regions were unsuitable to run postal pilots. Why will the Minister not take seriously the independent advice of the Electoral Commission?

Mr. Leslie: I shall come to that point. The hon. Gentleman is misrepresenting the Electoral Commission's position. It is not saying that Yorkshire or the north-west are not suitable. On the contrary, it is saying that they are potentially suitable. It has said that all along. I shall deal with these points in more detail later in my remarks.

Mr. Brady: Will the Minister give way?

Mr. Leslie: No. I shall make some progress on this matter.

Mr. Brady: On a point of order, Madam Deputy Speaker. The Minister has accused me of misrepresenting the views of the Electoral Commission, yet I have a letter dated 4 March from the chairman of the commission to the Minister. I was quoting from that letter, in which he says:

"The remaining four regions (excluding London and Northern Ireland who were not part of this exercise) we felt were unsuitable to run all postal pilots."

I ask the Minister to apologise to me for the allegation that he has made.

Mr. Leslie: That was the correct representation— *[Interruption.]*

Madam Deputy Speaker: Order. I think that we have the gist of the point made by the hon. Member for Altrincham and Sale, West (Mr. Brady). Perhaps the Minister will respond. It is a matter for the Minister and not one for the Chair.

Mr. Leslie: It is always the last refuge of the hon. Gentleman to resort to a point of order to make his political point. However, he is wrong about the Electoral Commission so I shall not apologise. I shall read from the letter that he quoted. The commission states:

"We named a further four regions that were potentially suitable as pilots. These were, in order of suitability, Scotland, Yorkshire and the Humber, the North West and West Midlands."

The other four regions were those that were deemed to be not potentially suitable. I hope that that clarifies the situation for the hon. Gentleman.

Sir Patrick Cormack (South Staffordshire) (Con): This is not good enough. I had the opportunity last week to talk personally to Mr. Sam Younger, the chairman of the Electoral Commission. Among other things, I discussed this matter with him. He made it plain that he thought that two pilots were enough. He accepted three at a stretch, but certainly he preferred two. He made his advice unequivocal and plain. The Minister has decided to discard that advice. Why?

Mr. Leslie: The hon. Gentleman is more circumspect in the way that he describes the position of the chairman of the Electoral Commission. I, too, had discussions with the chairman last week. The hon. Gentleman is right to say that there is disagreement about how we define a pilot—whether it is two, three or four regions.

I return to the letter. The commission writes:

"We named a further four regions that were potentially suitable as pilots. These were, in order of suitability, Scotland, Yorkshire and the Humber, North West and West Midlands."

It felt unable to make a positive recommendation in respect of those regions, but it stated that they were potentially suitable. It is wrong to say that the commission was saying no to Yorkshire or no to the north-west. That is not the right characterisation of the commission's position.

Mr. John Gummer (Suffolk, Coastal) (Con): Will the Minister give way?

Mr. Leslie: I should like to make some progress— *[Interruption.]*

Madam Deputy Speaker: Order. The Minister is not giving way.

Mr. Leslie: We shall have plenty of opportunity, if I might make some progress, to delve into some of these issues. I will certainly give way to the hon. Gentleman— *[Interruption.]*

Mr. Eric Forth (Bromley and Chislehurst) (Con): The right hon. Gentleman.

Mr. Leslie: Indeed, the right hon. Gentleman. I shall do so later.

We want to be sure, through piloting, that we can both increase the convenience of casting a vote and maintain public confidence in the security of our voting systems. That is what we are talking about. Piloting is about learning lessons. The more experience we have, the better will be the final outcome of policy. Pilots so far have been small in scale. We have always said that the Bill is about scaling up to regional level.

Mr. Lindsay Hoyle (Chorley) (Lab): What representations has my hon. Friend had from local

[Mr. Lindsay Hoyle]

authorities, either through the leaders of those authorities or through the chief executives within the north-west, in support of a pilot scheme?

Mr. Leslie: Later, I shall quote at length to show that we have had positive support, especially from authorities in the north-west of England, in favour of all-postal voting. I know that my hon. Friend will welcome that.

It is important that we underline the view of the Electoral Commission, which advised us about which of the regions would be the most suitable candidates. It did not merely recommend two regions that it considered suitable without referring to anywhere else. The commission made a number of recommendations and, broadly speaking, they were split into three categories. First were the regions that were positively recommended, second were regions that were potentially suitable and third were regions that were not suitable. We accepted those regions that were described as positively recommended back in December—the north-east and the east midlands. We then worked through those regions that were described as potentially suitable in the order of ranking as set by the Electoral Commission.

Sir Michael Spicer (West Worcestershire) (Con): As the Minister has thrown the main conclusions of the Electoral Commission into the dustbin, why is he wasting the time of the House telling us other things that the commission has said when he obviously does not believe in much of its views anyway?

Mr. Leslie: I am not sure that the hon. Gentleman is listening to what I am saying. I do not follow his intervention. Perhaps it will become clearer later.

Mr. Gummer: What my hon. Friend the Member for West Worcestershire (Sir Michael Spicer) says goes to the gravamen of the issue. Many of us are unhappy about the entire proposal. We think that, if people do not vote, it is because they think that the operation of the local authority is not sufficiently interesting to them, not because they cannot find the polling station. We are prepared to go along with the Minister to some extent if the independent Electoral Commission made the suggestions to which he referred. However, if he undermines what the commission has said, many of us who have been prepared to give the proposals a try will say to ourselves, "It has ceased to be an independent operation. Once again, it has become something manipulated by the Government for reasons which sometimes we do not understand but no doubt there is some reason for it." The Minister could say, "This is what the commission suggested. It has said that that is not suitable. Therefore, let us move forward on the two suggestions that it has made."

Mr. Leslie: The right hon. Gentleman would be the first person to chastise the Government if we abrogated our responsibility and passed decision making to the Electoral Commission, rather than having the buck stop here with decisions being made in the House. Ultimately, the commission gives advice. We listen to that advice, but we have a responsibility to make our own decisions, for which we are accountable to the electorate. That is an important principle—I know that the right hon. Gentleman would not wish to disagree with that.

Mr. Gummer: There is a reason why matters of electoral reform should be decided as independently as possible. It is because no Government can pretend that they are not party politically pressed. When they make a change of the sort that is proposed, it must lead people to believe that the Government have done it for party political advantage. That is what Governments are about.

Mr. Leslie: I am surprised by the right hon. Gentleman's approach. The Electoral Commission has said that it does not wish to make final decisions. It gives advice but it is ultimately a matter for Ministers and Parliament to make decisions. That is a sensible constitutional approach.

Mr. Frank Field (Birkenhead) (Lab): Does my hon. Friend accept that we should all come to the debate troubled, in that an ever increasing number of voters are totally uninterested in what we and other representative organisations do? Does he also accept that we should seriously turn our minds to how we might bridge the gap between our electors and ourselves? As the Government have made the decision, regardless of whether it was exactly what the Electoral Commission said or whether it extended that advice, some local authorities have already begun to plan for the elections on the basis of what the House said would be the basis on which the elections would be held. It should trouble us all that perhaps next time a majority of voters will not even turn out to elect us. Would it not be good for the Opposition on this issue to accept that we are searching for different ways to engage with them?

6 pm

Mr. Leslie: My right hon. Friend articulates the position relatively well. We must all, regardless of party, be conscious that the lower turnouts in local and European elections are a matter of concern.

Mr. Field: In general elections as well.

Mr. Leslie: Indeed. One way of addressing that is through all-postal voting, and it is worth piloting that to try it out, which is what the Bill seeks to do.

Mr. John Bercow (Buckingham) (Con): Will the hon. Gentleman give way?

Mr. Leslie: No, because I should like to make some progress.

Mr. Bercow: I should be very grateful.

Mr. Leslie: I will not give way.

Madam Deputy Speaker: Order. However grateful the hon. Member is, the Minister is not giving way.

Mr. Leslie: I should like to make some progress.

We considered the Electoral Commission's recommendations on which regions were potentially suitable in the order in which they were recommended. We considered Scotland in some depth, and held meetings with the regional returning officer and electoral administrators with a view to allaying the concerns that they had expressed. Unfortunately, and despite Government assurances, Scottish administrators were not convinced that effective pilots could be held there, so the decision was taken not to impose a pilot in Scotland. Meetings with the regional returning officers and senior electoral officials from Yorkshire and the Humber and the north-west, however, showed that both regions felt operationally capable of running a pilot.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): We are disappointed that there is not to be a pilot in Scotland. In a recent by-election for South Ayrshire council at which there was a postal vote pilot, the turnout was higher than 60 per cent., more than twice what it was in the previous year's council elections. That by-election was a Conservative win because of the way in which the vote went on that particular day, and I make no protest at that, however foolish the voters may have been. However, we should all be pleased that more people voted in that pilot scheme. To hear Conservative Members say that we are carrying out the scheme for party political advantage is rich, coming from them. They want to stop people voting, for their party political advantage, and it is about time we shouted that from the rooftops.

Mr. Leslie: I know that my right hon. Friend is disappointed that we are not proceeding with all-postal voting in Scotland, but we would have been wrong not to listen carefully to the views of the administrators on the ground—the regional and local returning officers. It was on that basis that we decided not to proceed in Scotland. However, following discussions with officials in Yorkshire and the Humber and in the north-west, we decided after much thought that all-postal voting should be tested in those regions. We have worked as hard as we can to address some of the concerns of members of the Electoral Commission and others to make certain that we can proceed safely with all-postal voting pilots in Yorkshire and the Humber and in the north-west.

Mr. Graham Stringer (Manchester, Blackley) (Lab): I am following my hon. Friend's arguments carefully, and I shall vote in the same Lobby as him this evening. However, since the original debate in the House, the Disability Rights Commission has presented evidence to the Select Committee on the Office of the Deputy Prime Minister, showing its extreme concern that all-postal ballots are discriminatory unless specific alterations to the process are made. Has my hon. Friend had time to consider its recommendations?

Mr. Leslie: I have had time to consider representations from various disability rights organisations. Some are keen on all-postal voting because there are physical impediments that make it difficult for some people with disabilities to go to polling stations. There are pros and cons on both sides, but the Government feel that to try out all-postal voting is a good way to proceed.

Jon Trickett (Hemsworth) (Lab): On that point, many people in Yorkshire welcome this initiative, particularly those who represent coalfield areas. In my constituency, which is at the heart of the former Yorkshire coalfield, two out of five households include at least one person with a long-term sickness or disability. Those people want to be treated the same as the rest of the population, not differently, and it seems to me, speaking on their behalf, that an all-postal vote for everyone is the best way of removing discrimination. Does the Minister agree, and will he accept my assurance that we in Yorkshire are willing to proceed as quickly as possible?

Mr. Leslie: Postal voting is popular for various reasons, some of which my hon. Friend articulates. I believe that it is now right to scale up piloting from local authority to regional level, which is, precisely and simply, what we are trying to do.

Mr. Bercow: Given that, to most casual observers, a postal vote must necessarily constitute a vote cast by post—presumably on that, if on no other point, there is unanimity in the House—can the Minister tell us, with reference to proposed new subsection (4) in Lords amendment No. 1, in what circumstances one would use "other such means as is specified in a pilot order"? According to what criteria would such methods, rather than the conventional postal method, be chosen?

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. Before the Minister replies, may I remark that interventions seem to be getting very long? As there is limited time for the debate, may I urge a little more reversion to the idea of an intervention, which is brief?

Mr. Leslie: I can tell the hon. Member for Buckingham (Mr. Bercow) that the draft statutory instruments that we have already published, and on which we consulted the Electoral Commission, specify that although the elections will be all-postal, there will still be opportunities for people to leave their postal votes at designated drop-off points in a local authority area. I suspect that proposed new subsection (4) in Lords amendment No. 1 refers to that means of supplementing the postal system.

Sir Nicholas Winterton (Macclesfield) (Con): Will the Minister turn his attention to the concern that many of us feel about the integrity and security of the electoral register and, what is more, to whether that integrity and validity would be subject to abuse in a postal vote? According to a conversation that I had with the chairman of the Electoral Commission, he is concerned that a system is not in place to prevent fraud and the abuse of the electoral roll and the postal voting process.

Mr. Leslie: I am glad that Conservative Members have had conversations with the chairman of the Electoral Commission, which is heartening. The hon. Gentleman makes some interesting points, the first of

[Mr. Leslie]

which concerns the electoral register. That is an important issue, regardless of whether we are talking about an all-postal or a conventional election. His second point, however, relates more directly to postal voting: concerns have been expressed about whether all-postal voting is more prone to fraudulence or malpractice.

I want to consider the Electoral Commission's views. It has stated that the two additional regions of Yorkshire and the Humber and the north-west are "potentially suitable", but that it does not feel able

"to make a positive recommendation"

on their suitability. It would therefore be useful to examine what held the commission back from making those positive recommendations, and what has now been done to address those issues. Starting with Yorkshire and the Humber, the commission noted positively that the region has "solid piloting experience", that it has

"no particular barriers to service delivery and is served by good transport links",

and that it has a

"strong daily and weekly press . . . coupled with a clear regional identity".

However, the commission raised queries about the fact that

"some parts of the region have reported that fraud and the perception of fraud has risen since the introduction of postal voting"

on demand, and said that

"it is clear that Returning Officers would strongly prefer not to be involved".

That is how the Electoral Commission explained why it held back from making a positive recommendation on Yorkshire. Its points are valid, and we have been working hard to address them. Much is being done at a national level, but it may be worth while to illustrate what is being done locally in Yorkshire. I recently wrote to its regional returning officer, as well as the regional returning officers in the other pilot regions asking them to update me on their preparations. On the subject of fraud, Paul Rogerson, chief executive of Leeds city council and regional returning officer for Yorkshire and the Humber said that

"discussions between the Region's electoral administrators have been held regarding anti-fraud safeguards. The provisions within the Bill have been noted and welcomed and a number of specific measures are being considered for adoption, including sample checks of those shown as having returned ballot papers, the mounting of local elector awareness campaigns, the establishment of hot line contact points, regular liaison with the Police and the Electoral Commission, the training of staff in supported delivery points, arrangements for the safe delivery of papers to electors in houses in multiple occupation, and checks to be made where multiple requests for the redirection of ballot papers are received."

Mr. Nick Hawkins (Surrey Heath) (Con): Given that the Minister is quoting extensively from a letter that the House has not seen, will he undertake, particularly in light of the fact that he has already been caught out this afternoon indulging in selective quotation, to ensure that the full text of all correspondence on which he seeks to rely is placed in the Library, together with the full minutes of any meetings that he or other Ministers have had with any returning officers or the Electoral Commission?

Mr. Leslie: I shall certainly make available to the hon. Gentleman the letters from which I am quoting, as they are useful to my case. Indeed, I wish I had time to circulate them to hon. Members during our debate.

Sir Nicholas Winterton: Will the Minister place them in the Library?

Mr. Leslie: If I place them in the Library, perhaps hon. Members will be able to go and read them before we vote. I am not sure how efficient my officials will be, but we shall see what we can do. The important point, however, is that the regional returning officer in Yorkshire addressed concerns about fraud. In relation to the commission's point about whether returning officers were willing to participate in postal votes, he said:

"I can report that preparations for the proposed pilot are well underway and that, as might have been expected, electoral administrators from across the region have responded to the challenge presented to them by last month's announcement with their usual diligence and commitment. Indeed, in this regard, I can advise you that, whereas the region's electoral administrators were not initially supportive of an all-postal pilot (for reasons with which you are familiar), the view of a significant majority of the same administrators today is that they would prefer to be allowed to proceed with arrangements for an all-postal ballot in June, than now be constrained to revert to planning for a conventional election."

When discussing its recommendations, the Electoral Commission clearly does not rule out Yorkshire and the Humber as a pilot region and, indeed, has since said in discussions that the region and others marked as "potentially suitable" could deliver an effective pilot. In short, it is quite clear that any doubts about Yorkshire's suitability, whether over fraud or returning officer enthusiasm, have now been overcome.

As for the north-west, the commission noted positively that

"there is a strong record of piloting in the North West—18 of 33 authorities have piloted".

It also noted that the north-west returning officer

"has submitted his view that the North West would be well placed to hold an all-postal pilot, and that he would ensure that appropriate resources were put in place to deliver the pilot scheme"

It also noted that the region is diverse, has a strong daily and weekly press and ranks highly for the distinctiveness of its radio services. The commission had several worries however, and said:

"There have been several allegations of electoral fraud in the North West in recent years . . . Some of these investigations could proceed to court in early 2004; this would be likely to produce unfavourable publicity about the security of postal voting".

It was concerned that

"the support for a pilot scheme does not extend across the whole of the region, given the high number of local elections scheduled for 2004".

Given that large number of elections, it was therefore concerned that

"the complexity of the region would be a disadvantage".

Dr. John Pugh (Southport) (LD) *rose—*

Mr. Leslie: I should like to address each of the commission's concerns in turn, but before doing so I shall give way to the hon. Member for Southport (Dr. Pugh).

Dr. Pugh: As the Minister has partly suggested, 80 per cent. of the north-west has atypical elections using two different electoral systems, so their council elections are not characteristic. Is it not perverse to choose the north-west, as the complications are surely greater there than anywhere else?

Mr. Leslie: As I shall seek to explain, if we shy away from complexity and conduct pilots in simple areas with single elections, we avoid the purpose of piloting, which is to learn lessons and build on experience. Complexity can therefore be useful to piloting.

6.15 pm

As for the fraud issue raised by the Electoral Commission, it will be useful to quote Sir Howard Bernstein, chief executive of Manchester city council and regional returning officer:

"We are committed to taking every possible step to preserve the integrity of the postal ballot. As I have indicated before, Local Returning Officers are keenly aware that the potential for fraud is something which must be managed irrespective of whether a pilot takes place or not. The police have indicated to me that additional vigilance and early intervention are essential to reduce the opportunities for fraud. We are therefore all working hard with colleagues from the police to develop protocols and programmes on how best fraud can be prevented; this will include checks on returned envelopes and any additions to the electoral register; systems to alert us to a proliferation of proxies or changes of address, and special delivery arrangements to houses in multiple occupation."

As for whether or not there was widespread support from local returning officers, Sir Howard Bernstein wrote:

"I have been very impressed by the consistent and positive attitude all Local Returning Officers have shown to the proposed pilot here in the North West ... we convened a meeting of all LROs towards the end of last year to discuss the principle of a pilot and everyone present (42 of 43 local authority areas) committed themselves to work to a successful outcome ... Since your announcement that this region should be a pilot we have met all LROs at a sub-regional level, and their positive approach to the issues has again been demonstrated. We are doing everything we can to ensure that the pilot is a complete success."

I apologise for the length of the quotations, but I think that they are important, as they record the views of independent returning officers, who are responsible for administering all-postal voting in those regions. I have every confidence and faith in their ability to deliver and do the job that they have done in the past. As for the point about complexity, if all-postal voting is ever to move on from a pilot stage, we must be prepared to test in areas that are complex as well as those that are simple.

Mrs. Patsy Calton (Cheadle) (LD): On a connected issue, is the Minister convinced that the postal services are capable of coping with the increased amount of mail that they will have to deliver? There is evidence in my area that they have not been able to do so in previous elections.

Mr. Leslie: We have been in close dialogue with Royal Mail, and have had a number of assurances in writing, both at regional and national levels, from its officials that they are capable not only of living up to the challenge but of exceeding expectations. They have given a guarantee to run the scheme as efficiently and effectively as possible. The Bill, however, allows the Electoral Commission to study the pilots after they take place to make sure that they can verify exactly what happens in the June elections.

Mrs. Dunwoody: I am still concerned about houses in multiple occupation, particularly groups of old people living together, and should like reassurance about the collection of those votes. Of course, Sir Howard's returning officers will commit themselves to a positive reaction—they would hardly commit themselves to a negative one.

Mr. Leslie: My hon. Friend is right. I am glad that there is enthusiasm on the part of returning officers, and it is helpful to ensure that they are keen. My hon. Friend makes a reasonable point about houses in multiple occupation, an issue that we considered in Committee and on Report, and which was also dealt with in another place. We have been able to give assurances about delivery mechanisms and the extra attention to be paid to those issues. I will certainly make sure that we continue to monitor the plans that regional returning officers have for people living under one roof or in houses in multiple occupation.

Mr. Bercow: Will the hon. Gentleman give way?

Mr. Leslie: If I may make a little progress, it would help.

The Electoral Commission has always said that it was up to the Government how many regions they wanted to pilot. In the statement issued by the commission on Report in the other place, it said that

"it was open to Government to have further discussions ... if they were minded to designate additional pilots".

The House will be aware that there is a disagreement between the Electoral Commission and the Government over the definition of a pilot and whether a pilot can extend to four regions. It is important to examine the issue, as it quickly becomes clear that there are no substantive grounds for opposing four pilot regions.

The scale of piloting that we propose is not too great or excessive. The four regions represent 31.6 per cent. of the UK electorate. I do not agree with those who say that that is too large-scale. The UK is made up of 12 electoral parts, of which we are choosing to pilot in four. That is a minority of the country and cannot therefore be caricatured as national roll-out. Nevertheless, it is a significant pilot, and rightly so—it needs to be, because this is the next stage after the local government pilots in the process of piloting.

[Mr. Leslie]

If we pilot in only two regions, that would not be scaling up. Previous pilots, which included all-postal voting as well as e-voting, have been going through a process of scaling up for a number of years. Pilots in 2002 were available to about 2.5 million electors. Experiments were scaled up in 2003 to make them available to an electorate of about 6.5 million. Were we to exclude Yorkshire and the north-west, as the other place suggests, pilots this year would be available to only just over 5 million electors—a smaller number than before. If we are to learn lessons about the scalability of all-postal voting, we must test on an appropriately large sample. Larger- scale pilots are a means of testing the co-ordination and interoperability of suppliers and proving the capacity needed to support wide-scale all-postal voting. Only through this proper, reasoned, step-by-step process will we be able to gain the experience that will inform future policy.

In any case, postal voting on demand is scaling up. The introduction of postal voting on demand in 2000 vastly increased the popularity of postal voting. More than 1.7 million postal votes were issued at the 2001 general election—an increase of roughly 87 per cent. on 1997. Some constituencies showed even more striking increases. Were such an increase to continue, we could almost see a de facto rolling out of all-postal voting in some elections. Clearly, the sort of testing of the postal services and other suppliers in a structured and ordered way that these pilots will allow is vital if that is to be achieved safely.

Piloting in four regions is no more risky than piloting in three or two regions. It is a curious argument advanced by some that because all-postal voting is being piloted, it must necessarily be limited in scope to a couple of regions. Pilots should be held only where, after careful assessment, it is the judgment of those who are responsible on the ground that the election can be successfully delivered. Where that judgment is made and where resources are available, we should be able to pilot. To the extent that regional circumstances would allow the delivery of successful pilots, we should have as many pilots as our resources permit. In this way, we achieve the greatest benefit for voters now, for democratic engagement now, and for democracy in the longer term through the pilot outputs of lessons learned and confidence built.

The Electoral Commission has not identified to us what the risks of scaling up from two or three to four regions would be. If, as the commission accepts, each region individually can deliver a successful pilot, there is no reason to think that each will not be successful if all four regions are chosen.

Dr. Pugh: Can the Minister explain slowly for the benefit of the House—we must be a bit dull—what he expects to learn from four regions that he will not learn from two?

Mr. Foulkes: Twice as much!

Mr. Leslie: In many ways, there is virtue in recognising that the increased scale will enable us to learn more from the different parts of the country. I know that the hon. Member for Southport is concerned about complexity and would shy away from piloting in the north-west. It is important to deal with some of those challenges and recognise that if the Electoral Commission itself recommends that in future all local elections should be on an all-postal basis, we must test postal voting in areas that present complexity.

Mr. Bercow: Increased scale underlines the importance of protection against fraud, just as it would in relation to voting in person. Can the Minister tell the House what is the mechanism to prevent someone from voting by post in two areas?

Mr. Leslie: The same arrangement applies as in conventional elections. The electoral registration process is the bedrock upon which a ballot paper is issued in a conventional election or in a postal election. If people are registered incorrectly or improperly, that is clearly a matter for the regulations that relate to registration, not for the all-postal piloting arrangements.

Hon. Members will be aware that in three of the four regions that we have selected, there will also be referendums on regional assemblies on an all-postal basis in October—a decision welcomed by the Electoral Commission. This is a relevant factor that should be borne in mind and which it would be odd to ignore. It cannot be thought helpful for major polls to be held four months apart on a differing basis. That would not benefit the electorate or the election administrators.

I shall close with two further quotes from regional returning officers. In my letter I asked each of the RROs whether they had any concerns that they wished to raise. Paul Rogerson from Yorkshire writes:

"Unsurprisingly, the earnest wish of all of my Local Returning Officer colleagues across the region is that there should be certainty about the basis upon which the June elections are to be conducted, as soon as ever possible."

Sir Howard Bernstein from the north-west writes:

"I realise that due process within both Houses must be undertaken to formalise the pilot, but I know I speak on behalf of all my colleagues when I express the hope that these are concluded as quickly as possible so that we can plan with certainty, and in so doing, feel even more confident in delivering."

I urge hon. Members to listen to these concerns and to recognise that we have painstakingly sought to allay worries wherever genuine concerns have emerged. I hope the House will allow pilots to take place in all four regions that are now willing and prepared.

Parliament needs to settle the matter. If the Government are now decided on the issue and the Commons makes up its mind, we must be able to get on with planning and preparations. It is important for this elected House of Commons to take a view—a final view, I hope—on which regions should have electoral all-postal voting pilots. Hon. Members of this House are best placed to make decisions on elections policy. Although we must listen to the views of the other place as a revising Chamber, we must also weigh up the fact that we are accountable for Parliament's decisions and they are not. The House of Commons needs to make clear its views on improving our democracy and electoral systems. I commend the Government amendment to the House.

Mr. Hawkins: Having listened to the Minister for 40 minutes on the first group of amendments, all I can say is how wise we were to vote against the programme motion. I know that he was generous in taking interventions, but the time that we are left with will be wholly inadequate to discuss these important matters.

We are defending what another place rightly decided to do. On this day, on which constitutional matters, the role of the second Chamber and the Government's threats to indulge in yet more constitutional vandalism are much in the public eye, it is well worth noting that another place defeated the Government on two key parts of the Bill by very substantial majorities. Those were not merely narrow defeats by one or two votes. On the first issue dealt with in this group of amendments, the Government lost in the other place by 169 votes to 111, and on the next, by 157 votes to 110.

Why was that so? Why did so many peers—Conservatives, Liberal Democrats and a substantial number of Cross Benchers—feel that the Government had got it so wrong, and why will the veiled threats in the Minister's last few sentences fail to work when the matter returns to another place? Part of the reason, at least, is that the Government have so clearly ignored the firm views of their own Electoral Commission—a body intended to advise on these matters, which the Government created but choose to ignore. The Electoral Commission clearly recommended that there should be just two regions for all-postal pilots, but the Government seek to impose four regions against their own commission's advice.

6.30 pm

Another part of the reason is that the Minister's repeated statements to the House have been contradicted by the Government within just a fraction over four weeks. Let me refer to what he said not once, but on a number of occasions, as recently as 16 December, when the Bill was before the House:

"We remain keen, however, to proceed with all-postal voting in three regions."

He also said, using a phrase of which we have made much mockery:

"In scaling up towards a multi-channel general election"—

he indulged in an equal neologism this afternoon in talking about scalability, whatever that is—

"after 2006, we believe that pressing ahead with a wider range and variation of piloting provides the best opportunity to learn lessons and to develop capabilities in new electoral techniques . . . The Government will consider in more detail each of the potential candidates with a view to announcing the location of the third all-postal pilot in the coming weeks."

As recently as 16 December—the last time this legislation was before the House—there was no mention of four areas. He continued:

"we can conclude which third all-postal voting pilot will proceed."

Apparently, he hoped to come to a conclusion soon on

"which region or nation should be the third choice".

Clearly, he was trying to hold out hopes to all his hon. Friends, who gave him such a hard time and so much friendly fire in pleading the cause of Scotland. He told us:

"I intend to make a decision relatively quickly on which third region or nation we wish to select."—[*Official Report*, 16 December 2003; Vol. 415, c. 1511–1514.]

Later, he said that the Electoral Commission had recommended that there should be three all-postal pilots. Of course, it did not make such a recommendation; the Minister himself made a mistake. The commission was asked to recommend three regions, including one for an electronic pilot, and it recommended only two, for very good reasons.

Thus, as recently as 16 December, the Minister said not once, twice or three times, but about six times over five columns of *Hansard* that there would be three regions—the two that the Electoral Commission had recommended and a third that the Government would impose. Suddenly, though, it all changed. Who knows whether it did so for party political reasons? In a written statement on 21 January, he slipped out this announcement:

"I can today announce . . . that two further regions will also hold all-postal pilots. These regions will be Yorkshire and the Humber and the north-west."—[*Official Report*, 21 January 2004; Vol. 416, c. 64WS.]

It was announced that, effectively, a swathe of the country—half of England—would be involved. That is hardly a pilot.

What caused the Government to ignore what the Electoral Commission had said about the proposed all-postal pilots for Yorkshire and the Humber and the north-west, and what was the reaction of the Government's own Electoral Commission to that snub? We must now turn to what will undoubtedly become known as the Younger letter—a letter that has already been referred to in several interventions and that was drawn to the attention of the House earlier by my hon. Friends the Members for Runnymede and Weybridge (Mr. Hammond) and for Gosport (Mr. Viggers), who answers questions on behalf of the Electoral Commission.

Mr. Foulkes: Will the hon. Gentleman give way?

Mr. Hawkins: I shall give way to the right hon. Gentleman, but only after I have referred to the Younger letter.

In an astonishingly strongly worded letter to the Minister, sent as recently as last Thursday, the chairman of the Electoral Commission says, among other things:

"We felt unable to make a positive recommendation in respect of those regions",

meaning Yorkshire and the Humber, the north-west and the west midlands. That was the quote that we eventually extracted from the Minister when he was trying to indulge in selective quotation. Sam Younger goes on to state:

"The guidance we were given by Government indicated that you wanted to run with three pilot regions and this view was reinforced by the statement issued in response to our report which accepted the two regions we regarded as most suitable, but added that you would look for a third from those who were potentially suitable."

Mr. Foulkes: Will the hon. Gentleman give way?

Mr. Hawkins: I shall do so when I have finished referring to the Younger letter, as I have already said.

[Mr. Hawkins]

The chairman of the Electoral Commission also states:

"We always recognised that it was open to Government to have discussions with those regions falling into the 'potential' category to see whether the reasons we had identified for not making a positive recommendation could be satisfactorily resolved. We understand those discussions took place, although the Commission was not involved in them."

The Opposition are very concerned to hear that the commission was not involved in those discussions, and we are suspicious about their nature and extent. That is why I have asked the Minister—he noticeably failed to answer me—to place in the Library the full minutes of all meetings that took place involving him, the Deputy Prime Minister or any other Ministers. We believe that it is implicit in what Mr. Younger is saying that the Government have leaned on returning officers.

Mr. Foulkes: Will the hon. Gentleman give way?

Mr. Hawkins: I shall give way to the right hon. Gentleman in a moment: I have not forgotten him.

Sam Younger's next passage is the most significant of all:

"However, it does not follow that the Commission would be unconcerned about the number of pilot regions. As I have mentioned, we expected the Government to nominate three regions and were surprised to learn that the Bill was to be amended to name four regions.

You are aware of our view"—

the view of the Government's own Electoral Commission—

"that the rollout of all postal elections needs to be underpinned by a more robust statutory framework. We have recognised at the same time that pilots provide the means by which we can test and learn from new ways of voting and that of necessity they have to be conducted without the full range of new measures we would wish to see, in particular individual registration"—

an issue to which we will certainly return this afternoon. Mr. Younger continues:

"To date piloting has been on a limited scale, but you are aware of our view that so far as all-postal elections are concerned, most of the lessons have been learned. Nonetheless, we welcome their use on a regional basis in order to test issues of scalability"—

the Minister's word. Mr. Younger also says:

"But in our view pilots that cover over a third of the English electorate in June go further than we think necessary in order to address those issues".

The Government's own Electoral Commission, through its chairman writing to the Minister, has said that holding pilots in June covering more than a third of the English electorate goes further than it thinks necessary. The letter is very strongly worded, and it goes on to say:

"especially in the absence of the underlying legislative change we consider necessary. There is also in our view increased risk, with combined elections and in some cases new boundaries, in running on such a large scale and we are not persuaded that the risk is outweighed by what we might learn from four regional pilots as opposed to two."

Mr. Hoyle: Will the hon. Gentleman give way?

Mr. Hawkins: I shall do so only after I have given way to the right hon. Member for Carrick, Cumnock and Doon Valley (Mr. Foulkes) in a moment.

The letter concludes:

"It is of course for Parliament to decide the number of all postal regions. But we urge that this matter is resolved as quickly as possible."

The matter could be resolved very quickly if the Government returned to what the Electoral Commission itself recommended—just two electoral regions, which is what the other place voted for, as I believe it will do again.

Mr. Foulkes: I despair of this pettifogging nit-picking from the Opposition. Why does the hon. Gentleman accept the views of an unelected Chamber rather than those of an elected one? Why does he not want to make it easier for people to vote? Why does he not move into the 20th century, let alone the 21st? Is he aware that in the next general election in India, almost 700 million people will vote electronically? When will we catch up with that?

Mr. Hawkins: We debated extensively in Committee the rejection by the Government's own Electoral Commission of their proposal to have electronic voting. I do not think that I would be in order if I went back over the ground that was covered in Committee in that regard, as it is not relevant to the amendments. We believe that the Government are behaving quite wrongly in overruling the clear and strongly expressed view of the Electoral Commission that they set up.

Mr. Gummer: I invite my hon. Friend not to listen to the right hon. Gentleman who interrupted him and who misses the point entirely. It is not that we do not want more people to vote—

Mr. Foulkes: Yes it is.

Mr. Gummer: The right hon. Gentleman may keep his own ideas, silly though they are, and leave me to express mine.

My hon. Friend may accept that we are concerned that we should constitute these changes in a proper way that deals with the dangers and is serious in its intent. If the Government want to have an independent Electoral Commission, would not it be better to take its advice rather than overruling it behind closed doors or listening to the silly views of the right hon. Member for the three Scottish places?

Mr. Hawkins: I entirely agree with my right hon. Friend.

Let us consider the detail of what the Electoral Commission said about the first of the extra two regions that the Government propose to add, Yorkshire and the Humber. At paragraph 2.117 of its December report, it said—*[Interruption.]*

Mr. Deputy Speaker: Order. The right hon. Member for Carrick, Cumnock and Doon Valley (Mr. Foulkes) appears to be developing a career as a sedentary sketch writer. For the sake of good order, I ought to persuade him to desist.

Mr. Hawkins: I am grateful, Mr. Deputy Speaker.

The Electoral Commission said:

"Returning officers would strongly prefer not to be involved in any all-postal pilot."

That is repeated and stressed again at paragraph 3.9, which says:

"The Commission notes the distinct preference among returning officers and their staff to run the elections on conventional lines."

That is why the Electoral Commission ruled against Yorkshire and the Humber being suitable, and why the Government should take its advice on the matter.

Mr. Hoyle: The hon. Gentleman rightly sets out what the Electoral Commission says, but will he not give any weight to what the chief executives of all the local authorities in the north-west said? Unanimously apart from two, they consider that it would be beneficial to the region to have a postal vote pilot scheme there and ensure a franchise for those who wish to vote by that method.

Mr. Hawkins: I was referring to what the Electoral Commission said about Yorkshire and the Humber, but as the hon. Gentleman has introduced the subject of the north-west, let me remind him of what it said about that region. Its concerns are different from those that it expressed about Yorkshire and the Humber. In saying that it could not make a positive recommendation in relation to the north-west, it said, at paragraph 3.10:

"Firstly, we are concerned that the support for a pilot scheme does not extend across the whole of the region, given the high number of local elections scheduled for 2004."

A much bigger concern was raised in relation to fraud. Paragraph 2.84 of the December report says:

"There have been several allegations of electoral fraud in the North West in recent years. These have centred around interference with postal votes or intimidatory procurement of proxy votes in conventional elections. Some of these investigations could proceed to court in early 2004. This will be likely to produce unfavourable publicity about the security of postal voting."

That reinforces the concerns raised by a truly independent body, the Electoral Reform Society, which said:

"The Society also notes the removal of some of the safeguards first introduced by the 1872 ballot secrecy legislation with regard to undue influence and bribery. Whilst these risks have always existed with postal votes, until now they could only affect a small minority of votes. Corrupt practices on a grand scale have become feasible again for the first time in 130 years. Of course, this is not a guarantee that any such events will occur, but the risk is increased."

Mr. Leslie: Nonsense.

6.45 pm

Mr. Hawkins: The Minister should take more notice not only of what the Electoral Reform Society said in its briefing to all hon. Members but of what Lord Greaves said—he is a man not of my own party, but one who spoke splendidly and in great detail in another place about exactly what had been going wrong in the north-west in his personal experience. He prefaced his remarks by saying that he was not being partisan, because in two cases at least, in Hackney and Havant, councillors of his own party had been convicted.

Responding to what a Minister had said in the other place, Lord Greaves said:

"I have to say that his basic thinking in relation to the North West and, indeed, in relation to Yorkshire, is wrong."

He went on to talk about some of the corruption that had taken place in areas such as Bradford, and quoted the hon. Member for Bradford, North (Mr. Rooney). He said:

"Mr. Rooney said he believed abuses of the system meant it was impossible to say that the poll was free and fair."—[*Official Report, House of Lords*, 26 January 2004; Vol. 657, c. GC13–15.]

He talked about how things had gone wrong in Blackpool, Oldham, parts of Manchester, Ashton-under-Lyne, Bury, Rochdale, Blackburn, Burnley, Pendle and certain other places.

Andrew Bennett (Denton and Reddish) (Lab): Will the hon. Gentleman give way?

Mr. Hawkins: Lord Greaves said that many elections in the region would be rigged.

On the second day of Grand Committee in the other place, Lord Greaves went into a great deal of detail about what had happened in Pendle. He talked about what went wrong in terms of the delivery of postal votes to the home of a Labour candidate's cousin in a different town: 61 postal votes were sent to two addresses in Rochdale. He said that there had been television documentaries and articles in *The Guardian* about postal vote fiddles in various areas, including East Lancashire. "Channel 4 News" had interviewed a voter whose vote had been stolen, as well as a young Asian man whose voting papers had been delivered along with 44 other postal votes to 126 Chapel street, which it claimed was the home of a Labour candidate's brother-in-law. That year, a lot of complaints were made at polling stations, and Pendle borough council's returning officer made a report.

Andrew Bennett: Will the hon. Gentleman give way?

Mr. Hawkins: In the case of one family living at Fir street in Nelson, none of whom had applied for a postal vote, six votes were sent to 77 Barkerhouse road. Lord Greaves set all that out in tremendous detail in another place, describing precisely the dangers of electoral fraud that the Electoral Commission referred to in its report as the main reason why it felt that the north-west was unsuitable. We agree with Lord Greaves in thinking that there are very good reasons why Yorkshire and the Humber and the north-west are completely unsuitable for postal pilots.

Andrew Bennett: Will the hon. Gentleman give way?

Mr. Hawkins: We believe that this House should support another place in returning to the original two regions, and only those two.

Andrew Bennett: The hon. Gentleman might have considered giving way, because he might have been able to tell us which of those examples of fraud took place where there were pilots for the proposals, and which took place under the existing system. I would suspect that 90 per cent. of the examples that he gave took place under the present system.

[Andrew Bennett]

I should make it absolutely clear to the House that I am speaking now because it is very important that my constituents be able to vote in this summer's elections by post. I have been encouraging people in my area to register for postal votes under the current system, and it has been very hard work. The hon. Member for Reigate (Mr. Blunt) complained about one of the ways in which I have been doing so, and I should make it clear that if I have thereby breached any of the rules of the House, I unreservedly apologise. But I make no apology for wanting my constituents to be able to vote by post, because I firmly believe that it is essential in a democracy that we achieve a high turnout.

I was obviously very pleased with the result of the last general election, but I was horrified to find that less than half the people in Denton and Reddish had voted. That problem affects not just local and European elections, but elections such as general elections, and in many ways the issue is the way in which the campaigning is conducted. I want briefly to illustrate the point by explaining what happened to me on the Tuesday before the Thursday's general election poll. I went to an area that was probably fairly strong for the Labour party, accompanied by a significant number of canvassers. We walked down the streets, and for me, as a candidate, it was brilliant. People came out of their houses and they wanted to shake my hand, and they wanted posters and autographs. We felt great.

That was a marvellous experience, but when I went back down the same streets on polling night with a loudspeaker, no one emerged from their front doors and there was no sign of anyone going to the polling station. On reaching the count, it was very obvious that we had put up more posters in those streets than we had gained votes. So far as the people of that part of my constituency were concerned, there was no contest. They had listened to the media and they knew what was going to happen nationally. They had received no literature from the other political parties, and they felt no excitement and no pressure to vote. One can well understand why it was easier for them to stop at home—easier, for example, not to put their small children into the pram and take them to the polling station. It was better to stay in, have tea and watch the television than to turn out, because they assumed that the election was a walkover, which, in effect, it was. That is one of the problems: in terms of local electioneering, less and less is happening in many parts of the country. People do not get the feeling that the election is close and that their vote will make the difference.

If we move to a postal voting system, many people will be able to vote at a time that suits them. They will not have to worry about the baby that is crying or the meal that must be prepared, so there are very strong reasons why we should move to such a system.

Dr. Pugh: The hon. Gentleman seems to be saying that what gets people voting is a close contest, but how will voting by post make it any closer?

Andrew Bennett: If people are affected by a measure of inconvenience, they have to weigh up the importance of their vote and consider whether it will make a difference. If we make it easy for them to vote—as postal voting would—the question of the pressures caused by other activities does not arise. It should be easy for people to cast their postal vote at some point in the week or so in which they would be allowed to do so, whereas having to visit a polling station can cause more of a problem.

I want to make it clear that I recognise that the possibility exists of malpractice in postal voting. Indeed, the argument in favour of the pilots is to make sure that such a system is as reliable as the polling station system. But let us be clear: there has been some fraud at polling stations, and in some parts of the United Kingdom it still goes on. We need to ensure that we develop a postal voting system that is as fair as the current one.

Mr. David Heath (Somerton and Frome) (LD): The hon. Gentleman is the distinguished Chairman of a Committee of the House—a Committee that has produced written evidence that should be read by every Member taking part in this debate. I do not want him to pre-empt the views of his Committee, but does the evidence it has received lead him to the view that there are serious electoral fraud issues that need to be addressed as part of the pilot process?

Andrew Bennett: Yes, and I was about to come to that point. I want my constituents to be able to vote by post, but I do not want the system to fall into disrepute as a result of the introduction of fraud.

I have seen no evidence to suggest that more fraud has occurred in the pilots conducted so far than is already possible under the postal voting system. We have published the evidence to which the hon. Member for Somerton and Frome (Mr. Heath) and my hon. Friend the Minister referred, and we will take oral evidence tomorrow morning. I want to encourage anybody who has a view on the possibility of fraud to let us have such evidence. However, we should be able to design a postal voting system that is at least as good as the current system, and hopefully we can design one that is better. Disabled groups have advanced arguments about the problem of disfranchisement. I have always accepted that problems arise with postal votes in old people's homes, because it is difficult to ascertain whether the vote is being cast by the old person in question, or by someone who is assisting them. But that problem is not confined to the new proposal; it already exists.

My plea to this House and to the House of Lords is to let us have some more pilots, and to let us learn from that experience. I hope that I can present to the House a Select Committee report that makes recommendations on some of the things that need to be done to ensure that we have a secure and fair voting system.

Mr. Heath: I excuse the hon. Member for Denton and Reddish (Andrew Bennett) from what I am about to say because he has made a very important contribution to the debate, but I should say that I find this debate and the circumstances in which we are holding it profoundly depressing. The more I listened to the Minister, the more I felt that a measure of shabby expediency was being dressed up in matters of high electoral principle. I am afraid that that simply will not wash.

Setting aside for the moment the Minister's overruling the independent advice of the Electoral Commission—I shall return to that because it is

absolutely crucial to our deliberations—I find particularly offensive the continuing misrepresentation of the commission's views by Ministers in this House, either directly or by partial quotation. During Question Time earlier today, I drew that point to the attention of the hon. Member for Gosport (Mr. Viggers), who answered questions on behalf of the Speaker's Committee on the Electoral Commission. I also drew attention to the comments of the Leader of the House, who said that the Electoral Commission

"has said that we should go ahead with two schemes and, if we judge that there are sufficient resources and so on to enable four pilots to be held, that we should go ahead and hold those as well. That is exactly what it said."—[*Official Report*, 4 March 2004; Vol. 418, c. 1066.]

That is exactly what the Electoral Commission did not say. It said anything but that it wanted to go ahead in the other regions. It said that there were significant problems with doing so, and that it could not make a positive recommendation, as has repeatedly been pointed out.

There has been a process of partial quotation of the letter from Mr. Younger, the chairman of the Electoral Commission, to the Under-Secretary, most of which has been read out today. However, it is worth drawing attention to its opening sentence, which states:

"When we met earlier this week with you and other ministers, concern was expressed that the Commission's position on the pilot regions was being misinterpreted".

Mr. Leslie: By you.

Mr. Heath: That is not what the letter suggests. It suggests that we know only too well what the Electoral Commission was saying, and that the commission is seriously put out by the fact that Ministers insist on saying that it included in its recommendations matters that it clearly did not.

Mr. Leslie *rose—*

Mr. Heath: I shall give way to the Minister, so that he can apologise for that omission.

7 pm

Mr. Leslie: I have already said clearly that we have a disagreement with the Electoral Commission about the definition and scale of a pilot, and that the commission made a positive recommendation for two regions. My point was that there was a middle category of recommendations, with some regions that the commission said were potentially suitable, but that that was being misrepresented to suggest that it had said no to Yorkshire and the north-west, which is not the case.

Mr. Heath: I hope that hon. Members who intend to take part in the Division later will go to the Library and read the letter from the Electoral Commission, because it is incapable of the interpretation that the Minister is putting on it. The hon. Member for Surrey Heath (Mr. Hawkins) has already pointed out the declaratory statement in the letter, which cannot be interpreted as the Minister has interpreted it. In the view of the Electoral Commission,

"pilots that cover over a third of the English electorate in June go further than we think necessary in order to address those issues, especially in the absence of the underlying legislative change we consider necessary."

Sir Nicholas Winterton: May I ask the hon. Gentleman, who is making an excellent speech and referring to the letter accurately and truthfully, what the legislative programme is that needs to be in place before a new system of all-postal voting could be more appropriate? To my mind that is a critical factor. Are there sufficient safeguards, some of which may need to be implemented by legislation, to ensure that an all-postal voting system will be fair, and will not be subject to massive fraud?

Mr. Heath: I am grateful to the hon. Gentleman for those comments. I shall not go into the totality of the Electoral Commission's proposals to reduce fraud, but it drew attention to a number of ways in which electoral law needs to be improved to satisfy the requirements for a fair election.

I entirely accept that, as the hon. Member for Denton and Reddish said, those strictures apply equally to postal votes under the current arrangements. However, the problem with all-postal ballots is that they multiply by a considerable factor the capacity for fraud to have a significant impact on the electoral outcome. Perhaps that is not the case with European parliamentary elections, because of the extraordinary mechanism that we have for them, but the European elections in June will be combined with those for many local authorities, and the capacity for the outcome of local authority elections to be distorted on that basis is considerable. Hon. Members should be aware of that danger.

The Government's position has changed almost continually. When the idea was originally proposed, they simply wanted, for obvious administrative reasons, to bring together the date of the local government elections and that of the European parliamentary elections, so as to maximise the turnout for both. That seems an entirely laudable aim, and that was the limit of their expectations. Then we heard the suggestion about the three pilots. It was repeated again and again that the Government were looking for three pilots; indeed, that was the advice that they gave the Electoral Commission.

I understand that there may have been some disappointment in the Office of the Deputy Prime Minister when the Electoral Commission said that there were only two, rather than three, regions that it could positively recommend. On Report, the Minister said that he thought that the Government would consider a third region with a view to bringing it into the net. I do not think that anybody who contributed to that debate or listened to it thought that that meant anything other than that the runner-up would be considered.

As we know, the Electoral Commission judged that the next most suitable region was Scotland. Scottish Members argued strongly that Scotland should be included. Instead, however, the extraordinary and shabby outcome is that the northern English regions will be included, with no apparent logic, ahead of Scotland. I strongly suspect the involvement of the Deputy Prime Minister here. I suspect that he has insisted that, for what purpose I do not know, he will have an all-postal ballot in his part of the country—Yorkshire and the Humber. That is probably the single determining factor.

[Mr. Heath]

In taking that view, the Government have set aside their own original criteria. The Minister said that he disregarded complexity, and did not believe that it was an issue that needed to override other considerations. Indeed, he thought that there was a positive benefit to including a complex region. If so, why on earth did the original criteria given to the Electoral Commission expressly say that regions that were over-complex should be omitted, because so many local authority elections were happening on that day? If those are the criteria that the Electoral Commission was asked to consider—they were the Government's idea, not its own—why are the Government now taking a different view?

I understand that some Members are keen to have all-postal ballots in their areas. We all want innovation that really increases voter turnout, but we have to ask ourselves: when is a pilot not a pilot? The answer is: when the pilot includes almost half of England, and almost half the local authorities that will hold elections on that day. Those with an historical bent might recognise that the whole of the Danelaw will have all-postal ballots but that no part of Wessex or Anglia will have that benefit.

I do not suppose that ethnic considerations from the middle ages have come into play, but I do wonder why an all-postal ballot is considered appropriate for areas that the Government feel have a higher propensity to vote for the Labour party, but not for areas that tend to vote for the Liberal Democrats or the Conservative party.

In an earlier intervention it was suggested that postal voting was an important issue for coalfield communities. If the issue is important for retired coal miners in the north, why is it not so for retired coal miners in the Rhondda, or in Kent, or in my constituency? Why are they not to have postal voting? If the logic is that we can extend the pilot to any level, why not include the whole country? Let us have a single electoral system for the whole country.

That view is not being taken, however. We are to have one law north of the Trent and another south of it. That cannot be an acceptable way to run an election in which the campaigns will be conducted on a national, not a local basis. Those are the considerations that lead me to recommend in the strongest possible terms that my right hon. and hon. Friends hold firm to the position of our noble Friends in another place and resist the Government's blandishments—not because we do not want electoral practice to be reformed, but because the Government are making the changes for their own ends, not for the stated objectives.

Mr. Kevin Barron (Rother Valley) (Lab): I took great exception when the hon. Member for Surrey Heath (Mr. Hawkins) said that Yorkshire and the Humber should not have the right to hold an all-postal ballot in June because of the stream of wrongdoing and breaches of electoral law that he read out. I suppose that such things do not happen in places like Surrey or Somerset, or anywhere else. I take exception to that being cited as the reason for opposing the idea.

If Opposition Members are relying on arguments about fraud and breaking electoral law, it would be more consistent if they argued not that two regions should have the systems proposed for the east midlands and the north-east in June, but that no regions should have them. To my knowledge, that position has not been put in this House or in the other place, and there would be greater consistency if it had been. I find it difficult to accept that that position is being put in the Lords amendment.

One reason why we have gone from two assemblies to four is that in October this year there will be an all-postal vote for a referendum on whether there will be regional assemblies for the north-west and Yorkshire and Humber. That is why the Government have acted and I support them—that is a sensible way to approach the issue, and I am in favour of it. Many things have been said in this House and the other place about fraud and the breaching of secrecy. Given the arguments that we have heard in the past hour, it would be more consistent to argue for stopping all postal voting, never mind all-postal votes. However, those arguments are wrong.

The other issue I want to take up is what the Electoral Commission said about Yorkshire and the Humber. Returning officers prefer not to change conventional methods of voting, but that is not peculiar to Yorkshire and the Humber. I have stood in five general elections, and in the first three of them the returning officers in Rotherham borough said that it was impossible to count the votes from the Rother Valley and Wentworth on the Thursday night of the general election. They used to leave us until the next day and just count the votes from Rotherham on the night. I had to run a campaign to get that changed in 1997, but the returning officers said that it could not be done. In the public sector—and, indeed, the private sector—if people are asked to change how they work and interact with one another, the first thing that they always say is, "We cannot do that. It cannot be done." I understand that the returning officers in Yorkshire and the Humber have changed, and that pleases me. There is no reason why we should not pass legislation to improve turnout at elections, and at local government elections in particular.

Mr. John Redwood (Wokingham) (Con): The right hon. Gentleman should know that some Conservative Members think that postal voting will increase turnout, and if all things were equal we would recommend it. However, such a widespread experiment cannot proceed until the real issues of impersonation, pressure and fraud are dealt with. That is our case tonight; we are not against postal voting in principle.

Mr. Barron: The Electoral Commission published a report in July last year called "The shape of elections to come", which covers the local government election pilots that took place last May. It states that fraud is no more likely in an all-postal vote than it is under the current system where people go to the polling station. I do not have the report with me; it is in my constituency office.

The hon. Member for Surrey Heath shakes his head, but I read that report and I shall tell him why I read it. Last May, Rotherham metropolitan borough council had an all-postal vote for local government elections for the first time in the 25 years that I have been involved in

politics. The all-postal vote was the best thing that has ever happened to local elections because it improved the turnout to more than 50 per cent. In one of my wards, turnout was just over 20 per cent. in 2000; under the all-postal vote, it more than doubled to over 53 per cent.

7.15 pm

After the publication of "The shape of elections to come" and before a decision was taken on whether there should be all-postal votes for the local government and European elections this year, I wrote to the Electoral Commission to say that it would be completely consistent for it to extend its pilot scheme in Rotherham last May to this year's local government elections. I said that for numerous reasons, but one of them was that the Electoral Commission itself was saying that the future of local government elections is likely to be all-postal ballots. Indeed, the executive summary of "The shape of elections to come" states:

"Our evaluation of the all-postal pilot schemes suggests that this approach is effective in boosting participation rates at local elections—to an extent that was largely underestimated when the pilots process first began, and which appears to be sustainable."

If hon. Members do not support the amendment in lieu, turnout in my constituency will be knocked back and it will be a retrograde step for this year's local government elections. It makes sense to use all-postal voting in June and in the referendum vote later in the year. I do not say that for party political reasons but to get people actively to participate in local government elections. All hon. Members know that there have been by-elections in some parts of the country where turnout has hardly reached double figures, and we have seen reduced turnouts in local government elections year upon year. If we do not start to get serious about increasing participation, people will not bother to vote.

I have read all the arguments put in the other place on 23 February, and most, if not all, of them are party political. Two councils were mentioned in the other place and they are both against all-postal votes: Liverpool council in the north-west, which is Liberal; and Bradford council in Yorkshire and Humber, which is Tory.

I believe that Lord Rennard is a Liberal Democrat—I looked him up in "Dod's"—and he gave three reasons why we should not get involved in all-postal votes. He said,

"First, concerns about lack of secrecy and privacy in voting, which some people believe undermine the basic principles of the Secret Ballot Act of 1872. Secondly, there are considerable concerns about potential fraud with all-postal voting, particularly in relation to homes in multi-occupation ... There are also concerns about the timing of all-postal voting mechanisms. We now understand that in these all-postal voting pilots in June, the ballot papers will be delivered between 25 and 29 May".—[*Official Report, House of Lords*, 23 February 2004; Vol. 658, c. 15.]

Ballot papers are, of course, delivered between 25 and 29 May, and anybody can work that out. Some of the Opposition parties in my constituency did not work it out in May last year. We were leafleting at the end of April, but they were not—they did not realise that votes come early in a postal vote system. Under the current system where there is no all-postal voting, ballot papers still fall on people's carpets a bit before the election, and it is up to political parties to organise their leafleting.

Lord Rennard went on to say that notwithstanding those reservations it is right to have all-postal votes in two regions but not in four. If he believes that all-postal votes undermine the Ballot Act 1872, lack secrecy and privacy and raise concerns about potential fraud, why does he believe that they should happen in two regions only and not in four?

Dr. Pugh: The Electoral Commission did not mention fraud as a serious consideration in the two areas that it proposed, whereas it mentioned fraud in the north-west.

Mr. Barron: In "The shape of elections to come", the Electoral Commission states that all-postal votes are no different from the current system. One cannot argue that all-postal votes should not happen in the north-west or Yorkshire and the Humber because of the potential for fraud. That is an argument not to have all-postal ballots at all.

I mention the north-west and Yorkshire and the Humber because of the referendum that will happen later this year. The Bill will introduce an all-postal ballot, which makes sense. I do not know why the Electoral Commission does not see that. Its document about all-postal voting, published in July, states:

"Indeed, there are real risks that if Returning Officers in areas with repeated experience of all-postal elections are obliged to revert to use of polling stations alone, voters will express considerable frustration and disappointment."

The point is that we cannot keep chopping and changing. Rotherham has had one all-postal vote that doubled the turnout in local government elections. Going back to using polling stations in June—I know that the elections are also European elections—could decrease participation by half. It would be nonsense then to change back in October.

Conservative Members know that they are playing party politics, and that is also what is being played in the other place. I hope that they lose, because they are wrong to use the issue for party political reasons. This is about more active participation in elections and nobody who is elected to this House should vote to discourage that.

As for those non-elected people in the other place, I shall not express what I feel about them, except to say that they are playing the issue for party politics. The debate on 23 February showed that from the Liberal Democrats and the Conservatives alike. It is a shame, because it will set back participation greatly if amendment (a) is not accepted or if it is rejected again in the other place. However, that would confirm my belief that I was right to vote for the amendment a year ago to abolish the other place. If the Lords reject the amendment, people in my constituency will probably agree that they should be abolished, because that would remove people's rights to vote and lessen their participation. I hope that hon. Members will support the amendment and that the four pilots will mean that local government elections in all constituencies will all be all-postal votes in years to come. That is what the Electoral Commission expects.

Sir Patrick Cormack: I sincerely hope that all-postal votes will not become the norm. It is certainly a novel

[Sir Patrick Cormack]

concept that only the Labour party is approaching the issue from a non-partisan point of view—pull the other one!

The Minister was allowed to range widely on the issue, and I trust that you, Mr. Deputy Speaker, will allow me to do so also. On the specific issue of the Electoral Commission, it is a great pity that the Minister has reacted as he has. It is a good thing if those who determine the way in which elections are conducted are kept at arm's length from this place and from politicians of all parties. That is why I have always supported the strictly impartial position of the boundary commissions. Sometimes they have made inconvenient recommendations. One such report was extremely inconvenient for me personally in 1997 because it took away the best part of my former constituency. I was left with a lovely area, which I am delighted to represent, but the area that I lost—it is now represented by the hon. Member for Stafford (Mr. Kidney)—was the best bit, electorally speaking. I make no complaint about that and I did not contest at the inquiry the boundary commission's right to recommend it. However, I slightly regret that the Electoral Commission does not follow more closely the boundary commission model in its responsibilities and its constitutional relationship to the Government. I accept that this House determined otherwise—indeed, with the Government's vast majority, what else could we determine?

I have known Sam Younger for a long time, and long before he became the chairman of the Electoral Commission. Indeed, his late father, Kenneth Younger, was a distinguished Labour Member of Parliament for my home town of Grimsby, and he was one of my early parliamentary idols as well as a rival. I had a very high regard for him. Sam Younger is a man of total impartiality and integrity, and nobody would dispute that. I have met most of his fellow commissioners, and I believe that they are of similar quality and calibre. It is regrettable that when the commission made it plain that it wanted two pilots—

Mr. Leslie *indicated dissent.*

Sir Patrick Cormack: Yes, it did. It is pure sophistry and untypically disingenuousness of the Minister to pretend otherwise. The hon. Member for Somerton and Frome (Mr. Heath) and my hon. Friend the Member for Surrey Heath (Mr. Hawkins) have made it plain—and I have talked to Sam Younger about the matter—that the commission was happy to recommend two pilots, but it was not happy with more. It conceded that the Government would want a third pilot, but it certainly did not expect the Government to propose four. Mr. Younger has made his position plain beyond any equivocation in the letter that is now in the Library. The letter has been quoted extensively in the debate, so I shall not quote it again.

I have talked to Sam Younger about the wider issue involved and I shall put it to the House. The right hon. Member for Rother Valley (Mr. Barron) said that he had fought five general elections, but I have fought 11—nine of them successfully. When I started fighting general elections in 1964 it was difficult to get a postal vote. For some time, the categories of people entitled to a postal vote were very limited. It was a Conservative Government who allowed those who were going on holiday to have postal votes. At the time, there was some opposition from the Labour party because it was thought that Conservatives went on more holidays than Labour people and that it therefore was a party political move. I do not believe that and, indeed, the change was wise.

Postal votes should be available on request, without having to prove that one travels on business, will be on holiday on polling day or is sick—all the criteria with which we are familiar. I am much less happy with the idea of compulsory postal voting. I would personally prefer compulsory voting. We all want to increase the turnout, and that is the method that is used in some other countries. Making voting compulsory does not mean that one has to cast a vote for a party. An option on the ballot paper could allow voters to say, "A plague on both your houses", or words to that effect. However, everybody would have to vote, either by post or in person.

If we look back at history, we can see how people struggled to obtain secret ballots and then to extend the franchise. Women in particular struggled to get the vote. The right to vote is precious and it should not be too lightly taken for granted. There is much to be said for making going to the polling station or applying for a postal vote a conscious act. It is not wrong for the House to consider alternatives. We are talking about pilots, although they would cover a third of the United Kingdom and almost half of England. That is a massive amount of people who would have to vote by post. I ask colleagues on both sides of the House to consider what that would mean if it was extended to a general election. I concede that the argument is different for local elections, but if extended to general elections, it will mean the abolition of polling day—*[Interruption.]* Yes, it will. People have to vote by a certain date—perhaps 9 June, 1 May or whatever—and they have to vote in advance.

7.30 pm

We all know from our experience of fighting elections that, whether it be the result of a Sheffield rally or some other event, opinions can be swayed and people can be persuaded to change their minds. They may either stay at home in greater numbers or even switch their votes. Abolishing polling day—that is effectively what it means—will change the whole way in which elections are conducted. It will change how we all campaign, and in general elections—again I concede that it is different for local elections—it will mean much more voting for the party, or perhaps for the potential Prime Minister, rather than for the individual local Member of Parliament.

I believe that there is not a single Member—either present tonight or not—who fails to cherish and relish his or her relationship with that part of the United Kingdom that he or she has the good fortune to represent. We all like to conduct our campaigns in our own way, and I am sure that we all like to tell electors that they are not voting for Sir Alec Douglas-Home or

Mr. Wilson, "but for me". We take pride in that, but it will be a casualty of any decision to move towards wholly postal elections—it truly will.

Mr. Barron: I agree with the hon. Gentleman about compulsory voting. I remember arguing the same point from the Opposition Benches back in the early 1980s, and there were few takers, when the example was a country such as Australia. He says that postal voting will abolish general election day, but it will not. Depending on the sort of pilot, it is not compulsory postal voting. People in my constituency who wanted to vote in a ballot box for local government elections last year could go along on the day and deliver their vote in the polling station as they had in the past. Not every polling station was open, but the votes were taken to the count and counted in the same way as the others. It made no difference to the final result. It will not result in the abolition of how things were done in the past.

Sir Patrick Cormack: I am sorry, but the right hon. Gentleman and I will have to disagree. If we move towards all-postal elections, that is what will happen. I must tell the House that we should examine our elections on the merits of individual cases. I can concede that there is a case for a postal ballot in local elections. I am much less happy when it comes to European elections, and I am deeply unhappy about the current conduct of such elections where we vote for a party rather than an individual. The old European constituencies were large, but people nevertheless identified with an area and different parts of the country were represented. Now, however, there are many MEPs for the west midlands, but not one has a specific commitment or responsibility to any particular area. I do not like that system at all, and it will be made worse by having compulsory postal ballots in half of England or a third of the UK.

Every Member present should be thinking about the impact on general elections. The next general election will not be affected, because there will not be enough time. However, if we move down this road—I have already said that it will mean the abolition of a set polling day, because most people will have voted, 10, nine or seven days beforehand—we will change the whole nature of campaigning and of democracy in this country. Before adopting that course, I beg the House to think seriously about the better alternative of compulsory voting.

I end where I began with the merits of the specific amendment before us. Many disparaging remarks have been made about Members of the other place, but I believe that they bring knowledge and objectivity to the debate—*[Interruption.]* They certainly do. After all, electoral registration officers, whom the Minister prays in aid, are just as unelected and unrepresentative as Members of the other place. Those Members bring objectivity and knowledge—in some cases based on years of service in this House—to debates, and I believe that that they cast their votes wisely and that this House would be ill advised to reject what they have recommended. I say that for two reasons: first, for the reasons advanced in the other place; and, secondly, because we would be backing the Electoral Commission, which the Government, sadly, are not.

Mr. Terry Rooney (Bradford, North) (Lab): There has been much talk about corruption in elections, and the hon. Member for Surrey Heath (Mr. Hawkins) specifically mentioned my city of Bradford. I should like to highlight a few incidents that have taken place under the present system, but we should also acknowledge that corruption in elections is perpetrated by political parties and by people acting on their behalf. If we got to grips with certain types of people in political parties, we would not have these problems.

One candidate in the 1992 general election—I stress that it was not connected with my campaign—was offering £5 for a polling card. When that was brought to my attention, we encouraged people who were going to vote to retain their polling cards. After they had voted, they delivered their cards to that candidate and collected their £5. It must have cost him about £2,000, but he did not get a single vote out of it. That happened under the present electoral system.

More recently in Bradford, large gangs of thugs—perhaps 50 or 60 people— have congregated around several polling stations in the inner city area. They have intimidated electors, telling them how to vote and threatening them with physical violence if they do not accept their advice. That is what is happening on the ground under the current system.

In 2001, the first election for which the new system of postal votes was in place—and bearing in mind that it was not necessary to have a medical or other specified reason to apply for a postal vote—there was a 500 per cent. increase in the number of Bradford electors using postal votes. What were the problems and difficulties experienced in Bradford in 2001, that drew national attention at the time? The problems were mainly connected with registration for postal votes, which does not happen in all-out postal votes where there is no application stage. In 2001, we once again had gangs of thugs going around collecting signed application forms for postal votes, then redirecting where the votes were sent to. One gentleman—I use the terms loosely—was arrested. He had 31 blank ballot papers in his pocket, but the police said that he had not committed any offence. That is happening under the current system.

In Bradford, four wards out of 30 had problems, and I am talking about the general election and two subsequent local elections. In Yorkshire, nine wards out of 400 experienced difficulties. That is no reason to deny the vast majority of the population the right to an all-out postal vote. Some argue that, the greater the turnout, the more the impact of fraudulent practices is diluted. There is a ceiling to how many people can be conned and corrupted, and a big turnout helps to overcome the problem.

I have said it to the Minister before, but the police and returning officers must take fraud and corruption more seriously. On numerous occasions over the years, West Yorkshire police have not regarded such incidents as a priority. That is a fault of the system; it is not to do with an all-out postal vote. It is a problem with applying the law, taking action, prosecuting people and, if necessary, sending them to jail.

[Mr. Terry Rooney]

As we all know, the root of democracy is the right to vote. The real issue is the absolute sanctity of the secret ballot. People who try to abuse that should spend a long time in custody at Her Majesty's pleasure. Such offences should be a priority for the police and returning officers. If the law needs amending, let us amend it.

Sir Nicholas Winterton: I am pleased to be able to contribute briefly to this very important debate. I congratulate the hon. Member for Bradford, North (Mr. Rooney) on being able to quote useful examples relating to his constituency. The right hon. Member for Rother Valley (Mr. Barron) also did so.

A great deal of the debate has concentrated on how to increase turnout, whether in referendums, local government elections or at European parliamentary elections. I pose the following question to the House: is achieving an increased vote what we are about? Is an increased vote achieved merely by increased convenience? Does an increased vote mean that there is increased interest in politics and what is going on in the local council, in Westminster, in the United Kingdom or in the European Parliament? I wonder whether an increased vote indicates an increased interest and an increased desire to be involved.

I disagreed with the hon. Member for Bradford, North when he said that if we move to an all-postal electoral system, the limited amount of current fraud will not be multiplied. In that regard, I associate myself entirely with the comments of the hon. Member for Somerton and Frome (Mr. Heath), who made an excellent speech that reflected what will happen in an all-postal system.

As somebody who has fought 10 parliamentary elections—one fewer than my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack); I associate myself with the totality of his remarks—I have some understanding of what makes the electorate tick and what encourages them to turn out. I have great admiration for the Minister, who is one of the most able and articulate Ministers in the Government. I do not say that lightly; I have listened to many of his speeches and he has sought to advance his case in an able, constructive and articulate way. However, I happen to have reached a different conclusion from his. I believe that fewer and fewer people have voted in recent elections because they no longer believe that Parliament is relevant.

Shall I tell the House why? It is because successive Governments—including the current one—have sought to bypass Parliament. Indeed, many Labour Members are concerned about the way in which their Government are trying to diminish the relevance of this place to debate legislation. If this place is deemed irrelevant, people will rightly ask why they should vote for those who stand for election to it. I refer to the Executive of the day and not just the present Labour Government. In some ways, although not quite so blatantly, my party when in power sought to abuse, undermine and bypass this place in order to get on to the statute book the legislation that it required. We have only to look at the way in which Select Committees are appointed—

7.45 pm

Madam Deputy Speaker (Sylvia Heal): Order. I wonder whether the hon. Member would now address his remarks to the amendment.

Sir Nicholas Winterton: Indeed; that is why I believe that the other place was right to reduce the number of pilot projects from four to two. I accept that their lordships expected the Government to increase the number proposed by the Electoral Commission from two to three, but they are certainly most unhappy about the increase from two to four—for the reasons that so many hon. Members have given during this debate.

I hope that you will allow me a little discretion, Madam Deputy Speaker. In addition to the Government's bypassing of this place, which makes people not want to vote because they do not think that the House is relevant, the political parties have played a part. The parties have sought to take away the independence of Members of Parliament in genuinely believing in or opposing an issue and in seeking to represent the best interests of their constituency or constituents. Given that the Executive of the day bypass the House and that the political parties seek to dominate and use their members merely as cannon fodder, why should people vote?

Therefore, I disagree with some of the views of the hon. Member for Bradford, North, as I did with those expressed by the right hon. Member for Birkenhead (Mr. Field), for whom I have the highest regard. Let us consider why people are not voting instead of trying to make it more convenient for them to vote, especially given that an increase in voting is not an indication of more interest in politics and in what is going on in this place, in local councils and in the European Parliament.

Like my hon. Friend the Member for South Staffordshire, I am concerned that the Government have sought modestly to misrepresent the views expressed by the chairman of the Electoral Commission, Sam Younger, who is clearly not happy that a third of the United Kingdom should be involved in a pilot scheme. Almost half of England is to be involved. That can hardly be described as a pilot project.

I am not sure whether the Minister is winding up the debate, but I hope that he is and that he will respond to my intervention on what positive steps are being taken to ensure that there are adequate safeguards not only to minimise any abuse of the postal voting process, but to guarantee the integrity of the electoral register. In doing so, we must bear it in mind that the incidence of abuse could dramatically increase in an all-postal election and that there could therefore be major distortion of the results in some parts of the country.

Many people are concerned that it is now very easy to get a name on an electoral register for an address. No such person lives at that address, but they have been registered by the individual who completes the form each year. Surely we want honest, fair and transparent elections. We do not want just to try to make it more convenient for people to vote. What thought has the Minister given to the valid points made by my hon. Friend the Member for South Staffordshire about the impact of the new system on campaigning? As there will be a period between when postal votes have to be sent

back and the actual polling day, at what stage will it no longer be worth while for a candidate to continue campaigning? I am deeply worried that our unique system—the relationship between a Member of Parliament and his constituents—will be broken—

Madam Deputy Speaker: Order. I must interrupt the hon. Gentleman again. We are looking at a specific amendment, which deals with the method of election rather than campaigning. Perhaps the hon. Gentleman would address his remarks accordingly.

Sir Nicholas Winterton: I greatly respect you, Madam Deputy Speaker, and will seek to honour your ruling and your request.

The electoral system has a bearing on the matter. Because the Electoral Commission was concerned about the impact of the change, it wanted to limit the pilot project to two regions rather than extending it to almost half of England. There is a grave risk—

Andrew Bennett: Will the hon. Gentleman give way?

Sir Nicholas Winterton: I am happy to give way to the hon. Gentleman—a closeish neighbour in the north-west.

Andrew Bennett: When the European elections are held under the proposed system, I should not want the hon. Gentleman to feel that he was redundant. I am sure that he will be happy to continue knocking on doors for the Conservative candidate in those elections right up to polling day, to ensure that all the postal votes are returned.

Sir Nicholas Winterton: That is one of the friendliest interventions that I have taken in almost 33 years in this place. I am grateful to the hon. Gentleman and am only sorry that he is standing down at the next election. No doubt that will give him an opportunity to come to Macclesfield to encourage whichever of his party's candidates stands against me.

Sir Patrick Cormack: Will the hon. Gentleman be Lord Denton or Lord Reddish?

Sir Nicholas Winterton: I am not sure.

I believe fervently in the personal relationship between the elected and the electorate and I am worried that a system of all-postal elections will break that down. I am particularly concerned about the security and integrity of the electoral register because of the fraud that may arise under the new process. If the Minister can give me some assurances I shall be grateful, but as things stand I shall most certainly vote to uphold their lordships in their amendment.

Dr. Pugh: My remarks will be brief. I have a strong sense of déjà vu. On a previous occasion, I suggested that choosing the north-west as a pilot area was not a good idea and I suggest the same today.

Returning officers in the north-west certainly have concerns, not about their own efficiency but about the confusion that will be created in the mind of the electorate. In the north-west, we have 80 per cent. voting on atypical, all-up local council elections—not by thirds and not on the usual boundaries in every case—while the European elections are held according to a completely different system. That is complication upon complication, which in normal circumstances would create a lot of extra work for polling clerks. It is innovation piled on innovation.

The Government expect that people receiving a mountain of paper—explanatory notes and so on—will feel more motivated to vote and more confident in doing so. However, a sane person would predict much confusion and a high number of errors. The system will give no assurance to the electorate and it will certainly not reassure candidates in tight contests. The Government have put forward a new argument today—developed for the purpose—that complication is actually an advantage and can help the pilots.

The Electoral Commission agrees fundamentally with me and Opposition Members. It has serious concerns about fraud and said that the north-west was not ready for such a pilot. In our last debate on the measure, I concluded my speech by observing that, given the evidence and the comments of the Electoral Commission, anyone who went against its views would seem to be acting purely from naked party political objectives. That is still how it seems.

During our previous debates, I was—strangely—impressed by the right hon. Member for Bromley and Chislehurst (Mr. Forth) who, like some Government Members, argued that decisions about the voting system are properly the matter of Parliament, not of the Electoral Commission. He drew the logical conclusion that there was little point in the Electoral Commission at all—there was no point in its making recommendations or even existing.

There is a serious weakness in the Government's position, because they allow the Electoral Commission to make recommendations so that any proposal will be free from the taint of party political advantage and will have a degree of independence, yet when push comes to shove and those independent recommendations are not to their liking, they overrule them for—it is suggested—party political advantage. If that is the case, the Electoral Commission is simply being reduced to a fig leaf for straightforward brutalist politics. If I were the chairman of the Electoral Commission I should be considering my position. A resignation would certainly force the Government to come clean on the issue.

Some Labour Members suggest that the all-postal system does not so much help Labour but shores up the democratic vote against the likes of the British National party, to prevent it from winning a Euro seat, and that could be the hidden plan, for all I know. Stopping the BNP is a laudable objective, but an all-postal ballot is no more likely to achieve it than other means. The defeat of the BNP in the north-west will be secured neither by that means nor by taking a media circus to confront it in Burnley. To defeat the BNP in the north-west, we need to out-campaign it, as the Lib Dems largely do in

[Dr. Pugh]

Burnley. I was privileged to assist the Lib Dems there recently when the BNP had a seat taken from it by good old-fashioned campaigning; the BNP was defeated at the ballot box.

I suggest to Labour Members that they will not defeat racism by skewing the voting system; we defeat racism by winning the arguments against it.

Mr. Barron: I do not disagree with the hon. Gentleman about taking on any party—that is what campaigning and politics are about. However, it is fundamentally wrong to say that an all-out postal ballot would skew politics. My experience is the opposite; such ballots encourage participation. Of course, we shall have to wait and see, but if the tide is running against a political party—no matter which one—a higher turnout means that it will be drowned faster.

Dr. Pugh: I agree that an all-postal ballot would not actually skew politics, but to go against the advice of the Electoral Commission looks like strange and shameful shenanigans. Equally, there is a certain degree of feebleness in believing that one cannot beat the BNP in any other way.

In conclusion, we may—oddly enough—need the non-elected Chamber to uphold democratic values in this case.

Mr. Leslie: With permission, I should like briefly to respond to the debate. I apologise to the House for having spoken at length in opening the debate, but I thought it important to set out in detail the Government's case and I sought to give way to a number of hon. Members. I hope that that was a useful process, even though I may well not have persuaded some Opposition Members, but I live in hope.

The hon. Member for Surrey Heath (Mr. Hawkins) reiterated his opposition to all-postal piloting. I explained the rationale behind selecting the four regions that we have chosen. We very much followed the ranked order of the potentially suitable regions suggested by the Electoral Commission. He also repeated a number of allegations that were made in the other place about impropriety in the north-west, many of which are unsubstantiated. Certainly, no convictions have resulted from any all-postal piloting experience. That is also an important point to put on the record.

My hon. Friend the Member for Denton and Reddish (Andrew Bennett) said that he is a keen advocate of postal voting. He made his views loud and clear, and they are now on the record. It is useful that his opinion has been aired in the debate.

My right hon. Friend the Member for Rother Valley (Mr. Barron) made an important point in quoting the Electoral Commission's opinion that there is no evidence that postal voting is any more prone to fraud than conventional voting.

The hon. Member for South Staffordshire (Sir Patrick Cormack) made an interesting and wide-ranging speech. He mentioned his possible attraction to compulsory voting, which, compared with all-postal voting, seems even more radical, but his views are also on the record.

8 pm

My hon. Friend the Member for Bradford, North (Mr. Rooney) highlighted again the flaws of the conventional voting system. Indeed, postal voting will continue to be part of the conventional voting system. He also highlighted some of the possible advantages that may well flow from all-postal voting.

The hon. Member for Macclesfield (Sir Nicholas Winterton) thought that we should consider other ways to encourage participation in our democracy. For example, he wanted to assert the House's importance to the wider world. If the House reaches its own decision on all-postal voting tonight, I hope that the other place will allow the House to have its way. That is an important part of the process.

Sir Nicholas Winterton: When I mentioned Parliament and the House, I was referring to the House of Commons and the House of Lords. I have the greatest regard for their lordships in the other place, as an amending and delaying Chamber.

Mr. Leslie: With that little footnote to *Hansard*, I am sure that the House will note that view.

The hon. Gentleman also mentioned his concern about the need for anti-fraud measures. The new offences that we have included in the Bill—for example, extending the offence of personation outside polling stations for the first time—will go some way, with the extra efforts that regional returning officers are making, to ameliorate concerns about fraud.

The hon. Member for Southport (Dr. Pugh) said that he had a sense of déjà vu about his own speech—so did other hon. Members. It is a pity that he feels that the Electoral Commission should be the decision maker in this matter. It advises on such matters, but Government and Parliament make the ultimate decisions. We are accountable to the electorate, and the Electoral Commission is happy with that situation.

All-postal piloting is worth while. We are trying to make participation easier for all electors. None of the obstacles that hon. Members have raised about Yorkshire or the north-west seems insurmountable, and regional returning officers there are now keen to proceed. The point of extending the scale of the pilots is to test systems and capabilities and address some of the security concerns. There is no evidence at all to suggest that including Yorkshire and the north-west as pilots will cause any risk or harm.

I hope that we can resolve this matter today, and allow regional returning officers to get on with the job. The elected House of Commons should have the final word on which regions to pilot, and I urge hon. Members to support Government amendment (a).

Question put, That the amendment to the Lords amendment be made:—

The House divided: Ayes 269, Noes 166.

Division No. 77] **[8.03 pm**

AYES

Adams, Irene *(Paisley N)*	Anderson, rh Donald *(Swansea E)*
Ainsworth, Bob *(Cov'try NE)*	Armstrong, rh Ms Hilary
Alexander, Douglas	Atkins, Charlotte
Allen, Graham	Austin, John

Banks, Tony
Barnes, Harry
Barron, rh Kevin
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Bell, Sir Stuart
Bennett, Andrew
Berry, Roger
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Caborn, rh Richard
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Coleman, Iain
Colman, Tony
Connarty, Michael
Corbyn, Jeremy
Cousins, Jim
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Drew, David *(Stroud)*
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Foster, rh Derek
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gerrard, Neil
Gibson, Dr. Ian
Godsiff, Roger
Goggins, Paul
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Hesford, Stephen
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jamieson, David
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kemp, Fraser
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Terry *(Worsley)*
Linton, Martin
Llwyd, Elfyn
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, Thomas
McCabe, Stephen
McCartney, rh Ian
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, John
McGuire, Mrs Anne
McIsaac, Shona
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Martlew, Eric
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
Organ, Diana
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Prentice, Ms Bridget *(Lewisham E)*
Prescott, rh John
Price, Adam *(E Carmarthen & Dinefwr)*
Prosser, Gwyn
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Savidge, Malcolm
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Soley, Clive
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Straw, rh Jack
Stringer, Graham
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Walley, Ms Joan
Ward, Claire
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
Gillian Merron and
Mr. John Heppell

NOES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baker, Norman
Baron, John *(Billericay)*
Barrett, John
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brake, Tom *(Carshalton)*

Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Bruce, Malcolm
Burnett, John
Burstow, Paul
Burt, Alistair
Calton, Mrs Patsy
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Doughty, Sue
Duncan, Alan *(Rutland)*
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Hawkins, Nick
Hayes, John *(S Holland)*
Heath, David
Heathcoat-Amory, rh David
Holmes, Paul
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Johnson, Boris *(Henley)*
Jones, Nigel *(Cheltenham)*
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Marsden, Paul *(Shrewsbury & Atcham)*
Mates, Michael
Maude, rh Francis
May, Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
Öpik, Lembit
Osborne, George *(Tatton)*
Page, Richard
Paice, James
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Sanders, Adrian
Sayeed, Jonathan
Shephard, rh Mrs Gillian
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soames, Nicholas
Spicer, Sir Michael
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Sir Teddy
Tonge, Dr. Jenny
Tredinnick, David
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. John Randall and
Mr. Mark Francois

Question accordingly agreed to.

Lords amendment, as amended, agreed to.

Lords amendment No. 2 agreed to.

Clause 2

PILOT ORDER

Lords amendment No. 3.

Mr. Leslie: I beg to move, That this House disagrees with the Lords in the said amendment.

Lords amendment No. 3 would require a declaration of identity to be used as part of the pilot schemes. That issue was discussed at great length in another place and the Government made clear their intention to mandate it within the pilot order that a ballot paper must be validated with a security statement signed by the elector alone. We have considered the issues raised and do not intend, as the amendment suggests we should, to require electors additionally to obtain the signature of a witness.

We have taken our lead from the Electoral Commission in this case. In its report entitled "The shape of elections to come", it identifies a number of reasons for utilising the security statement with a single signature in place of the declaration of identity with a witness signature from a third party. The commission feels that the requirement to complete a declaration discourages some electors from voting as it could be difficult to find a witness, meaning that there is a risk of disfranchisement for some. It also feels that the need for a witness, involving another person in the process, could increase the risk of a breach of security, as the witness may see the elector's vote, which would mitigate the measure as a safeguard against fraud.

The commission reported that, in 2003, all the local authorities carrying out all-postal pilots for the second year running would have preferred to dispense with the declaration of identity with a witness signature, as in their view it unnecessarily increased the number of rejected ballot papers. The commission noted:

> "In Trafford (in 2003), just 414 ballot papers were rejected out of a total return of 84,613. Last year, with a declaration of identity, 2,164 ballot papers had to be rejected."

That equates to 2.5 per cent. of the total turnout. Piloting is about learning lessons, and the clear lesson that has been learned from previous pilots is that the use of a witness requirement in all-postal ballots risks increasing disfranchisement and compromising secrecy and security.

Mr. Forth: I understand that the Minister might want to curtail his remarks in this part of the debate, but he did skate rather quickly over the analysis that he gave us. Did Trafford authority explain why it thought that ballots with a sole signature were more easily accepted than those signed by a witness? Why were so many more rejected in the second case than the first, and does that give us some clues about what is going on?

Mr. Leslie: All that I can go on is the report of the Electoral Commission, which surveyed local authorities

and found that they said that they would prefer to dispense with the declaration of identity and witness signatures. I suspect that that is because of the extra complexities and hurdles that that creates for an elector, such as finding a witness, ensuring that the witness form is filled out correctly as well as the ballot paper and so forth.

That is not the only reason why a witness requirement is not needed. It might discriminate again those who are disabled or people who find it difficult to get a witness. There might be a specific need to consider the impact of witness requirements on people with disabilities. Officials from my Department recently met representatives from Scope and the Royal National Institute of the Blind, which expressed the strong view that a witness requirement provides another obstacle that bars many disabled people from voting in secret at their convenience. Scope felt so strongly about the issue that it wrote a letter expressing its views, which stated:

"We are clear that requiring voters to have their ballot witnessed by another person not only increases the likelihood of people spoiling their ballot or returning them uncompleted but also puts many disabled and older voters, who are more likely to be more isolated or live alone, at a substantial disadvantage."

I thought it important to state Scope's view to the House.

Mr. John Wilkinson (Ruislip-Northwood) (Con): Will the Minister explain how the presence of a witness to verify a signature would make it more likely that a voter would spoil his or her ballot paper because I do not understand that logic? Will he guide me through that, because I would have thought that the contrary was the case? Surely the process would be easier for a person with a visual handicap if a witness were present than if there were no witness?

Mr. Leslie: People with a visual impairment might well require somebody to help them to cast their ballot, but returning officers can assist those voters. However, the requirement would put a specific hurdle in front of electors who did not normally come into contact with people who could witness their ballot paper, especially if they wished to cast their vote in secrecy.

The forgery of one signature does not preclude the forgery of a second. It has been argued that a declaration of identity would be a more effective deterrent against fraud than the security statement with a single signature that we propose. However, it must surely be the case that people prepared to risk the consequences of forging an elector's signature would not be put off by the need to forge a witness signature on a declaration of identity. I trust that the House will disagree with that aspect of the Lords amendment.

The Lords amendment would also require returning officers to send out receipts or acknowledgements to everyone whose vote was received. I urge the House to resist that suggestion. The pilots are designed to build on the experience of previous schemes. The use of acknowledgements has not been piloted before and the Electoral Commission has not recommended that approach. Acknowledgements are not provided for postal votes returned in a conventional election. It would be extremely risky to pilot acknowledgements for the first time on such a large scale given that we have no experience to draw on.

Additionally, such a measure would be extremely costly and would put a significant additional administrative burden on returning officers and their staff. Initial estimates put the total cost throughout four regions at between £2 million and £2.5 million, and I am sure that Opposition Members would not want that additional spending to be incurred. That assessment is also reflected in the views of the Electoral Commission, which, in a statement produced for Report in another place, wrote:

"the requirement to send individual acknowledgements will place a considerable burden on Returning Officers and their staff at an extremely busy time, and it would be difficult to guarantee a swift acknowledgement. Any delay in acknowledgement could generate unfounded anxiety on the part of voters; and generate further work for the Returning Officer in dealing with queries."

It is thus clear that opposition to the amendment comes not only from the Government but from those with practical experience of running and assessing pilots.

It is doubtful that the receipt process would be an effective anti-fraud measure. We are taking steps to reduce risks in such situations as houses in multiple occupation, but an individual who is willing to accept the consequences of fraudulently taking an elector's vote might well put in place contingencies to intercept any acknowledgement. There are thus many ways in which the measure would not be as strong an anti-fraud measure as it might appear to be. We feel very strongly about that.

Mr. Brady: The Minister says that the Government are taking steps to prevent fraud in houses in multiple occupation. Will he tell us what those steps are?

Mr. Leslie: I certainly will. Regional returning officers have already considered the matter in some detail. They are looking at houses in multiple occupation in their geographical areas. They are noting and visiting them and ensuring that there are mechanisms through which ballot papers can be delivered to individual apartments within the curtilage of houses in multiple occupation, if necessary. Regional returning officers have been paying great attention to the matter, which was discussed in Committee and on Report.

We feel strongly that the receipt and acknowledgement process would be unnecessary. It would be expensive and would not represent a useful anti-fraud mechanism. I hope that the House will reject Lords amendment No. 3.

Mr. Hawkins: As my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) implies, not on the strength of what the Minister said—it was very weak—would Conservative Members agree to overturn a provision that the other place rightly put in the Bill. As I have already said, the Government lost the vote on the amendment in the other place heavily—by 157 votes to 110. I wish to refer to what was said in another place by my noble Friend Baroness Hanham, and by the Liberal Democrats, Lord Rennard and Lord Greaves.

Conservative Members believe that the dangers of fraud and personation could be significantly reduced if, as the amendment provides, a signature on the declaration of identity were required. The matter was debated in Grand Committee in another place on 26 January 2004, and debated again on 23 February 2004,

[Mr. Hawkins]

which is when the vote took place. On 26 January, Lord Rennard spoke for the Liberal Democrats and pointed out that in all-postal voting pilots, his party, like mine,

"regard it as absolutely essential that there are necessary and proper safeguards, as far as they can be introduced, to deal with some of the abuses"

to which Lord Greaves had referred—I cited them in the previous debate. Lord Rennard continued:

"Those of us who have ... had to deal at first hand with ... real problems with our electoral process are ... more sceptical"

than Ministers are

"about the problems that will occur if postal voting"

or all-postal pilots are

"rolled out in future. Postal votes need to have a witness to say that the person receiving the postal vote is the person for whom the postal vote was intended."

As he rightly said, the measure

"would be an effective deterrent against fraud."

Mr. Gummer: Is not the central issue raised with the Minister that of houses in multiple occupation? I did not find his explanation convincing. It seems that nothing is being done; the matter is only being considered. Can my hon. Friend think of anything that would be more effective than ensuring that a ballot paper is given an endorsement each time so that people do not pick up at least half a dozen votes, vote in one place, then send them off in the post?

8.30 pm

Mr. Hawkins: My right hon. Friend is right. I was coming to what was said in another place about houses in multiple occupation, and his intervention is helpful. I agree that the Minister is not saying that anything is being done. There is nothing to that effect on the face of the Bill. We tried to debate the matter in Committee and to introduce more safeguards, which another place has been successful in achieving.

In Grand Committee, the noble Lord Rennard talked about the protection needed in particular for people in houses in multiple occupation. He said:

"Houses were mentioned where perhaps 10 postal votes were put through a communal letterbox and left in the hallway ... The first person who picks up those 10 postal votes will be able to fill them in and send them back."

It would be

"a significant deterrent if those votes were not counted unless there were 10 separate declarations of identity, filled in by the person by whom it was intended that the postal vote should be received and witnessed by another person. Indeed, if there were 10 people in the property, that should not be very hard to do."

I entirely agree. He went on to say:

"Such a measure would make the intimidation and fraud"—

examples of which were given by Lord Greaves and which I mentioned earlier—

"very much harder. It is one thing if one could simply go to someone's house and say, 'I have come for your postal vote—take it away and fill it in in your own good time, and there is no record of identity'. It will be very much harder for someone to go to your doorstep and say, 'I have to take away your postal vote. By the way, I also need you to sign this piece of paper that confirms you are the person to whom the postal vote was sent; that I know who you are and that you have filled it in yourself'."

Again, I entirely agree, as my noble Friend Baroness Hanham did. Lord Rennard concluded:

"The declaration of identity is essential for us to agree with this principle of all-postal pilot experiments."—[*Official Report, House of Lords*, 26 January 2004; Vol. 657, c. GC24–25.]

He said that it would also be helpful to send out receipts. If a receipt is sent to the elector, it gives the elector confidence that the process is working properly, which he or she would not otherwise have.

Mr. Forth: I sense that my hon. Friend is in only his preliminary remarks and will come to a more profound analysis as we make progress. I hope that he will comment on the Minister's astonishing assertion that people with disabilities would find it more difficult to find someone to witness their signature than others would. Surely people with disabilities are more likely to have carers who are interested in and concerned with their welfare, and are therefore much more likely to be supported in that regard than those of us who are not in that condition. Will my hon. Friend comment on the Minister's rather facile assertion?

Mr. Hawkins: I was surprised that a couple of charities, mentioned in another place, suggested that this relatively straightforward and simple precaution would cause problems. I agree with my right hon. Friend that the regular presence of carers would make the position easier for disabled people.

Mr. Tom Clarke (Coatbridge and Chryston) (Lab): My hon. Friend the Minister, who made a convincing case, did not simply give his own view. He mentioned Scope, which is not just another charity. No organisation has done more work to encourage access to voting and polling. I think its views should be taken more seriously.

Mr. Hawkins: The right hon. Gentleman knows that I have great respect for his views. We always consider carefully what respected charities propose, but it is still possible to disagree, as my right hon. Friend has done. However, I was not seeking to belittle Scope's submission. The right hon. Gentleman knows me well enough to know that I always take the views of respected charities and, indeed, his views, seriously.

The concerns raised by Opposition Members here and in another place about the extra precautions that need to be included in the Bill to prevent personation are serious. My noble Friend Baroness Hanham referred to the concerns expressed by senior police officers in the west midlands about the increase in personation. The noble Baroness Gould of Potternewton described some of the tactics employed by Militant Tendency in the 1980s in respect of personation at polling stations. Other noble Lords, such as Lord Alton of Liverpool, mentioned what had gone wrong with personation in Liverpool in the 1980s. There are abuses and examples of fraud in a number of places. That is why another place was right to insist that the extra precautions should be included in the Bill. We think that they should be upheld in that, and we will certainly vote to that effect.

Joyce Quin (Gateshead, East and Washington, West) (Lab): I strongly support what my hon. Friend the Minister said in giving the Government's view on the changes introduced in another place. I am disappointed with the Lords amendment and regret the determination of Opposition parties to do their utmost to prevent all-postal ballots. They seem to think that such ballots cannot be conducted without large-scale fraud. As a result, I am starting to feel somewhat insulted on behalf of my constituents, who have had three successful experiments with all-postal voting without any fraud taking place. Given the success in such areas, I wish that Opposition Members would look much more at the evidence than at unfounded fears.

I was very disappointed that the noble Lord Rennard, on behalf of the Liberal Democrats, said that without the changes even the north-east should not be a pilot region, despite the fact that more than 50 per cent. of its population have experimented successfully with all-postal ballots. It is important to bear that statistic in mind.

Ministers here and in another place have made the important point that the Electoral Commission does not favour the added hurdles that are being proposed. Given that Opposition Members extolled the commission's role, it is ironic that they are prepared to fly in its face on this issue.

I agree with what my right hon. Friend the Member for Rother Valley (Mr. Barron) said. He thought that a great deal of party politicking had occurred in another place, and that is regrettable. People of all parties in my area have very much welcomed the change to all-postal ballots. They will be extremely disappointed if the amendment is upheld tonight.

Mr. Heath: Judging by the comments of the right hon. Member for Gateshead, East and Washington, West (Joyce Quin), for whom I have a great deal of respect, a casual listener to the debate might assume that the addition of a new barrier to postal voting was being proposed. However, it is in place already. It is exactly the position that the right hon. Lady had with her all-postal ballot. It is the position that will apply for half of England, all of Scotland and all of Wales in June when the elections take place.

I note that the right hon. Lady shakes her head, but what I have said will be the case. That is what will happen in every area outside the pilot regions with postal ballots. Those who use the postal ballot will be required to have a countersignature of a witness to a declaration of identity. It is hardly a novel approach that is being advocated. It is a continuation of current practice.

Joyce Quin: Surely the hon. Gentleman will accept that when we are having all-postal ballots the scale of what is involved is extremely important. My local authority—Gateshead—has been extremely successful in this context but has been very much opposed to these procedures. It feels that they will make it extremely difficult to have an all-postal ballot in the area in time for the elections.

Mr. Heath: I can only observe that it has not been an obstacle until now for the councils that have undertaken all-postal ballots.

We must have a care in the House not to provide opportunity for electoral fraud where that opportunity is currently reduced. I accept that there is a better way of doing things. I accept that that is personal registration with the electoral registration officer, by means of providing proof of identity that is individual to that person rather than requiring an intercession by a witness. That is what I would like to see universally applied as the authentication of postal ballots. However, we are not yet in that position.

In the circumstances, it seems perverse to throw away the rather rudimentary and not entirely acceptable precaution that we have, in the absence of a replacement that I think would be much better. That seems to be the right precautionary approach to take. It is the approach taken by my noble Friend Lord Rennard, which happily secured the support of others.

I accept that there are real issues to do with people with disabilities. The House knows that I do a fair amount of work with the RNIB, which has serious concerns, as has Scope. Not all those concerns are focused on the issue of identity being verified by a witness. People with visual impairments could easily be provided with templates to enable voting to take place. Another issue is single-channel voting and whether alternatives should be available for people with visual impairment.

I accept that there are issues concerning the secrecy of the ballot that involve people with disabilities, which we should take seriously. Equally, we should take seriously the possibility of fraud in postal ballots that is not confined to the pilots and not to all postal ballots. However, they might be multiplied in their effect and might take place within current voting arrangements.

If right hon. and hon. Members read the evidence given to the Select Committee on the Office of the Deputy Prime Minister, they will see at least anecdotal evidence, if not objective evidence, of potential for fraud in houses of multiple occupation. There is at least anecdotal evidence that increases in turnout are not largely effected by an increased number of households voting, but by more people within households voting.

That should be a matter of at least suspicion if not concern. It suggests that the head of a household, or some person within a household, has rounded up the entire family rather than there being a genuine widening of the franchise into new areas.

I want to see these experiments succeed, and I want also to encourage ways of voting. However, I ask the House to consider carefully, before removing the precautions that are now in place, the effect of voting against the amendment from another place. It is to remove for half of England—not the other half, not for Scotland, not for Wales, not for the elections in London and not for the elections in most of the country next June, but just for the pilot areas—a precaution that has hitherto been thought necessary to avoid electoral fraud. I do not think that we should do that. We should resist the Government's attempt to resist the amendment.

Mr. Wilkinson: This appears to be a modest amendment in the Government's view, and an unimportant one. However, the issue at stake symbolises all that is worst with this Administration. Their instinct is to play fast and loose with our democracy, and they do not particularly care whether there should be effective controls against impersonation.

[Mr. Wilkinson]

8.45 pm

Impersonation is a problem that is traditionally endemic in elections in Northern Ireland. In the first constituency in which I stood—I can speak about this, because I lost that February 1974 election—a great Pakistani friend came up to me and said, "Mr. John, Mr. John, I have done so very well. I have voted as my uncle in Pakistan and I have voted as my brother who is dead." I was somewhat taken aback by that and explained that it was not the normal way of doing things, but he had been able to go to the polling station and impersonate in person. It is much harder to impersonate in the privacy of an individual's home, and the wise Lords amendment No. 3, from that old fox Lord Rennard, seeks to ensure that that is the case. I trust that old fox in the other place much more than I trust the promising Minister who is gabbling his lines without any great credibility.

Like the hon. Member for Somerton and Frome (Mr. Heath), I wonder why we need to call into question the status quo in the conduct of postal ballots. The postal voting system has worked entirely well, and it is a normal procedure to verify identity. For example, we seek a witness for passports and driving licences to corroborate the fact that impersonation is not taking place. Why should we debase the electoral process by seeking lower standards? We should improve standards and enhance controls against fraud and impersonation, rather than the contrary. What is the reason for doing the contrary, as is the case here? It can only be party political. The Labour party makes a facile assumption, to use the word that my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth) used, that everything has to be laid on easily for its supporters. If anything is difficult—

It being three hours after the commencement of proceedings on the Bill, MADAM DEPUTY SPEAKER *put the Question already proposed from the Chair, pursuant to Order [this day].*

The House divided: Ayes 268, Noes 163.

Division No. 78] **[8:47 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Armstrong, rh Ms Hilary
Atkins, Charlotte
Austin, John
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Bell, Sir Stuart
Bennett, Andrew
Berry, Roger
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Caborn, rh Richard
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Coleman, Iain
Colman, Tony
Connarty, Michael
Cousins, Jim
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Drew, David *(Stroud)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Foster, rh Derek
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gerrard, Neil
Gibson, Dr. Ian
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Hesford, Stephen
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kemp, Fraser
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Terry *(Worsley)*
Linton, Martin
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, Thomas
McCabe, Stephen
McCartney, rh Ian
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, John
McGuire, Mrs Anne
McIsaac, Shona
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
McWalter, Tony
McWilliam, John
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Martlew, Eric
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Naysmith, Dr. Doug
O'Brien, Mike *(N Warks)*
Olner, Bill
Organ, Diana
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Prentice, Ms Bridget *(Lewisham E)*
Prescott, rh John
Price, Adam *(E Carmarthen & Dinefwr)*
Prosser, Gwyn
Purnell, James

Quin, rh Joyce
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Soley, Clive
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Stringer, Graham
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Walley, Ms Joan
Ward, Claire
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
Mr. John Heppell and Gillian Merron

NOES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baker, Norman
Baron, John *(Billericay)*
Barrett, John
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Bruce, Malcolm
Burnett, John
Burstow, Paul
Burt, Alistair
Calton, Mrs Patsy
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Doughty, Sue
Duncan, Alan *(Rutland)*
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Forth, rh Eric
Foster, Don *(Bath)*
Fox, Dr. Liam
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Hawkins, Nick
Hayes, John *(S Holland)*
Heath, David
Heathcoat-Amory, rh David
Holmes, Paul
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Johnson, Boris *(Henley)*
Jones, Nigel *(Cheltenham)*
Key, Robert *(Salisbury)*
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Loughton, Tim
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Marsden, Paul *(Shrewsbury & Atcham)*
Mates, Michael
Maude, rh Francis
May, Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
Öpik, Lembit
Osborne, George *(Tatton)*
Page, Richard
Paice, James
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Sanders, Adrian
Sayeed, Jonathan
Shephard, rh Mrs Gillian
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'rns & Kincardine)*
Soames, Nicholas
Spicer, Sir Michael
Spring, Richard
Stanley, rh Sir John
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Teather, Sarah
Tonge, Dr. Jenny
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. John Randall and Mr. Mark Francois

Question accordingly agreed to.

Lords amendment disagreed to.

MADAM DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

Lords amendments Nos. 4 to 50 agreed to.

Motion made, and Question put,

That a Committee be appointed to draw up a Reason to be assigned to the Lords for disagreeing to their amendment No. 3; Geraint Davies, Mr. Nick Hawkins, Mr. David Heath, Mr. Christopher Leslie and Ms Bridget Prentice to be members of the Committee; Mr. Christopher Leslie to be the Chairman of the Committee; Three to be the quorum of the Committee; Committee to withdraw immediately.—*[Ms Bridget Prentice.]*

The House divided: Ayes 266, Noes 124.

Division No. 79] **[9:04 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Armstrong, rh Ms Hilary
Austin, John
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Bell, Sir Stuart
Berry, Roger
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Coleman, Iain
Colman, Tony
Connarty, Michael
Cousins, Jim
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Drew, David *(Stroud)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Eliman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Foster, rh Derek
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gerrard, Neil
Gibson, Dr. Ian
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Hoey, Kate *(Vauxhall)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kemp, Fraser
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Bob *(Derby N)*
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Terry *(Worsley)*
Linton, Martin
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, Thomas
McCabe, Stephen
McCartney, rh Ian
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, John
McGuire, Mrs Anne
McIsaac, Shona
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
McWalter, Tony
McWilliam, John
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Martlew, Eric
Merron, Gillian
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Naysmith, Dr. Doug
O'Brien, Mike *(N Warks)*
Olner, Bill
Organ, Diana
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prescott, rh John
Price, Adam *(E Carmarthen & Dinefwr)*
Prosser, Gwyn
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Savidge, Malcolm
Sawford, Phil
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Soley, Clive
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Straw, rh Jack
Stringer, Graham
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Walley, Ms Joan
Ward, Claire
Watson, Tom *(W Bromwich E)*
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
Charlotte Atkins and Paul Clark

NOES

Allan, Richard
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Baron, John *(Billericay)*
Barrett, John
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brake, Tom *(Carshalton)*
Brazier, Julian
Brooke, Mrs Annette L.
Browning, Mrs Angela
Bruce, Malcolm
Burnett, John
Burstow, Paul
Burt, Alistair
Calton, Mrs Patsy
Carmichael, Alistair
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Djanogly, Jonathan
Doughty, Sue
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Forth, rh Eric
Foster, Don *(Bath)*
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hammond, Philip
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Hawkins, Nick
Hayes, John *(S Holland)*
Heath, David
Holmes, Paul
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jones, Nigel *(Cheltenham)*
Key, Robert *(Salisbury)*
Lait, Mrs Jacqui
Lamb, Norman
Laws, David *(Yeovil)*
Lidington, David
Loughton, Tim
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Marsden, Paul *(Shrewsbury & Atcham)*
Mates, Michael
Maude, rh Francis
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
Öpik, Lembit
Page, Richard
Portillo, rh Michael
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion
Rosindell, Andrew
Russell, Bob *(Colchester)*
Sanders, Adrian
Sayeed, Jonathan
Shephard, rh Mrs Gillian
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soames, Nicholas
Spring, Richard
Stanley, rh Sir John
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Waterson, Nigel
Webb, Steve *(Northavon)*
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Williams, Roger *(Brecon)*
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Mark Francois and Mr. John Randall

Question accordingly agreed to.

Reasons for disagreeing to the Lords amendment reported, and agreed to; to be communicated to the Lords.

Gangmasters (Licensing) Bill *[Money]*

Queen's recommendation having been signified—

9.19 pm

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): I beg to move,

That, for the purposes of any Act resulting from the Gangmasters (Licensing) Bill, it is expedient to authorise—

(1) the payment out of money provided by Parliament of—

(a) any expenditure incurred under the Act by a Minister of the Crown or government department or by a body performing functions on behalf of the Crown, and

(b) any increase attributable to the provisions of the Act in the sums payable out of such money under any other Act, and

(2) the making of payments into the Consolidated Fund.

On Second Reading, I confirmed that the Government were content for the Bill to proceed, and the promoter, my hon. Friend the Member for West Renfrewshire (Jim Sheridan), agreed to work with us in Committee to ensure that the detailed provisions deliver both his and the Government's objective: a reduction in the exploitative activities of gangmasters.

Let us be clear: gangmasters play a necessary role by providing the flexible labour supply required to underpin the production and supply of food. However, for far too long that flexibility has been delivered at the expense of the workers involved, and the current approach fosters illegal working.

The Gangmasters (Licensing) Bill seeks to tackle those abuses through the introduction of a licensing scheme and the creation of a register of licensed gang labour providers. It will introduce welcome transparency to the labour supply chain and ensure that the supermarkets and other purchasers of fresh and other produce can insist that their suppliers use only licensed labour providers.

The Bill will create two new offences—supplying labour without a licence and using an unlicensed labour provider—and the Secretary of State will be authorised to appoint officers to enforce those provisions. Final decisions on the precise role and nature of the body responsible for issuing licences have yet to be taken. We are discussing the best way to work with the industry, trade union representatives, the National Farmers Union and the retail trade. It is clearly in everybody's interests to harness their knowledge and experience and that of legitimate gangmasters who want to work within the law and who should be able to compete effectively in the market while doing so. It is in their interest and ours to work together to create an effective licensing body rather than merely a top-down bureaucratic structure, and I am delighted by the co-operation that I have received since Second Reading.

The code to be observed by licensed gangmasters will be important.

Geraldine Smith (Morecambe and Lunesdale) (Lab): On enforcement, does the Minister agree that if the Bill is to be successful, we need a robust system of enforcement and a lead Minister to take responsibility for it?

Alun Michael: The Department for Environment, Food and Rural Affairs leads on the legislation. My hon. Friend knows that the Department for Work and Pensions leads on Operation Gangmaster, which has been successful in enforcing the law in a number of ways but is not enough on its own. That is why we support the legislation and the introduction of the licensing system, which was a point argued by my hon. Friend the Member for West Renfrewshire when he introduced the Bill.

Sir Patrick Cormack (South Staffordshire) (Con): Will the right hon. Gentleman go a little further than he did in answering the hon. Member for Morecambe and Lunesdale (Geraldine Smith)? Which Minister in which Department will supervise this important Bill and ensure that it gets on to the statute book?

Alun Michael: Responsibility for the legislation and the licensing system lies with DEFRA, so the Secretary of State for Environment, Food and Rural Affairs is responsible and I deal with the Bill in this place. My noble Friend Lord Whitty has played a considerable part in promoting co-operation on Operation Gangmaster, but I am accountable to this House, as I was on Second Reading and will continue to be as the Bill goes through Parliament.

As I indicated, important issues include not only the question of the licence but the expectations and requirements placed on licensed gangmasters. We are examining the outcomes of the best practice project run by the Ethical Trading Initiative with DEFRA and industry support, which will inform the licensing system and help us to calculate the cost of an adequate monitoring system. Those outcomes will also show us what ethical audit can and cannot do, which will help us to create the right environment to enable enforcement to take place. Lord Whitty and I met representatives this morning for an update on the work of the project.

However it operates, it is intended that the licensing process should be self-funding with a fee charged to cover the cost of the licence applications and periodic renewals. An applicant's business will also be audited to ensure that procedures are compliant with the terms of the licence, which again raises the issue of exactly what the requirements should be.

Andrew George (St. Ives) (LD): The Minister and the Government will not want to involve themselves in unnecessary expense. In view of that, does he agree that it would be far better for the Government to use existing provisions and regulations—for example, the agricultural compliance unit in the Inland Revenue—rather than creating new organisations or regulations when an effective method is already available?

Alun Michael: The hon. Gentleman is right, and that point applies to a number of areas. The Inland Revenue has a considerable interest in ensuring that people pay their tax and national insurance. We have a strong interest in ensuring that the minimum wage is observed and that agricultural rates are paid. The point of the licensing system is that it would draw a line between those who are legitimate and working within the system, and those who are outside it. That would make easier the enforcement of such matters as the payment of tax. The current situation makes it easy for people to operate in an exploitative way.

Mr. Roger Gale (North Thanet) (Con): I am worried by what the Minister said a moment ago. In east Kent, we have two problems—a high number of immigrants looking for work and an impoverished farming community—

Madam Deputy Speaker (Sylvia Heal): Order. I do not wish to pre-empt the hon. Gentleman, but I hope that his question will relate to the money resolution.

Mr. Gale: Yes, absolutely. The Minister said that the licence would be self-financing. To me, that means that the farmers in east Kent will end up paying, and they are on the breadline already.

Alun Michael: The hon. Gentleman makes exactly the point that I have been making in our discussions with the industry. We want something that is effective but that does not put excessive burdens on industry. On Second Reading, we discussed the level of fee that might be charged and the hon. Member for Boston and Skegness (Mr. Simmonds) mentioned the figure of £3,000. That should not be necessary and, indeed, a much lower fee should be achievable. We do not want to increase bureaucracy. Rather, we want to work with those who know the industry and how it works—the trade unions and farming organisations—to ensure that bureaucracy is kept to a minimum and effectiveness is maximised. Resources already allocated to the matter must be properly and effectively deployed, and that is why I make the point that the costs involved would be determined, in part, by the conditions attached to the licence. The costs are provisional, but are likely to be considerably less than the figure mentioned on Second Reading.

Robust cost estimates will be prepared once the consultation on the detail of the licensing provisions has been completed, and we will be able to discuss the issue in full in Committee. Much of the detail will have to be worked out in Committee, but we are engaging vigorously with people in the industry to create a scheme that works for the industry, protects those who are currently being exploited and allows legitimate gangmasters to work within the law without being undermined by those who work outside it.

Mr. Michael Fallon (Sevenoaks) (Con): The Minister said that robust estimates would be prepared and that the scheme would be self-financing. Can he give a rough estimate of the public funding that will be required before the cost is covered by fees?

Alun Michael: I cannot do so at the moment, because we are in discussion with the organisations involved about the best way to use the strengths of the industry and those of Government to work together. If the issue of gangmasters could be dealt with easily—if we could wave a magic wand—it would have been done years ago. It is a complex situation, with people working in a complex market to provide labour for farmers such as those mentioned by the hon. Member for North Thanet (Mr. Gale). It would be possible to create a very bureaucratic structure that did not even hit the target.

I am pleased by the way in which some legitimate gangmasters, the National Farmers Union and the Transport and General Workers Union have proved so prepared to sit down with us and tease out the most effective way to achieve the aspirations set out in the Bill. While the Government must have a commitment to meeting the finance necessary to implement the Bill, we must also ensure that costs—there will of course be set-up costs that will affect the industry—and the impact on the industry are kept to a minimum.

Andrew George: The Minister talks about using the strength of the Government. He will recall his intervention on me during Second Reading and the focus at that time of the debate on the need for Departments to break down potential barriers such as data protection. It was argued that farmers and gangmasters should not be asked to replicate forms and information to different Departments separately. What discussions has he had with his colleagues in other Departments to ensure that that does not happen?

Alun Michael: The hon. Gentleman is right, and I did say on Second Reading that we would seek to achieve that. That is not a requirement in the Bill, but we should use existing resources and powers in other legislation and ensure that they are co-ordinated effectively. Where co-ordination has been tried—in Lincolnshire, for example, through Operation Gangmaster—we have seen the benefits and learned lessons from it. It has also helped us to understand the best way of running a licensing system and the requirements that would be placed on licensees.

Overall, it is not anticipated that the Bill will lead to any significant net increase in Exchequer expenditure, because the additional resources allocated to enforcement activities will be offset by savings to the Exchequer in respect of lost tax, national insurance revenue and reductions in benefit fraud.

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): On that point, significant savings could be made in comparison with the sort of operation that had to be mounted—successfully—by the Department for Work and Pensions on the Dee estuary last year.

Alun Michael: My hon. Friend is right, and I am aware of his interest in ensuring that problems on the Dee estuary are properly tackled in a manner that will last. That is the concern of many hon. Members. For some time, we have seen an effort to co-ordinate work across several Departments and enforcement agencies. I gave more detail about that on Second Reading, when it was more appropriate. Those efforts have had some success, but clearly more is needed. That is why we supported the efforts of my hon. Friend the Member for West Renfrewshire to introduce legislation, and we welcome the opportunity to work with him and with organisations on both sides of industry to produce effective measures.

Clearly, it is developments occurring in parallel with the legislation that will create the licensing system and a clear line between those who are licensed and those who are not. That will allow us to create a simple offence of operating while not licensed to do so. All that will make a difference to the geography of activities, though it will not detract from the complexities of some offences or of the market, which is far from simple. Nevertheless, the line will be created, and all hon. Members accept that that is important.

Geraldine Smith: On unpaid tax and national insurance contributions, does the Minister agree that in Morecambe bay it was estimated that there were between £6 million and £8 million worth of cockles, and that probably very little of that was paid back in taxation?

Alun Michael: My hon. Friend makes a fair point, which shows the value of individual enforcement agencies such as the Exchequer being involved in enforcement processes. The point of the licensing system, however, is to create the division between those acting illegally and those acting under a licence. That leads to a simple offence, whereas many other offences that have to be pursued require a considerable collection of evidence and drawn-out enforcement processes. The Bill will create two very simple offences, which should create an impetus towards virtue, if I may put it that way, within the farming industry and in the activities of gangmasters. I therefore commend the motion to the House.

9.34 pm

Mr. David Wilshire (Spelthorne) (Con): Over my 17 years in this place, I have worked out that something curious happens every day. Today's curiosity is a Whip speaking from the Dispatch Box. Perhaps it would be helpful to say that this is not my first outing at the Dispatch Box. My first and only other outing was on Friday 15 March 2002. On that occasion, our usual channels agreement nearly foundered because the business that was due to run until 2.30 pm ended a few seconds early, and it fell to me to fill those seconds. I managed 91 words before being cut off in my prime. This time I will manage more than 91 words and prove why I was given a non-speaking job in the Whips Office.

This debate is not about the Gangmasters (Licensing) Bill. The Minister made some fair points and I very much welcome the opportunity to agree with much of what he said and to discuss the issues, but I am fairly sure that if I did so it would not be long before you, Mr. Deputy Speaker, told me that the debate was not about the Bill but about the money resolution. Having said that, I should like to say—probably—just one sentence about the legislation because it is important to set in the context of the Bill my comments on the money resolution.

When the Bill was debated on 27 February, my hon. Friend the Member for North Shropshire (Mr. Paterson) made it clear that

"The Opposition are wholly committed to ending the shameful activities of criminal gangmasters as soon as possible."—[*Official Report*, 27 February 2004; Vol. 418, c. 554.]

I and my colleagues tonight stand four-square behind that commitment, but our commitment to that principle does not justify our allowing this money resolution to pass on the nod.

The money resolution raises some important issues, so I listened carefully to the Minister in the hope that he would address those that concern us. I had hoped that

[Mr. David Wilshire]

he would tell the House how much taxpayers' money he wants us to authorise, yet he said that he could not be clear, so he did not do so. I had also hoped that he would tell us what the Government will spend that money on, but he was not quite sure about that either. It is because he did not answer properly either of those questions that I would contend that he is asking us to sign a blank cheque.

Before we decide whether to support the money resolution, we need to know a number of things. As far as how much is concerned, all we have to go on at the moment is what the Minister said, and he said a number of things. He said that the legislation may or may not be self-funding; he hopes that it will, but he is not sure. Then he said that he will try to keep expenditure to the minimum, but did not say what that will be. He said that the fee might be £3,000 or it might be less; he was not sure.

Alun Michael: I referred to £3,000 because Conservative Members had cited that figure during the previous debate. Estimates of the cost of funding a licensing system have ranged in some work that I have seen between £1,000 and £2,000, but that is not sufficiently robust for me to come before the House and say, "That's what I think the figure is." That is why we are working with the industry to try to ensure that the figure is as low as possible and that the system is as effective as possible. We want an effective licensing system, but we need to ensure, as one of his hon. Friends said, that it does not impose an unreasonable burden on industry.

Mr. Wilshire: I am grateful to the Minister for correcting that, but it does not matter who cited the figure. All that is clear is that we do not know how much the system will cost—regardless of whether the Minister or the £3,000 figure that I use is correct. He said that the cost might be £1,000 or £2,000. That is a 100 per cent. variation.

Geraldine Smith: Does the hon. Gentleman accept that the cost of doing nothing was the death of 20 young people? What price will he put on their lives?

Mr. Wilshire: Of course, I accept that, which is why I made it crystal clear at the outset that we are four-square behind the attempts to get rid of that criminal activity. I am not raising these points on the basis that we should spend nothing. The House is being asked to vote on a money resolution for an unknown quantity of money, and we should know how much we are being asked to authorise before we authorise it. That is all I am saying; I am not arguing that we should never authorise anything.

Mr. Fallon: No one objects to the Minister proposing a money resolution; that is why he is here—to ask for more money, and the hon. Member for Morecambe and Lunesdale (Geraldine Smith) clearly wants that money spent. The confusion is that, on the one hand, the Minister said that the scheme was self-financing, yet on the other he said that there would be no significant net expenditure. All we are asking is: what will be the net expenditure? If my hon. Friend or the Minister can help us on that point, we might foreshorten the debate.

Mr. Wilshire: I cannot help my hon. Friend. I hoped that the Minister would help us. He shook his head when the phrase "self-funding" was used, but I wrote down his words. He said that the scheme might be self-funding but that he would need robust cost estimates for the information that he needed.

Alun Michael: I think that the hon. Gentleman is a little bit muddled. Fees will be charged for the licensing system, which we expect to be self-financing. That is why it is sensible to hold discussions between the Government, the promoter and sponsors of the Bill and the industry to ensure that the fees are sufficient to be effective but as low as possible to avoid burdens to the industry. That is the self-financing element. The establishment costs and the amount that might be needed for additional enforcement would of course fall to Government and they will depend, to some extent, on the outcome of those discussions. That is perfectly self-evident.

Mr. Wilshire: I am grateful to the Minister. He confirms the point that I was making: he does not know what the scheme will cost, which underlines the importance of the House asking him that question, because I at least do not like signing blank cheques. Until the Minister gives us the figures, the only factual information we have to go on is in the motion, which refers to

"any expenditure incurred under the Act".

Any expenditure means a blank cheque and that is why we need more information.

Mr. Gale: This debate is being held against the background of the highly emotive and terrifying circumstances that occurred in the constituency of the hon. Member for Morecambe and Lunesdale (Geraldine Smith). No one has any quarrel with that. However, the Minister is saying that the measure will be self-financing and we all know what that means: the cost will be passed on.

In east Kent, in my constituency and that of my hon. Friend the Member for Sevenoaks (Mr. Fallon), farmers harvest cauliflowers, potatoes, top fruit and soft fruit, and their businesses operate at the margins of sustainability. If the costs of the measure are passed on to them, there will be another death—the death of those industries. We need the answers before we vote for the motion.

Mr. Wilshire: I am grateful to my hon. Friend who makes my point for me very well indeed. That is exactly why a blank cheque is wrong. It is also why we need to know how much the cost will be, so that we can make up our mind whether it is a sensible amount, which will achieve a very laudable objective, or wasting money. That is the only point the Minister needs to address.

Mr. Nicholas Brown (Newcastle upon Tyne, East and Wallsend) (Lab): Does the hon. Gentleman think that the cost of the licensing scheme for gangmasters, which operated for most of the lifetime of the last Conservative Government, was unreasonable?

Mr. Wilshire: If the right hon. Gentleman will bear with me, I shall come to the existing regulations in a moment, but we need to deal with one more thing before we decide whether to vote for the money resolution. We need to know in some detail what taxpayers' money will be spent on. We have heard a general comment or two, but we are still not clear about everything.

Mr. Brown: In fairness, a licensing scheme was in place for most of the lifetime of the last Conservative Government. The hon. Gentleman must have supported that scheme when the Conservative party was in power. Was the cost of that scheme unreasonable?

Mr. Wilshire: The right hon. Gentleman must contain himself for a moment. I should like to deal with things in the order in which I set out to deal with them, and it will make much more sense if he allows me to do so. We have to decide what taxpayers' money will be spent on, but we do not even know that. The Minister referred—again, I noted this down—to the fact that the code will be important, but the Government have not yet worked it out, so how can we decide whether spending money on the preparation of a code is sensible until we know what it is? On other occasions during his introductory remarks, he said that decisions have yet to be taken.

Alun Michael: I ought to point out to the hon. Gentleman, because it seems to have escaped his notice, that the motion relates to a private Member's Bill. The Government have responded very rapidly by saying that we will help that private Member's Bill to become law. We have come before the House to say that we want the House to agree that money can be spent from public funds in support of those purposes, and it is clear what public money needs to be spent on: the establishment and enforcement of the scheme. The hon. Gentleman, by the way that he is approaching the issue, rather undermines his claim to support the efforts to deal with the mischief and evil perpetrated by some gangmasters.

Mr. Wilshire: Absolutely not. I predicted that, sooner or later, a Government Member would try that one. However worthy a cause, nothing justifies signing blank cheques or telling the Government that they can do what they like. It is all very well for the Minister to say what he thinks the motion means. All I have got to go on is what the motion says. The preamble states that money can be spent

"for the purposes of any Act resulting from the Gangmasters (Licensing) Bill",

not just what the Minister says it will be spent on. It could be spent on anything— it is another wide-open opportunity for the Government to spend money.

Geraldine Smith: Does the hon. Gentleman agree with the National Farmers Union, when it says that it

"believes that running the licensing scheme system is a function which government is best placed to undertake . . . and its establishment should be publicly funded."?

Mr. Wilshire: I would love to debate that sort of issue, but I suspect, Mr. Deputy Speaker, that you would tell me that such issues arise under the Bill, not the motion.

Alun Michael: The hon. Gentleman has been a Member of Parliament in government, as well as in opposition. Can he tell me on how many occasions he intervened in debates on money resolutions to complain about the nature of their drafting when he was a member of the Government?

Mr. Wilshire: No, I cannot, and I do not need to do so. The Government are dead keen on modernisation. They want their procedures to be brought up to date, and I have taken them at their word and decided that the modern way to deal with such things is to ask the Minister to answer sensible questions about how much he will spend and what he will spend it on. Until he answers those questions, all that we can go on are the words of the motion.

Mr. Gale: We are now into Alice in Wonderland country. The Minister said in his opening remarks that the scheme would be self-funding, and we are now accused of trying to wreck a private Member's Bill. We are told that this is merely a Government money resolution, putting in taxpayers' money. Well, taxpayers' money comes from the public, but that is another story. The scheme will either use taxpayers' money that comes from central Government or it will be self-funding. I want to know whether it will be self-funding—if so, it will place a cost on the farmers—or will taxpayers' money that comes from central Government be used? It cannot be both.

Mr. Wilshire: That is exactly what all Conservative Members would like to know, but we are not getting any sort of answer, so we cannot make up our minds whether what the Ministers is asking us to do represents a sensible way to solve a genuine problem or whether it is just another way to spend taxpayers' money. To make matters worse, paragraph (1)(b) of the motion refers not to any purpose of the Act, but to

"any increase attributable to the provisions of the Act".

That can include not only new expenditure, but an increase in current expenditure. Therefore, the spending commitment is wide open and we need more information on it.

It gets worse still. On Second Reading—this picks up on the point that the Minister made about the private Member's Bill—the Minister said that he backed the Bill in principle but that the Government would need to make changes before they could let it reach the statute book. I understand that. The problem is that we are being asked to sign a blank cheque not for the private Member's Bill, which is what the Minister said to me a moment or two ago, but for a Bill the contents of which we do not know yet.

The Minister has said that he will make changes to the Bill but has not told us what they are, yet we are supposed to let him have the money to do whatever he

[Mr. Wilshire]

likes. That seems to be a silly way of trying to run a Government. If we do not have those details, if we do not know how much, if we do not know what it is to be spent on, if we do not know the changes that the Minister wants to make, how on earth can the House decide whether this is the best way of achieving what the hon. Member for Morecambe and Lunesdale (Geraldine Smith) properly wants and what we on the Conservative Benches want to help her to get? How can we decide without that information?

Mr. Fallon: My hon. Friend is attributing some weight to paragraph (1)(b) of the money resolution. If we were precise now, and if the Minister had told us what the provisions of the Act were likely to be, we would already know what the increase attributable to those provisions was likely to be. Surely it is incumbent on the Minister to help my hon. Friend to specify what those provisions will be, so that we can judge what the increase attributable to those provisions will be.

Mr. Wilshire: Yes. I have known the Minister some time and I thought that he might want to help us but it appears that he does not. He sits there and appears to be refusing to tell us how much, what for or what the changes will be.

One other issue concerns me about the money resolution. It asks us to authorise yet more public expenditure on top of the huge increases that the Government have already agreed to. This is particularly relevant when we consider the points made by my hon. Friend the Member for North Shropshire (Mr. Paterson) on Second Reading on 27 February. He made it clear that there is existing legislation that, if properly enforced, might have prevented the Morecambe bay tragedy and could solve other problems.

I am no expert. I cannot say whether that was right or wrong, but my hon. Friend is an expert and I am entirely content to accept what he says. He also pointed out that enforcing existing legislation properly would lead to immediate improvements, whereas going down the route of new legislation would mean delay. Therefore, another reason why we have to be cautious of the money resolution is that perhaps we should be exploring the existing legislation route before signing a blank cheque for any new legislation.

There is one other reason for exploring the use of existing legislation.

Mr. Miller: Does the hon. Gentleman realise that existing legislation is costing the taxpayer a small fortune? He heard me intervene on my right hon. Friend the Minister. Did the hon. Gentleman know that the exercise conducted by the Department for Work and Pensions last year involved in excess of 500 public servants from seven or eight Government Departments? Surely he thinks that we need some consolidated legislation to stop that happening in future.

Mr. Wilshire: I find that an interesting point of view but all I can say is that, if the hon. Gentleman is trying to suggest that what is being proposed tonight is a money-saving exercise, the Minister would have told us that. However, the Minister did not suggest any such thing, so I can only assume—

Alun Michael: I am sorry but the hon. Gentleman obviously has not listened to what I said because I referred to the savings to the Exchequer from proper enforcement. He seems to be making an extremely mealy-mouthed attempt at justifying opposition to the Bill. If he opposes the Bill, if he opposes the money resolution, which is in typical terms for a money resolution of this sort, and if he opposes the Government supporting a private Member's Bill on this issue, why does he not have the honesty to say so?

Mr. Wilshire: I have made my position perfectly clear. The Minister makes my point for me. He says that there will be savings from proper enforcement, which is exactly the point that I was making to the House. He did not say that there are savings to be made by scrapping existing legislation.

Ian Stewart (Eccles) (Lab): Does the hon. Gentleman not accept that there is a difference of opinion among Conservative Members about regulation? Labour Members accept that minimal—yet appropriate and relevant—regulation is important. When regulation is relevant, as the Bill is, does it not cost? Surely the Opposition should finally say, "Actually, it is the right thing to do".

Mr. Wilshire: As I said at the outset, I would be more than willing to debate that with the hon. Gentleman and to explain to him why he is wrong, but that would be to debate the terms of the Bill, not those of the money resolution. I do not want to fall foul of you, Mr. Deputy Speaker, so if the hon. Gentleman would like to meet me in Strangers Bar after the debate, I shall have a go at sorting him out and explaining things to him. For the time being, however, I must ask him to bear with me.

We must consider the whole question of using existing legislation. Although such legislation exists, we are told that it has not been used properly and that if it were used properly, it would avoid delay. However, there is another reason why we should use existing legislation, because I assume that the House has authorised the spending of taxpayers' money on it. Rather than wasting expenditure on existing legislation, we should ensure that we get proper value for money from the original money resolutions passed by the House.

Ian Stewart: Does the hon. Gentleman accept that rather than sorting each other out, we need to sort out the problem with gangmasters? Does he accept that no matter what Government are in power, sorting out such problems costs money? The money resolution is important to ensure that something effective is done while there is such a problem in this land.

Mr. Wilshire: I understand what the hon. Gentleman says, but he is again debating the Bill, which is not what we are here to do. We are here to get answers from the Minister about how much money will be involved, what he wants to spend it on and what changes he wants to make.

Andrew George: Will the hon. Gentleman give way?

Mr. Wilshire: No, I will not. Before the end of the debate, I hope that the Minister will give us the answers.

9.57 pm

Mr. Eric Forth (Bromley and Chislehurst) (Con) *rose—*

Mr. Deputy Speaker: I call Mr. Eric Forth. *[Interruption.]* Order. It is customary for hon. Members who wish to catch the eye of the Chair to rise in their place. Only one right hon. Member rose in his place, so I have called the right hon. Member for Bromley and Chislehurst (Mr. Forth).

Mr. Forth: I want to follow on from the theme with which my hon. Friend the Member for Spelthorne (Mr. Wilshire) initiated his speech. I have armed myself with quotations from the other day's Second Reading debate to try to illustrate with great clarity the confusion in the Minister's mind—and thus, sadly, in ours—about the substance of what we are considering.

On Second Reading on 27 February, the Minister said, "There are a variety"—well, I shall stop right there because that is typically bad grammar from today's ministerial team. I would prefer the phrase, "There is a variety", but I am a bit old-fashioned about such things. The Minister said:

"There are a variety of concerns about the Bill as drafted, including the level of charges that might emerge, the operation of the licensing body and the engagement of the industry."

He went on to say:

"I am not convinced of the need to set up a new agency . . . We should consider in Committee the option of nominating or establishing an agency".—[*Official Report*, 27 February 2004; Vol. 418, c. 566.]

I cite the Minister's quotes from *Hansard* to illustrate the fact that we are being asked to agree to a money resolution despite the fact that the Minister does not know what Bill will emerge from Committee, which reinforces the points made by my hon. Friend the Member for Spelthorne. I shall return to further quotes from the Minister in a moment, if I may, but rather than quoting from the *Hansard* report of Second Reading, I shall now give a few examples of what the Minister said in this debate. He said that robust cost estimates will be prepared—note that they have not been prepared, so there are no robust cost estimates to support the money resolution. He then said that there will be set-up costs, which he also confirmed in an intervention on my hon. Friend the Member for Spelthorne. The Minister also said that there will be no significant net increases in Exchequer costs, which my hon. Friend the Member for Sevenoaks (Mr. Fallon) emphasised. Finally, he said that the costs will be offset by increases in tax revenues. So a confused picture is emerging. All those different statements take us in a completely different direction with regard to the costs that the Bill will incur.

Let us consider one or two of those statements because they are contradictory. When the Minister said that there will be no significant net increases in Exchequer costs, he was implying that the revenues will be met by the licensing regime, of which we do not have any detail, although he assumes that that will emerge from the Standing Committee. We do not know what the charges will be, as my hon. Friend the Member for North Thanet (Mr. Gale) said. We are in the invidious position of being asked to agree a money resolution without knowing the set-up costs, although the Minister hinted that he had a fairly good idea of the set-up mechanism, but without a costing, because the robust cost estimates will be prepared. He is telling us either that he knows the costs, but will not reveal them, or that he does not have a clue about the costs, but wants us to agree to the money resolution anyway.

Mr. Fallon: I hope that my right hon. Friend is not going to give the Minister the benefit of the doubt. He clearly told the House that there will be no significant net costs, and we have to take his word for that. We have to assume that he has made some measurement of the costs because he has led the House into believing that the net costs of the set-up of the whole new regime, before the annual enforcement, will not be significant. Therefore, he must know roughly what they will be.

Mr. Forth: You would think so, Mr. Deputy Speaker. My hon. Friend makes a good point, but it is more complicated than that. As the hon. Member for Morecambe and Lunesdale (Geraldine Smith) frequently says, the key is enforcement. If we are to believe that the Bill or, indeed, any other measure will be truly effective, the key to that is the effectiveness of enforcement, as hon. Members said on Second Reading, but we do not know how much money in the resolution will be guided towards enforcement or set-up, and how much may be offset by the costs of the licensing regime because the Minister is coy about that as well.

Here is the question: will the licensing charges be set at a level to cover all the set-up and enforcement costs, or will they be set at a reasonable level, as my hon. Friend the Member for North Thanet would prefer, so that the activities can continue to be viable, but perhaps not cover all the costs? There is a dilemma that the Minister has been unable to resolve. He is saying, "Trust me. We'll go into Committee. I'll do deals with the Bill's promoter", and the scheme will emerge in some as yet unknown form for debate on Report and Third Reading, which we all look forward to very much because that will be key to everything. In the meantime, the money resolution remains formless and shapeless. We have no idea where the emphasis will be laid when the Minister juggles, as he has had to do up to now, between covering the costs, presumably keeping faith with the restraints that the Exchequer has laid on the matter—

It being forty-five minutes after the commencement of proceedings on the motion, MR. DEPUTY SPEAKER *put forthwith the Question already proposed from the Chair, pursuant to Standing Order No. 52 (1) (a) (Money resolutions and ways and means resolutions in connection with bills).*

Question agreed to.

VISITOR FACILITIES

Motion made,

That this House approves the First Joint Report of the Accommodation and Works Committee and the Administration Committee on Visitor Facilities: Access to Parliament (House of Commons Paper No. 324) and endorses the Committees' proposals for a new reception and security building at the north end of Cromwell Green.—*[Vernon Coaker.]*

Hon. Members: Object.

NOMINATION OF SELECT COMMITTEES

Motion made,

That the Standing Orders be amended as follows:

(1) In Standing Order No. 15 (Exempted business), line 18, leave out from 'committees' to 'which' in line 20 and insert 'to which that paragraph applies'.

(2) In Standing Order No. 121 (Nomination of select committees), line 10, leave out from 'under' to ', or' in line 13 and insert 'the Standing Orders of this House (with the exception of the Liaison Committee, the Committee of Selection, the Committee on Standards and Privileges and any Committee established under a temporary Standing Order).'—*[Vernon Coaker.]*

Hon. Members: Object.

Antisocial Behaviour (Cambridge)

Motion made, and Question proposed, That this House do now adjourn.—*[Vernon Coaker.]*

10.4 pm

Mrs. Anne Campbell (Cambridge) (Lab): I am grateful to have secured the debate. Antisocial behaviour is of grave concern to many of my constituents. I am pleased to have the opportunity to air those concerns publicly.

For some time, I and Labour councillors in Cambridge have been working hard with the police and council officers to try to combat some of the worst effects of antisocial behaviour. We have had moderate success in the Arbury area, where I worked with councillors such as Mike Todd-Jones and Ian Kidman to identify locations where drug dealing was taking place and, in one case, where a council flat was being used for prostitution. That has now stopped, which has brought some relief to my long-suffering constituents. However, there are other locations in the city where drug dealing is taking place, and the problems still need to be tackled.

Earlier today, I heard about a number of massage parlours in the city that are being used as brothels. They cause immense nuisance and intimidation to residents living nearby. I regret that the police find it difficult to collect the evidence necessary to close them down.

The Minister will be pleased to hear that I recently organised a big conversation event on antisocial behaviour in Kings Hedges, an area of the city that has been blighted by antisocial encroachment in recent months. Residents tell me that they want quite simple improvements such as lists of telephone numbers so that they know how to report antisocial behaviour easily. They want street lights repaired promptly. They also want broken glass swept up quickly so that it does not become a hazard to children and animals. In addition, they want a sympathetic response from their local council housing office when they report noisy and antisocial neighbours.

Residents warmly welcome the extra police officers, the new community police officers and the street wardens. They recognise that the Government's antisocial behaviour legislation can lead to improvements in the quality of their lives. We have a good set of community beat managers in Cambridge, who do a magnificent job when they are allowed to get on with it. I have recently spoken to the chief constable of Cambridgeshire about the problems that occur when community beat managers are pulled out of their neighbourhood to other neighbourhoods to solve burglary and car crime incidents. I and Labour city councillors believe that community work that addresses antisocial behaviour has much more beneficial long-term effects.

I single out for particular praise two local community beat officers—Constable Nick Percival and Constable Mark Rabel. Nick Percival was allocated to the East Chesterton ward in Cambridge as community beat manager about 18 months ago. The ward was experiencing severe problems with gangs of children breaking windows, starting fires and stealing cars. The area has been transformed. Nick is known by all the children in the area as PC Nick, and they like and respect him. Although the area is by no means problem free, it has become a much more pleasant place to live.

A few months ago, PC Mark Rabel was appointed as an extra police officer—funded by the city council—specifically to deal with street-life people. He has served two antisocial behaviour orders for aggressive begging. He has spoken to and profiled 200 people living on the street in the city. He has made a number of arrests for aggressive and intimidating behaviour. The action taken by Mark has had a significant impact on one area of the city where aggressive begging and drug taking is a big problem. He has been hampered, however, by the city council's reluctance to implement appropriate legislation to deal with antisocial behaviour. Although there is an improvement in the situation, local residents and traders are concerned that with the return of the warmer weather and the lighter evenings, they will once again be plagued by large groups of aggressive street-life people drinking and shooting up outside their homes and businesses.

Of course, many people who cause us such anguish have serious problems, and I am not unsympathetic to their plight. I have met the National Treatment Agency for Substance Misuse, which says that a drug addict can receive treatment within one week of making a request. In Cambridge, addicts have to make their way to the drugs centre on Mill road for supplies of methadone. I am told that that does not provide the same buzz as heroine and cocaine, so a top-up drink of Special Brew is often taken as well. Following my complaints, the police have prosecuted one shopkeeper who was selling Special Brew illegally, although the problem continues. I should be glad to hear from my hon. Friend whether there are plans for more alcohol rehabilitation centres, as that is a major issue, quite apart from drug rehabilitation. Another problem in Cambridge is that there is no wet centre where addicts could go to drink during the day or at night.

Most street-life people have council flats, and accommodation can be found for those who have recently arrived in Cambridge by one of the excellent homelessness agencies in the city. Local people have always responded compassionately and sympathetically to the problems of homelessness but compassion has been eroded in recent months by sheer numbers and by the way in which groups collect regularly on street corners to drink, quarrel, shout abuse and inject themselves with drugs. There is also a problem with used needles, which are discarded in bushes and alleyways, and left at the roadside. Although there is still sympathy and willingness to help, local people believe that street-life people must behave in a way that is compatible with the needs of society and that much of their behaviour at present is simply unacceptable. There is also concern that because Cambridge is an attractive location, with no drinking ban in force, with many good agencies to support and counsel street-life people and with easy pickings for anyone prepared to beg, it is a target for street-life people. Certainly, numbers have increased markedly on those of a year ago.

In October, I was invited to attend a meeting organised by former superintendent John Fuller, who had been brought out of retirement by the Cambridgeshire police to tackle the specific problems of antisocial behaviour in three different areas of the city. There were about 90 residents and traders at that meeting, all very angry about drinking and aggressive begging in Mill road, a problem that had arisen since the police decided to get tough with people begging in the city centre. Several arrests had been made in the city centre, which had displaced the problem to Mill road and Mitcham's corner.

At that meeting, I launched a petition asking for a city-wide designated public places order to be put in place. We asked for a city-wide order, not realising the full extent of the legislation at the time, to try to stop the displacement from the city centre into Mill road and Mitcham's corner. It is obvious that many of my constituents agreed, because in a short time, we had more than 2,000 signatures. Labour city councillors called for a special meeting of the city council on 19 November to discuss the matter.

I am sorry to report that the Liberal Democrat-controlled city council overruled Labour proposals for a designated public places order—DPPO—and decided instead to introduce its own byelaw. Its stated reasons were, first, that

"a city-wide ban was preferable to action on specific streets",

but was not possible with a DPPO. That is probably correct, and I hope that my hon. Friend will confirm that it is. The second reason, which I find rather surprising, was that the Liberal Democrats

"regarded the DPPO powers as unacceptable in principle",

and drew comparisons with the "sus" laws of the 1970s and 1980s. They referred to a particular case in Oxford in which they believed DPPOs had been applied inappropriately. The leader of Cambridge city council has referred to the Oxford example on numerous occasions, and cites the case of a young man celebrating his successful graduation by drinking champagne at a table outside a pub. It is claimed that he was told to stop drinking by the police because of the existence of a DPPO, which led the Liberal Democrat-controlled city council to believe that DPPOs are draconian, and that it is not necessary for people to behave in an antisocial way for the police to stop them drinking.

At that meeting, Labour councillors pointed out that urgency was the most significant issue for people who were suffering from the antisocial effects of street drinking, and that the DPPO could be put in place before Christmas. They said that the debate about whether the ban should be city wide should not be used as an excuse for delay. I offered to meet Ministers with council leaders to discuss the way in which rapid progress could be made. In the meantime, on 17 December, I received from my hon. Friend the Minister a reply to a letter that I had sent her. She said:

"While section 235 of the Local Government Act 1972 enables councils to make byelaws, this is not applicable where there are express provisions in other legislation to deal with the subject matter. It is therefore not an option for the council to make a byelaw dealing with the consumption of alcohol in public places."

I passed that information on to the city council, and asked what it proposed to do. The answer was not very much, and three months later, when the Liberal Democrats appeared not to have made any progress and had not bothered to use my offer of assistance, I arranged to meet the Minister for Local and Regional Government on 4 February, along with council representatives. Councillor Ben Bradnack, acting Labour leader, and Councillor Catherine Smart, who stood in for council leader Ian Nimmo-Smith, attended that meeting, together with two city council officers. My

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right hon. Friend repeated the advice given to me by my hon. Friend the Minister, and explained that in Cambridge's case, the Criminal Justice and Police Act 2001 makes provision to tackle antisocial drinking in the form of a DPPO. He went on to say:

"Indeed, the Council agree that a DPPO could be used to tackle the problem in areas like Mill Road where there is clear evidence of anti-social street drinking. In relation to those areas therefore it is simply not an option for the First Secretary of State to confirm a byelaw".

Imagine my surprise, therefore, when I read in the local paper the next day that Councillor Catherine Smart had said that grave concerns remain over the DPPO and that she continued to favour a byelaw.

Earlier today, I spoke to PC Paul Phillips, a police officer working in Oxford, where a DPPO was introduced 18 months ago. He said that the specific areas that had been causing problems were tackled first, and another section was bolted on later, so the DPPO now covers the whole central area of Oxford. He was very enthusiastic, and described it as a cracking piece of legislation. There has been a significant reduction in crime in the city since the DPPO has been in place. I have to report, however, that there is desperation about the issue in Cambridge. Residents associations in Petersfield, Romsey and West Chesterton are angry and frustrated at the delays. In just over four days, Labour councillors collected another 500 signatures for a petition requesting that the Liberal Democrat-controlled city council hold a special meeting to discuss a drinking ban. That meeting will take place on Thursday 11 March, and I hope that the council will be made to see sense.

Before that meeting, however, it would be helpful if the Minister spelled out the answers to some of our questions. First, could a byelaw or DPPO be used in areas where the police believe that incidents of antisocial drinking may be displaced? Secondly, is it possible to use a byelaw in cases where a DPPO presents a viable alternative? Thirdly, is it possible for people to be arrested for drinking in a designated public place when they are not committing a nuisance to anyone else? Fourthly, what are the relative police powers under DPPOs and byelaws, and which would my hon. Friend consider preferable? Finally, will she give her views about the degree of responsibility of Liberal Democrat-controlled Cambridge city council and the council's prevarication? I should be grateful if my hon. Friend could advise me and the hundreds of people in my constituency who, I know, will be watching the debate.

10.20 pm

The Minister for Crime Reduction, Policing and Community Safety (Ms Hazel Blears): I congratulate my hon. Friend the Member for Cambridge (Mrs. Campbell) on securing the debate, and commend her for organising the big conversation that took place in her constituency. It is vital that we not only listen to the concerns of our constituents, but are seen to be acting on those concerns and making a difference on the ground. I intend to deal with the issues that my hon. Friend raised in relation to street drinking. As she said, we have been in correspondence about the matter for some time, but first I shall say something about the background to the antisocial behaviour powers that the Government put on the statute book, and about the action plan and the Together campaign, which help to set the scene.

Antisocial behaviour affects far too many people. It is true that the great majority of people behave in a way that does not cause alarm, harassment or distress to others, but in some communities there are a small number of people who do exactly the opposite. It is the norm for them to behave badly and to intimidate those around them. Consulting communities about these issues is vital to identify the problems that are damaging our public spaces, and to find solutions to help the community reclaim our towns, cities and rural areas.

Antisocial behaviour issues recognise no limits. It is important that immediate action be taken to deal with problems such as begging, prostitution and street drinking. People want to be able to see and experience the difference it can make when the powers are used. It is important that that action should be incorporated in a wider long-term strategy to address problems on the streets and improve the environment.

We need a new drive and new commitment to turn the words into action, and we need to do far more for the victims of antisocial behaviour. That is why the Prime Minister, the Home Secretary and I recently launched the Together campaign and an action plan to tackle antisocial behaviour. We are backing that plan with £75 million over the next three years. There will be an antisocial behaviour co-ordinator in every crime and disorder reduction partnership in the country. We want to make sure that there is a single point of contact to which the community can refer a range of antisocial behaviour issues that affect them.

There will also be help and support for frontline practitioners—housing officers, environmental health officers, wardens, social workers and police officers—to help them tackle antisocial behaviour. We have just set up the Together academy, which will provide hands-on training for all the practitioners involved in dealing with these issues. We had the first regional event in Birmingham last week, which went extremely well. Over the next couple of months, we will train some 3,500 practitioners in how to use the new powers that the Government have put on the statute book.

That is a key difference in relation to the legislation. We have not simply passed an Act and issued a traditional Government circular. We have the action plan and the academy staffed by expert practitioners who can advise people on how to use the powers, how to get the evidence and how to use the law. My hon. Friend raised some interesting issues about the law, particularly in relation to street drinking.

As well as the academy, we have the action line—a telephone line staffed by experts, whom people can contact with their problems and get on-the-spot advice about how to take action. We have new powers to disperse groups. I understand that these powers are currently being considered in Cambridge. It is rather ironic that the local council administration, which is Liberal Democrat-controlled, is considering the dispersal powers, when those powers were opposed vigorously in Parliament by the Liberal Democrats as being far too much of an incursion into the civil liberties of people who choose to congregate in groups. Those powers of dispersal are important to enable

communities to reclaim the streets from intimidation and antisocial behaviour. In the places where dispersal powers are used, both police and community support officers will have the power to disperse groups where their presence or behaviour has resulted, or is likely to result, in a member of the public being harassed, intimidated, alarmed or distressed.

We have also brought in new powers to issue penalty notices for disorder to people making excessive noise and participating in drunken behaviour in the evening. Environmental health officers now have the power to shut down, with immediate effect, establishments that persistently create noise nuisance; and there is a new offence of selling spray paints to young people under 16, as well as more robust powers for local authorities to deal with fly-tipping, graffiti and fly-posting.

I know that my hon. Friend is particularly concerned about street drinking. City and town centres should be clean and safe, and make everyone feel welcome in using the facilities that are available. People have a right to feel safe in their communities, and we simply cannot have situations in which people are afraid to use our public spaces and facilities such as cash points or shops because they feel threatened by individuals and groups hanging around. In too many areas, local surveys have shown us that large numbers of people are now reluctant to use their city centres and to go out and enjoy themselves, using the facilities, because of intimidation.

The Criminal Justice and Police Act 2001 provides the police with a much more consistent set of powers, including the power of arrest, which was not available in the previous byelaws, for enforcing designated public places orders. The measures contained in the 2001 Act have been widely supported by local authorities, police and crime reduction agencies to tackle antisocial and under-age drinking, which is also an increasing problem, not least in the areas identified by local authorities where there has been evidence of alcohol-related nuisance. Since the introduction of those powers in September 2001, almost 100 authorities in England and Wales have introduced designated public places orders to tackle the problem, which makes me feel somewhat at a loss as to why the difficulties are so acute in Cambridge. Some 98 authorities have introduced the powers.

I have written to my hon. Friend about Cambridge city council's proposal for a byelaw to control street drinking in Cambridge. As she said, under section 235 of the Local Government Act 1972, byelaws cannot be made for a purpose for which provision has already made under another enactment. I understand that that advice has been confirmed by my right hon. Friend the Minister for Local and Regional Government, in the Office of the Deputy Prime Minister.

I would also draw to my hon. Friend's attention the provisions of section 15(3) of the Criminal Justice and Police Act 2001:

> "In so far as any byelaw made by a local authority and to which this subsection applies still has effect at the end of the period of 5 years beginning with the day on which this subsection comes into force, it shall cease to have effect at the end of that period in relation to any public place."

In ordinary language, the provision means that where there was a byelaw purporting to regulate street drinking, it will have expired five years after the Act came into play. Clearly, the intention is to ensure that the legislation to designate public places is used in future instead of byelaws, which were traditionally a difficult, time-consuming and lengthy way for local authorities to proceed.

I believe that the designated public places order legislation is providing an extremely useful tool for local authorities and the police. Unlike the old Home Office byelaw, the arrangements include a police power to confiscate alcohol from people who are drinking and causing a nuisance in a designated place. The police have the power to require a person in such a place not to drink alcohol there when the officer reasonably believes that the person is doing so, has done so or intends to do so. He can also require them to surrender any alcohol or alcohol containers in their possession. It is not an offence to drink alcohol in a designated public place, but failure to comply without reasonable excuse with an officer's requirements in respect of public drinking or surrender of alcohol is an arrestable offence.

With the introduction of section 155 of the Licensing Act 2003, the confiscation powers now relate to both sealed and opened alcohol containers. The police find the power extremely useful, and I am sure that they would find it useful in Cambridge. I understand that local police would prefer to see a DPPO imposed, which would enable them to require people to stop drinking and to hand over any sealed or opened containers of drink, as that removes the problem, which is the alcohol. Rather than using the dispersal powers, the police can use a straightforward power to confiscate the alcohol and stop the problem quickly, which is what local residents want. My hon. Friend will be aware that a DPPO can be implemented within 28 days.

My hon. Friend asked about alcohol rehabilitation centres. She will know that we have been working on the alcohol harm reduction strategy for some time, and publication is imminent. It will certainly deal with questions of treatment and referral. Wet centres are operating successfully in some areas. I recently designated a wet centre as a place to which the police can take drunken people rather than holding them in custody. That is a worthwhile use of such centres.

My hon. Friend asked whether displacement could be taken into account in designating an area under a DPPO. I confirm that that is a relevant issue for local communities. Before designating an area, local authorities should make an assessment of all the areas to which nuisance or disorder may be displaced, ensuring that everyone affected by the designation is appropriately consulted. That is to allow consideration of the consequences of the order on a neighbouring authority. It might be appropriate for a local authority to designate an area beyond the site of the immediate problems caused by antisocial drinking if police evidence suggests that the existing problem may be displaced when the DPPO is in place. In that case, the designated area could include the area to which problems might be displaced.

Again, the Office of the Deputy Prime Minister has offered assistance from officials in drafting the order, in the light of the experience of the other 98 authorities that

[Ms Hazel Blears]

are already operating the system successfully. Unfortunately, the offer has not so far been taken up, but it remains open.

My hon. Friend asked whether someone could be arrested if they were drinking and no problem was caused. A constable may ask for the alcohol to be surrendered, and if someone refuses to do that without reasonable excuse, they can be arrested. Clearly, it will be for the courts to determine the facts.

My hon. Friend mentioned the balance between using DPPOs and using the appropriate byelaw. The DPPO is a simple and straightforward piece of legislation, carrying strong arrest powers that have proved very useful. The powers under any byelaw would depend on how it was drafted and how it was interpreted. I hope that she feels that there is sufficient information for local people to decide on a way forward. The offer of assistance from officials remains open.

I know that dispersal powers are being investigated in Cambridge. The police view is that the power of dispersal under section 30 of the Anti-social Behaviour Act 2003, while better than no power at all, would simply displace the problem to other areas, whereas the DPPO removes it entirely, by requiring people to cease drinking immediately and hand over their alcohol.

It was right of my hon. Friend to raise this issue. The approach that I have outlined to tackle antisocial behaviour generally provides a good foundation on which to rebuild a civic culture of respect in our communities. We are absolutely committed to developing local people's skills and confidence to tackle the problem themselves and to reclaim local areas on behalf of the decent majority. In my view, too many people have put up with the problems of antisocial behaviour for far too long. It is time that we used the powers to tackle—

The motion having been made after Ten o'clock, and the debate having continued for half an hour, MR. DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at twenty-six minutes to Eleven o'clock.

House of Commons

Tuesday 9 March 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

TRANSPORT

The Secretary of State was asked—

Bus Companies

1. **Kevin Brennan** (Cardiff, West) (Lab): What plans he has to allow more commercial freedom for municipally owned bus companies. [159429]

The Parliamentary Under-Secretary of State for Transport (Mr. Tony McNulty): May I convey my right hon. Friend the Secretary of State's apologies for his absence? He has written to the Opposition and your good self, Mr. Speaker. He is taking part in the Transport Council in Brussels.

The Government have no plans to make changes to municipally owned bus companies.

Kevin Brennan: I am glad that my right hon. Friend is in Brussels, which has an excellent municipally owned bus company, just as Cardiff has. Is it not about time that we looked again at the commercial freedom of municipally owned bus companies, which are shackled by the regulations introduced under the Tories in the 1980s, when there was a fetish for privatisation? Is it not time to consider giving them the freedom to develop properly integrated public transport systems in our cities?

Mr. McNulty: My hon. Friend will know that municipally owned bus companies operate in a competitive market, alongside private sector buses, in some 17 towns and cities in this country. I am happy to share his comments about the efficacy of Cardiff's municipal bus company, but the Government intend that those companies should continue to be free to get on with the business of running their buses, without any advantage or disadvantage because of their municipal status.

Chris Grayling (Epsom and Ewell) (Con): Is not the problem with buses not the commercial freedoms of the municipal companies, but the way in which the subsidy provided by the public sector for bus services is so heavily skewed in favour of certain parts of the country? In Surrey, bus services are disappearing while hundreds of buses are being put on to the roads every day, courtesy of the taxpayer, across the border in London. When will the Government provide a better balance between the funding allocated to London and the other major metropolitan areas and the surrounding rural and semi-rural areas that are losing bu services for want of money?

Mr. McNulty: I commend the hon. Gentleman on his ingenuity in asking about how poor Surrey's buses are during a question on municipally owned bus companies. In the first instance, he should take up the case with Surrey county council, which, I believe, is neither Labour nor Liberal Democrat-controlled.

Mr. George Stevenson (Stoke-on-Trent, South) (Lab): Is not one of the problems with the better integration of bus services—whether municipal or privately owned—the attitude of the Competition Commission to matters such as the interchangeablility of fares and tickets? The Competition Commission seems to take the view that they may be anti-competitive, so bus companies and organisations cannot serve the public in the way that they want by making bus fares interchangeable.

Mr. McNulty: I can happily tell my hon. Friend that he is just a tad behind the times. Last week, I had the great pleasure of launching the Solent travelcard, which involves some 14 bus companies working together, with interchangeable fares, in Portsmouth, Southampton and Hampshire, so that people can travel throughout that area without worrying about the confusion of whether they have the right bus ticket for each bus company. I hope that that, rather than what my hon. Friend describes, is a portent for the future.

Speed Cameras

2. **Mr. Archie Norman** (Tunbridge Wells) (Con): What plans he has to amend the guidelines for siting speed cameras. [159430]

The Parliamentary Under-Secretary of State for Transport (Mr. David Jamieson): The safety camera partnerships have prepared their 2004–05 operational cases on the basis of the "Handbook of rules and guidelines for the operation of the national road safety camera programme", dated 31 October 2003, which includes the criteria for the sitting of cameras. The handbook is kept under review.

Mr. Norman: Will the Minister acknowledge that, although several speed cameras in my constituency have a negligible bearing on safety, the guidelines prevent us from getting a speed camera in the worst accident blackspot in the area—on the A21 at Flimwell, where 11 fatalities and nearly 100 accidents have occurred in the past five years—because the police say that the speed limit cannot be reduced because the traffic goes too fast. We cannot get a speed camera in place exactly because the speed limit is too high. Will he acknowledge that the guidelines for speed limits and speed cameras need to be integrated, so that we can address the problem of the worst blackspots and remove those cameras that have no real bearing on safety?

Mr. Jamieson: I note that the hon. Gentleman has called for a relaxation of the rules on the placing of cameras. That is certainly echoed by a number of authorities around the country that have written to us after we asked them at Christmas whether all their cameras met the criteria, and we will consider that. The police have a certain amount of discretion, but we will look at that. Of course he may want to have a discussion with the hon. Member for Ashford (Mr. Green)—the Conservative spokesman—who has a very different view on such matters.

The hon. Member for Tunbridge Wells (Mr. Norman) says that some of the cameras in his constituency are ineffective. Before a camera was fitted at the A264 Langton road-Langton green junction in December 2000, there were 16 crashes and four people were killed or seriously injured. Since the camera was fitted, there have been two crashes and no one has been killed or seriously injured.

Mr. David Kidney (Stafford) (Lab): Does my hon. Friend accept that some people still do not get it? If we could reduce excessive and inappropriate speeds, we could reduce deaths and serious injuries on the roads. If education is the problem, could some more money from speed camera fines be used for education—specifically, for speed awareness courses?

Mr. Jamieson: We have no such intention at the moment. The money from fines goes entirely towards maintaining cameras and ensuring that they are in the right places. I am sure that my hon. Friend has noted, as I have, that although I have asked the hon. Member for Ashford several times to tell us where the 4,000 cameras that are in the wrong places are, as yet we have heard nothing from him. I look forward to hearing him speak at the Dispatch Box today.

Mr. Gerald Howarth (Aldershot) (Con): Is the Minister aware that, despite the introduction of a large number of speed cameras in Hampshire, the fact is that fatalities in Hampshire have risen over the past two years? Is he aware that a representative of our safety camera partnership—I think that that is a misnomer in any case—is reported as saying:

"Where we've put cameras, we've had a reduction in casualties ... Deaths might have gone up on other parts of the road. I don't know what happens away from our cameras"?

Is not that kind of view doing a great disservice to road safety policy? Surely road safety is a question not only of cameras, but of routine policing as well?

Mr. Jamieson: First, the Hampshire partnership informed us that its cameras were in places that met the Department's criteria. Secondly, I suggest that the hon. Gentleman talk to his partnership to find out what has happened on accident reduction in places where cameras have been sited. If he is saying that there are more casualties in his area, he may be arguing for more road safety features, which might include more cameras. He might want to have discussions with the hon. Member for Ashford, who I notice is silent on this matter and seems to have given up on providing the evidence that he says exists to show that 4,000 cameras are in the wrong places.

John Mann (Bassetlaw) (Lab): If anyone can identify one of the useless cameras that is not working, I will do them a deal. I will swap them the road humps that I still have in Warsop in my constituency for a speed camera. I have a whole series of constituents who want speed cameras. If a community wants a speed camera, should it not be able to decide that through a ballot in a referendum instead of being fobbed off with useless excuses about why it cannot have one?

Mr. Jamieson: I know my hon. Friend's views on road humps, and I think that he would agree that finding appropriate measures in a specific area is what reduces the speed of traffic. I know that his view is shared on a cross-party basis because we have received a letter from West Sussex county council, which says of cameras

"However their activities are somewhat constrained through the strict rules on where cameras can be deployed. I receive many requests from parish councils and others for more flexibility on this issue."

The letter is signed by Lieutenant-Colonel Tex Pemberton, OBE, who, I believe, is a Conservative councillor on the council.

Mr. Damian Green (Ashford) (Con): I am always willing to meet popular demand.

The Minister will be aware that when he solemnly announced last week that every single speed camera was in exactly the right place—based on evidence provided by the speed camera partnerships that put them where they were in the first place—he simply made himself look ridiculous. He keeps asking for examples of wrongly placed speed cameras, so I invite him to talk to the Commissioner of Police of the Metropolis, who has just removed hundreds of cameras because they were in the wrong position. What does the Minister say to the Automobile Association, which says:

"No partnerships are going to say cameras need to be taken down because they would risk not being able to cover their costs ... In fact the pressure is on them to keep putting up more cameras just to pay for the ever-rising numbers of staff"?

Does the Minister agree with the AA and us that we need a proper independent audit of the cameras to ensure that each one is helping road safety and not just making money for bureaucrats and the Government?

Mr. Jamieson: I am glad that the hon. Gentleman got to his feet, although I do not think that he had intended to do so before I challenged him. First, the Metropolitan police have quite properly reviewed their cameras, as we asked all partnerships to do. The letter that we received from the London partnership told us that all its cameras were in places that met the criteria. The hon. Gentleman is essentially saying that the criteria should be altered or adjusted. He still has not substantiated the comments that he made to the media around Christmas and new year saying that most of the cameras were in inappropriate places. That is not shown by evidence from councils because I have letters from all the partnerships—if he wants to have a look at them, they are from Conservative, Labour and Liberal Democrat councils and from chief constables. If he wants to say that cameras are in inappropriate places, he should come before the House with evidence, but so far, he has failed to do so.

Mr. Green: The Minister appears to be deaf, as I have just pointed out that the Commissioner of Police of the Metropolis said that he wants to remove hundreds of cameras. He may wish to treat the commissioner with contempt, so let us see how he reacts to the chief constable of Durham, a county with a very good road safety record, who writes that the cameras catch vehicles exceeding the speed limit in only 3 to 4 per cent of collisions. He also says—significantly, this is the issue that the Minister consistently ignores—that unlike many police forces Durham has

"not reduced the number of road policing officers".

Is that not the key? The Minister wants more cameras and fewer traffic police, but we want to keep the traffic police and put cameras only where they are needed. Does he agree that it is time to change his policy, which is damaging relations between the police and the general public, and is emphatically not the best way to make our roads safer?

Mr. Jamieson: In the case of Durham, I had asked for an explanation of the reason why casualties had gone up, whereas they have gone down in many neighbouring authorities. The hon. Gentleman has still not dealt with the main point. He has backed off from talking about those 4,000 sites, and I believe that he ought to withdraw that comment. I have received comments from the partnerships, many of which cover areas represented by his party, including his own partnership in Kent. It referred to his remarks in the press and said:

"When is the non-sense that is regularly promoted in the national media going to be proactively countered?"

I urge the hon. Gentleman to counter that impression. He does not have a policy but a posture. He will remain in opposition with those arguments and we will remain in government until he learns that he is not practising opposition but opportunism.

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): Could the Minister tell the House how many motorists who keep within the law when passing speed cameras are prosecuted? Is it not time that we strengthened the guidelines so that the safety partnerships can consider any site where there has been a personal injury? Should we not give priority to consideration of the families of people who die or are seriously injured on our roads?

Mr. Jamieson: That is the point. The policy is not about catching people or raising money but about reducing death and injury on our roads. It has been manifestly shown that, where cameras are sited, there is on average a 35 per cent. reduction in the number of people killed and seriously injured on the road. My hon. Friend makes a good point—people who stick to the law and stay within the speed limit are driving safely. The vast majority of motorists do so, and they are not fined.

Railways

3. **Mr. Paul Burstow** (Sutton and Cheam) (LD): What steps are being taken to reduce costs in the railway industry; and if he will make a statement. [159431]

4. **John Barrett** (Edinburgh, West) (LD): If he will make a statement on the steps being taken to reduce costs within the railway industry. [159432]

The Minister of State, Department for Transport (Dr. Kim Howells): Controlling costs is a key challenge facing the railways, and both the Government and the Office of the Rail Regulator have made that clear to rail companies. Over the past eight months or so, considerable progress has been made on getting a grip on costs and delivering greater efficiency, and the rail review is examining what can be done to accelerate that.

Mr. Burstow: Is it not time to have a look at the profits made by rolling stock companies and the charges that they impose on train operating companies for the hire of railway equipment? Is it right that £144,000 a year is paid for a two-coach Pacer, when it originally cost £350,000 to build and lasts for 20 years? Is it not time to include ROSCOs—the rolling stock companies—in the remit of the regulator so that their costs and the proportion of costs that they pass on to train operating companies and ultimately the taxpayer can also be looked at?

Dr. Howells: That is a good question, and it is certainly addressed in the rail review. I hope that the hon. Gentleman will acknowledge that, over the past seven years, ROSCOs have invested more than £4 billion in new rolling stock, and 4,000 carriages—about a third of the total UK fleet—have been replaced. We are interested in considering charges and profit margins to see how it might be possible to get better value out of our railways in general.

John Barrett: Will the Minister confirm that, in attempting to cut costs in the railway industry, safety will never be compromised, so that events such as Ladbroke Grove, Hatfield and Potters Bar will never happen again?

Dr. Howells: Yes. I appreciate the logic of the hon. Gentleman's question, but I find it curious, since the ethos of the railways has always been safety first, and it continues to be so. We should not be risk-averse as a society. There will always be risks involved in running the railways; we have to cut those risks down to an absolute minimum. The railway authorities are trying to do precisely that.

Clive Efford (Eltham) (Lab): On costs, will my hon. Friend look into the upgrade of the electricity supply on network south-east to ensure that we are getting value for money? I have been advised by the Strategic Rail Authority that even once the electricity supply is upgraded, we will not be able to run 12-car trains across the entire network throughout peak periods. If we do not plan for the long-term future, we may soon find ourselves unable to run longer trains or meet capacity needs. I urge him to look into that matter.

Dr. Howells: I will certainly look into it, although I have not heard the report myself. The absurdity of

having leased and ordered huge amounts of new rolling stock without realising that it could not be run on the southern region because the electricity supply was not up to it has become a famous misdemeanour in the administration of the railways. We are spending £1 billion on upgrading the power supply to the southern region in the belief that it will enable us to run new and longer trains that will serve customers better.

Lawrie Quinn (Scarborough and Whitby) (Lab): Does my hon. Friend welcome the Strategic Rail Authority's recent announcement of its review of community rail partnerships such as that in my constituency between Whitby and Middlesbrough? Does he agree that that will drive down costs on the railways by re-establishing the important link between local communities and the railway industry?

Dr. Howells: Yes, I do. There are opportunities for all kinds of imaginative ways of running the railways better. Often, local circumstances dictate how best the railway should be run in that area, and a great deal can be done to tap the creative potential that is there to provide better service for customers.

John Thurso (Caithness, Sutherland and Easter Ross) (LD): Does the Minister agree that the amount of cost mismanagement on the rail system demonstrates incompetence on a monumental scale, especially as the number of bureaucrats involved in supervising and regulating the industry has increased fivefold in the past decade and the amount spent on consultants has tripled in one year? Who among all those bureaucrats and consultants is responsible for proper cost controls and internal audit? Is it the Strategic Railway Authority, Network Rail, the rail regulator or, ultimately, the Government? Where does the buck stop?

Dr. Howells: As the hon. Gentleman knows, the industry is administered in far too complex a way. There are too many chiefs, and the lines of command are too long and need to be shortened. We must be able to make decisions—very often, vital decisions—much more quickly to produce a better railway. The Office of the Rail Regulator has identified £5 billion-worth of savings. However, the hon. Gentleman is right to highlight the confusion that exists. When I came into this job last July, the cost of the west coast mainline upgrade was about £14 billion. It began at £2 billion, and is now down to about £7.5 billion. Those cost predictions are flexible, by any standards. We are getting a grip on the situation, but that should have happened long before last summer.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): My hon. Friend knows that Network Rail tries hard to get control over costs and it should be encouraged to do that. However, there is still too much fragmentation. Will he ensure that Network Rail has access to a sensible set of costs and that contractors are told that the days of fleecing the taxpayer are over?

Dr. Howells: Yes. Network Rail's decision to take maintenance contracts in-house is a good start that will probably save the taxpayer approximately £300 million a year. More important, it will get the work done more efficiently and probably to higher standards. That is good news for those who use the railways and will lead to building up a skills base in Network Rail. That will be useful to the organisation in future.

Mr. Christopher Chope (Christchurch) (Con): Is the Minister thereby apologising for the fact that since 1997, the cost of providing our railways has trebled? Does he agree with this week's report from Transport 2000 that much of the extra money

"has been wasted on inefficiencies and incompetence at every turn"?

Dr. Howells: We have discussed the matter several times and I am sure that the hon. Gentleman, who is generous, will admit that we inherited a ramshackle vehicle in the form of Railtrack and a system that was fatally flawed. We are trying to create a much better railway system. That will take some doing because he was right about the grave flaws, some of which continue to exist. We have tried to tackle them in the past seven years but there is no question that we have not been entirely successful. If that sounds like an apology, I hope that he will accept it.

Mrs. Ann Cryer (Keighley) (Lab) *rose—*

Mr. Speaker: Order. I shall call the hon. Member for Christchurch (Mr. Chope) again.

Mr. Chope: Thank you, Mr. Speaker. I have two goes today.

Does the Minister accept that the reason for the delay in publishing the National Audit Office report, which is out today, is the huge scale and gravity of the waste of taxpayers' money that it has uncovered? Does he further accept that it is time for the Government to learn the lesson, "Waste not, want not"? Is not it apparent from his previous answer that the Government inherited railway costs that are one third of current costs?

Dr. Howells: It is true that costs were one third of current costs. They have increased by so much because there had been no investment in the railways before we took them over. That was proved when the terrible accident occurred at Hatfield, and Railtrack—the company that the Conservative Government set up—had no idea of its asset base. When we began to realise the number of broken rails and the extent of repair that was needed to the infrastructure, we understood that the railways needed investment. The Government are doing precisely that for the first time in 30 years.

Mrs. Cryer: The economy is booming, especially in cities such as Leeds, which acts as a magnet and draws in an ever increasing number of commuters from areas such as mine. Does my hon. Friend agree that, while we need to cut the profits of the ROSCOs, which were a result of privatisation, we should try to run more trains and strengthen provision for people such as those in my constituency who use the Airedale and Wharfedale lines?

Dr. Howells: I am sure that we could run more trains on the Airedale and Wharfedale line. Last week, I had the privilege of visiting Japan, where rail infrastructure

is 25 per cent. greater than ours. It has 20,000 km of track whereas we have 16,000 km. Last year, the railways in this country carried 1 billion passengers—the highest number since 1961—but the Japanese carried 21.7 billion. We ought to be able to squeeze much more capacity out of our railways. We have much to learn from the Japanese and we had better start learning it.

Airports

5. **Mr. Mark Prisk** (Hertford and Stortford) (Con): What plans his Department has to review the cross-subsidy of airports in the south-east. [159434]

The Parliamentary Under-Secretary of State for Transport (Mr. Tony McNulty): The Government have no such plans.

Mr. Prisk: Many airlines at Heathrow and Gatwick strongly oppose the idea of cross-subsidising a runway at Stansted. They would not benefit from that, and it would serve their competitors. Given that opposition, what assurances has the Minister received from BAA that it will be able to fund the whole scheme, including road and rail access?

Mr. McNulty: The hon. Gentleman knows as well as I do exactly what is in the White Paper, where we clearly say that the Government will not promote or pay for the development of Stansted. We expect BAA to bring forward plans for the development of new capacity at Stansted in a way that is responsive to market needs, and to provide the necessary funding. We fully recognise the independence of the Civil Aviation Authority and its role in regulating the sector, and the Government expect the CAA and BAA to secure an appropriate framework to bring the development to fruition.

Mr. Graham Stringer (Manchester, Blackley) (Lab): Is not the best way to deal with the cross-subsidy issue to follow the advice of the Select Committee on Transport, and break up BAA? That would not only deal with cross-subsidies but remove something that has been a great barrier to providing runway infrastructure in the south-east for the past 60 years.

Mr. McNulty: The CAA has made it clear that its policy of regulating each airport on an individual, stand-alone basis was introduced earlier last year, after consultation, to underpin commercial disciplines for airport development. The CAA has no plans to consult on that again. That would remain the reality, regardless of who owned the airports in the south-east.

Mr. Edward Garnier (Harborough) (Con): The expansion of Stansted airport is of great local interest, as is the expansion of East Midlands airport. When will the Minister respond to my e-mails and rearrange the cancelled meeting on that?

Mr. McNulty: The hon. and learned Gentleman should be very clear today, although he was not at the business statement, that that meeting, which was called not by his good self but by another east midlands Member, was duly cancelled by that Member. The hon. and learned Gentleman's notion that my office cancelled it is erroneous. I am more than happy to have that meeting, which was to discuss the change of name at East Midlands airport, and any subsequent meetings, and I shall answer his e-mail in due course.

Trams

6. **Mr. Michael Jack** (Fylde) (Con): If he will make a statement on his Department's policy on tramway refurbishment. [159435]

The Minister of State, Department for Transport (Dr. Kim Howells): Tramway refurbishment is a matter for the local authorities or the private concessionaire.

Mr. Jack: I am grateful to the Minister for his useful and illuminating answer. He knows Blackpool well, and he knows the support that the hon. Members for Blackpool, North and Fleetwood (Mrs. Humble) and for Blackpool, South (Mr. Marsden) and I have given to Blackpool borough council's application for assistance in the refurbishment of its tramway. The Minister also knows the importance of that project to the whole Fylde coast transport infrastructure, and he will appreciate that it is the key to further evaluation of possible light rail developments to Preston and beyond. In the light of those points, when is his Department likely to make up its mind on giving support to Blackpool? Does he recognise the importance of keeping the existing tramway infrastructure in good condition?

Dr. Howells: It is important to keep the existing tramway system in good condition, and I can tell the right hon. Gentleman that the Department's decision on the bid will be made in the context of the wider transport programme. My right hon. Friend the Secretary of State will endeavour to make an announcement shortly.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): In considering future investment in trams, the Minister might like to reflect on the success of the Sheffield supertram, which carries 12 million passengers a year. I hope that he will consider favourably plans for its extension to Rotherham. Will he also reflect on the complete nonsense of bus deregulation, which means that we do not have integrated transport at local level because trams and buses do not run together, and that we do not have proper joined-up timetabling or through-ticketing? Does he agree that to receive the best return on investment in trams, we need to ensure that buses and trams are co-ordinated at local level and do not run in competition?

Dr. Howells: I agree with my hon. Friend that, wherever possible, properly integrated transport systems for passengers should be constructed. That is not rocket science, but there is not a blueprint for one system that works better than all others. Transport systems need co-ordination and joint input, and local authorities, private companies and passengers' representatives should be able to get together to deliver just that.

Merchant Shipping

7. **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): If he will make a statement on the level of piracy and armed attacks against UK flagged merchant ships. [159436]

The Parliamentary Under-Secretary of State for Transport (Mr. David Jamieson): The number of piracy and armed attacks on United Kingdom flagged merchant vessels has risen from one or two a year in the mid-1990s to six in 2003. That is clearly unacceptable. Over the years, my Department, in partnership with the Foreign and Commonwealth Office, has launched a range of initiatives to raise the profile of the issue around the world. We continue to work with the United Nations General Assembly, the European Union, the International Maritime Organisation and the maritime industry on this issue.

Mr. Carmichael: I thank the Minister for that very helpful and comprehensive answer. He will be aware that the problem is particularly acute in Indonesian waters around the Malacca straits and Bintan island, where, last year alone, there were 121 reported incidents. Will he add his weight to the call by the National Union of Marine, Aviation and Shipping Transport Officers for the Royal Navy to provide protection for our merchant fleet in areas where there is a known danger?

Mr. Jamieson: The incidents are fairly narrowly focused. Of the six incidents involving UK ships last year, two took place off Guyana, and the others took place off India, Vietnam, Cuba and Nigeria. I think that the hon. Gentleman would accept that they were therefore widely spaced around the world. I am pleased to say that no one was injured in any of them; the ships were all at anchor and the incidents mainly involved robbery. We are working closely with those countries, in particular, and with the IMO to try to rid the seas of this problem. Given its geographical spread, however, I am sure that he will appreciate that it would be almost impossible for the Royal Navy to make even a minor impact on such a situation. We are mindful of the problem, however, and I am aware of NUMAST's concerns. We take this issue very seriously.

Patrick Mercer (Newark) (Con): The Minister will be aware of how narrow the dividing line is between piracy, armed attacks and terrorism against shipping. What processes are in place to brief the merchant marine on the intelligence regarding the threat that faces it when travelling in such dangerous waters?

Mr. Jamieson: The hon. Gentleman will of course know that we cannot discuss in the House matters of security or of how we pass on such information in this context. He will probably be aware, however, that the Maritime and Coastguard Agency has made available to all UK flagged ships clear guidelines on how they should react in these circumstances. The United Kingdom also played a major part in drawing up the IMO's code of practice for ships. Furthermore, much of the work that we are doing internationally on port security also relates to maritime security. There is therefore a lot going on in this area, and there are a great many concerns. We are addressing these problems and taking a lead in the world on ensuring that we solve them.

School Transport

8. **Mr. Simon Thomas** (Ceredigion) (PC): What steps he is taking to improve the safety of school transport. [159437]

The Parliamentary Under-Secretary of State for Transport (Mr. David Jamieson): Buses, coaches and minibuses used for the transport of children to and from school are subject to safety standards, as are all passenger-carrying vehicles. Before such vehicles go into service, they are inspected and certified. After that, they are tested annually and can be subjected to random roadside checks. I am not aware of there being any particular problems with the safety of school buses.

Mr. Thomas: I thank the Minister for that reply. He will know that in a rural area such as my own, the safety of children being transported on school buses is of the utmost importance to their parents. What opportunities will the new Bill being published on school transport provide to ensure that schoolchildren are taken on buses that are fully fitted with seat belts and that we get rid of the invidious three children to a seat rule?

Mr. Jamieson: The safety of children on transport to school is absolutely paramount to us. The hon. Gentleman will be aware that we have policies to encourage cycling, walking and, of course, the use of buses rather than cars. He will also be aware that seat belts have to be fitted for journeys that children take within the school day, but that does not always apply to buses. The issue of seat belts has not presented a major problem to us, but over a period of time seat belts will gradually come in, because buses are gradually being fitted with bucket seats rather than bench seats, which will overcome the problem of three children sitting in a seat for two. Even that has not presented itself as a problem, however. One of the biggest problems that we have found often involves not the state of the bus but the behaviour of the children.

Mr. John Smith (Vale of Glamorgan) (Lab): I know that my hon. Friend is aware of the tragic death of my constituent, Stuart Cunningham-Jones, on the way home from school. Does he have plans, however, to review the minimum standards, and the ludicrous three-for-two arrangement, in the light of the coroner's report and the recommendations by both the jury and the coroner in relation to that tragic death?

Mr. Jamieson: I am aware of the tragic death of Stuart Cunningham-Jones. Now that we have seen the coroner's letter on the matter, we are considering his recommendations carefully. In his letter, he said that on this occasion seatbelts did not play a part in the tragedy, but he emphasises that the behaviour of the children on the bus was a major factor. Bus drivers who work the school run are receiving special training, and the Department for Education and Skills is also examining

the issue. The draft Bill that was published yesterday will address not just issues relating to the use of buses but safety issues.

Mr. John Redwood (Wokingham) (Con): Given that most deaths and injuries on public service vehicles are caused by passengers being flung around in a crash, why does the Minister not simply say that all new buses and trains should have seatbelts fitted so that they match the standards of private cars? Our children would then be a lot safer.

Mr. Jamieson: The rules, of course, are that all new coaches and minibuses must have seatbelts fitted. There is not an intention to fit seatbelts in buses on scheduled journeys, mainly travelling at slow speeds in urban areas, partly because it is totally impractical to do so. Generally, the problem is not in relation to buses that travel around city streets relatively slowly but in relation to higher speeds in other areas and on other roads. We are not complacent about the issue, however, and clearly, we will have to address it even more seriously in future.

Nottingham Express Transport System

10. **Paddy Tipping** (Sherwood) (Lab): When he intends to visit Nottingham to travel on the Nottingham express transport system. [159439]

The Parliamentary Under-Secretary of State for Transport (Mr. Tony McNulty): My hon. Friend's skill at tabling questions is unsurpassed, as he is both timely and prescient, given that my right hon. Friend the Secretary of State visited Nottingham yesterday to open the Nottingham express transit line 1 and had the opportunity to meet local authority officials to discuss local transport issues and their successes in Nottingham.

Paddy Tipping: Clearly, the Secretary of State is ahead of the time, given that fee-paying passengers were not able to use the tram until 5.58 this morning. The Minister will be aware that the local authorities, Nottingham city council and Nottinghamshire county council, have worked for many years to open line 1, and want to create a network—lines 2 and 3. Will the Department work closely with the local authorities to ensure that we have a network to meet customer needs across Nottinghamshire?

Mr. McNulty: My hon. Friend will know that we expect the first line to attract an estimated 11 million-plus passengers and to be a real boon to Nottingham, not simply in transport terms but as a catalyst for regeneration. We always work closely with local authorities as and when they determine plans for future additions to networks, and we look forward to receiving Nottingham's subsequent plans eventually. Nottingham will base that on a very strong record in terms of local transport planning, in both county and city, which is to be commended.

Alan Simpson (Nottingham, South) (Lab): Having been at the launch with the Secretary of State yesterday, may I say for the record what an elegant figure he cut? It was almost as stylish and sophisticated as the trams. People at the launch were almost as complimentary about the Secretary of State as they were about my hon. Friend the Member for Sherwood (Paddy Tipping), who was at the initial meeting 15 or 16 years ago that started the process of establishing line 1.

May I repeat the requests of my hon. Friend the Member for Sherwood? The excitement yesterday was that Nottingham Members wanted the Secretary to State to be able to travel from Bulwell in the north of Nottingham to Clifton in the south of Nottingham. To do that, however, the second or third line would have to be in place. Will the Minister assure us that it will not take another 16 years to get lines 2 and 3?

Mr. McNulty: My hon. Friend will appreciate that for 10 of those 16 years the matter was in another party's hands. I expect any analysis of the bids as and when they are received to be done swiftly. The important point is that, following all that has been done so far by the authorities, both city and council, there has been a significant increase in public transport patronage. We want that to continue in a broader context.

Airports

11. **Mr. Alan Reid** (Argyll and Bute) (LD): If he will make a statement on his Department's policy regarding who pays for the cost of security at small airports. [159440]

The Parliamentary Under-Secretary of State for Transport (Mr. Tony McNulty): Government policy is that the aviation industry should cover all its operating costs, including those incurred in the implementation of security requirements. It is free to choose how to comply with the standards required, and how it wishes to pass the costs on to its customers.

Mr. Reid: May I draw the Minister's attention to the impact of the policy in the highlands and islands? In April, passengers for Tiree will be forced to pay a £20 surcharge, and those for Campbeltown will have to pay £12. Those extra charges will have a devastating effect on the economies of small islands and remote communities on the mainland. Will the Government reconsider the policy, and cover the cost of security at small airports? It could be funded from air passenger duty. The cost of security could be spread across all air passengers, rather than the brunt being borne by those using small, remote airports.

Mr. McNulty: We do not want an aircraft travelling from Barra, Campbeltown or Tiree to a major city airport such as Glasgow to be subject to less security than an aircraft operating from any other UK airport. We propose, however, to introduce a regime tailored for smaller and lighter aircraft and the airports from which they operate, commensurate with the nature of such operations and the risk that they pose. We shall consult the industry shortly. We simply cannot compromise on security, although I take the hon. Gentleman's point, which is a fair one.

Crossrail

12. **Mr. Nigel Beard** (Bexleyheath and Crayford) (Lab): If he will make a statement on the importance of Crossrail to *(a)* London businesses and *(b)* the development of the Thames gateway. [159441]

The Parliamentary Under-Secretary of State for Transport (Mr. Tony McNulty): All those issues were covered in Cross London Rail Links Ltd.'s Crossrail business case, the recent review of which my right hon. Friend the Secretary of State is considering. He will make an announcement on the future of the business case in due course.

Mr. Beard: Does my hon. Friend agree that Crossrail's impact on the Thames gateway depends on the continuation of the line from the Isle of Dogs to the channel tunnel rail link at Ebbsfleet via the south bank? Does not the realisation of that potential in turn depend on confidence among private investors that the line will be built according to a credible timetable?

Mr. McNulty: As my hon. Friend will know, the Government said last July that, in principle, Crossrail would be a very good thing for London and its transport network. I trust that he will forgive me for not going into detail about specific parts of specific lines, given that I received the Montague report only about two weeks ago. It is currently being analysed, and a report is soon to be produced.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): Does my hon. Friend agree that the long-awaited Crossrail project is vital to the regeneration of the east end? Many people in London are waiting for a positive sign from the Government.

Mr. McNulty: As the Government said last summer, Crossrail is indeed an important project for London, but we must not put all our eggs in one basket. We must give due weight to the myriad transport and other schemes that are already regenerating east London. East London, and its regeneration, need not wait for the green light to be given for Crossrail.

Railways

13. **Miss Anne McIntosh** (Vale of York) (Con): If he will make a statement on the administration of the infrastructure of the rural railway network. [159442]

The Minister of State, Department for Transport (Dr. Kim Howells): Responsibility for the infrastructure of the rural railway network rests with Network Rail.

Miss McIntosh: I am grateful for that full reply. Will the Minister comment on the Strategic Rail Authority's consultation document, and in particular on the alarming implication that local authorities such as North Yorkshire county council may have to pay for some rural railway networks in future? Will he also confirm that the rolling stock that is to be passed to voluntary groups and local authorities will be in the best possible state, and that the speed limit that is set will ensure that the structure will not be inferior to other parts of the network?

Dr. Howells: As the hon. Lady knows, the document that the Strategic Rail Authority has published is a consultation document. I should remind her that, in general, community rail lines are typically local or rural in character, have a speed limit of 75 mph or less, run a service that is of an hourly or lesser frequency, and have a single operator or one franchise operator plus freight, so there is a lot of leeway. This is not about closures or loading new costs on to local authorities, but it certainly is about trying to tap the existing potential for perhaps running some community railways better.

CABINET OFFICE

The Minister for the Cabinet Office was asked—

Public Appointments

20. **Mr. Bill Tynan** (Hamilton, South) (Lab): What steps the Government take to ensure that people appointed to public bodies are representative of the society they serve. [159449]

The Minister for the Cabinet Office and Chancellor of the Duchy of Lancaster (Mr. Douglas Alexander): The Government want boards of public bodies to be both appointed on merit and representative of society as a whole. On 17 December 2003, we published "Delivering Diversity in Public Appointments 2003". This document explains the action being taken across government to increase diversity on the boards of our public bodies, and the targets that Departments have set for 2006.

Mr. Tynan: I thank my hon. Friend for that response. Given that the Government rightly believe that the best decisions are taken by boards that best reflect local society, will he agree to add to the seven Nolan principles a further committed principle for the Office of the Commissioner for Public Appointments: that public bodies should reflect local communities and society in general?

Mr. Alexander: I know of my hon. Friend's considerable interest in this matter. The Government acknowledged the importance of the Nolan principles of public life when they were published. Of course, they were produced by the Committee on Standards in Public Life, which was established at that time. Its work continues under Sir Nigel Wicks, and I shall certainly consider whether this matter would be better directed towards it. I should none the less add that we are keen to encourage people to involve themselves in public bodies at a local level in the first instance. That is why, for example, such work has been taken forward in relation to school boards.

Mr. Oliver Heald (North-East Hertfordshire) (Con): As the Minister's reply to me of 3 March shows, the number of appointments and reappointments to public bodies over the past three years demonstrates that four

times as many Labour party appointments have been made as Conservative—or, indeed, Liberal Democrat—ones. This Government now wish to impose that system on judges. Can we expect similar results, and is that another reason why the Government are so frightened of the Constitutional Reform Bill being sent to a Select Committee of the House of Lords for proper scrutiny?

Mr. Alexander: That seems a good effort, but it is important to start with some of the facts. More than 80 per cent. of those appointed to public bodies over the past five years were not themselves politically active. When a Labour Government are in power, it is only natural that a number of Labour supporters are keen to offer themselves for appointment to public bodies. But as I said, it is important that decisions be made on the basis of merit, and we want public bodies to be representative of society as a whole. In that regard, the hon. Gentleman might do better to direct his attention towards the supporters of other political parties, and to encourage them to participate in public bodies.

Tony Wright (Cannock Chase) (Lab): Is my hon. Friend aware of the innovation of the lottery boards? They have found new members by a process of lot, or random selection, which has led to the appointment of people who would not otherwise have been found for these posts. Will he embrace this innovation and encourage other public bodies to see how it could be developed?

David Winnick (Walsall, North) (Lab): For judges?

Mr. Alexander: As the sedentary comment of my hon. Friend suggests, one has to be careful about the question of the particular public bodies that adopt this approach. It is clear that we are looking for a high level of expertise for certain public bodies, so although I am interested in the example that my hon. Friend the Member for Cannock Chase (Tony Wright) cites, we need to consider the capabilities of those offering themselves for service, rather than simply making a random selection.

Civil Service

21. **Mr. Wayne David** (Caerphilly) (Lab): If he will make a statement on measures to improve occupational health in the civil service. [159450]

Mr. Alexander: The Cabinet Office works with Departments to promote a consistent approach to managing health in the civil service. It will continue to advise and monitor that area by collecting information on absence rates, facilitating the sharing of good practice and promoting the importance of occupational health in the workplace.

Mr. David: Have any comparisons been made of absenteeism due to sickness in the civil service compared with the private sector?

Mr. Alexander: Finding statistics to make direct comparisons between the public and private sectors is difficult, but I understand that in some private sectors—such as manufacturing and production—sickness rates are similar to those experienced in the civil service.

Mr. John Randall (Uxbridge) (Con): Are there any specific measures to prevent memory loss among civil servants? If so, could they be extended to Ministers of the Crown?

Mr. Alexander: I am tempted to reply that I have forgotten whether such arrangements are in place. I am unaware of any specifics but if there are, I shall be happy to write to the hon. Gentleman.

22. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What initiatives are planned to assist people with disabilities to use their talents by seeking civil service careers. [159451]

Mr. Alexander: The Cabinet Office undertakes a range of activities to encourage people with disabilities to apply to the civil service and to increase the proportion of disabled people in the senior civil service. The summer placement scheme encourages people with disabilities to apply for the graduate fast-stream programme. The civil service also participates in Workstep—a Department for Work and Pensions initiative to help disabled people progress into mainstream employment where appropriate.

David Taylor: Even though the number of disabled persons entering the summer scheme might be relatively modest, that initiative will help to dispel discriminatory attitudes and practices in Departments, as well as giving graduates fast-stream access to more senior jobs. Can my hon. Friend confirm that it remains a central objective dramatically to increase the number of civil servants with disabilities in senior posts from the low level that this Government inherited in 1997? What progress has been made in the intervening seven years?

Mr. Alexander: We are determined to increase the number of disabled senior civil servants serving the country, but recognise that there is more work to be done. I particularly welcome the summer placement scheme, which ensures that the key fast-stream route into the senior civil service takes forward our work in relation to diversity.

Mr. Richard Allan (Sheffield, Hallam) (LD): Constituents of mine report that the problem is less one of getting into the civil service and more one of barriers to progress within it. Is there monitoring of grading and promotions, to ensure that there is no discrimination against disabled people seeking to advance their careers?

Mr. Alexander: Discrimination has no place in the civil service as a whole or the senior civil service. By definition, those entering senior posts have been promoted from the ranks of the civil service. I am keen to see continued and heightened progress in meeting the challenge of increasing the number of disabled people in the senior civil service in particular.

23. **Julie Morgan** (Cardiff, North) (Lab): What plans he has to open up civil service jobs to external applications. [159452]

Mr. Alexander: Within the framework laid down by the Civil Service Order in Council 1995 and the

recruitment code issued by the civil service commissioners, Departments and agencies have the authority to determine their own practices and procedures for the recruitment of staff to the home civil service—including whether to open posts up to external competition.

Julie Morgan: Does my hon. Friend agree that, if even more jobs were open to external advertisement, the civil service would be much more likely to reflect society and have a more diverse workforce?

Mr. Alexander: My hon. Friend makes a powerful point. The number of open competitions has increased and I am determined that—as the Prime Minister made clear in a recent speech—the service should be capable not just of offering expert policy advice but of assisting government in the delivery of policies.

Parliamentary Commissioner for Administration

24. **Brian White** (Milton Keynes, North-East) (Lab): What plans he has to bring forward proposals to reform the office of the Parliamentary Commissioner for Administration. [159454]

Mr. Alexander: The Government's position remains as set out in their response to the report of the Public Administration Committee on ombudsman issues. We are working with the parliamentary ombudsman and others in the ombudsman community to promote joint working and to ensure that arrangements are fit for purpose. I am grateful for my hon. Friend's contribution to the work of that important Select Committee.

Brian White: Does my hon. Friend accept that one of the best ways to improve the ombudsman service is to remove the Members of Parliaments filter? Can he give an indication of when that is likely to happen?

Mr. Alexander: That is one of the issues on which we are in discussion with the ombudsman at present. Under present arrangements, MPs certainly play an important role in channelling complaints through the ombudsman, but I understand that there is a range of opinions throughout the House on this important matter. The discussions will continue.

E-government

25. **Tom Brake** (Carshalton and Wallington) (LD): If he will make a statement on the progress of e-government initiatives within the Department for Transport. [159455]

Mr. Alexander: The Cabinet Office is responsible for leading and supporting e-transformation in government. Within that, the office of the e-envoy is working to improve the delivery of public services and achieve long-term savings by joining up online Government services around the needs of customers. Progress on specific e-government initiatives at the Department for Transport is, however, a matter for Ministers in that Department. They will be able to confirm that specific initiatives are being developed in respect of transport.

Tom Brake: Can the Minister comment on whether he believes that the Department for Transport is making a success of the vehicle registration system, and whether the level of failures in that system is acceptable?

Mr. Alexander: I will, of course, be happy to pass on the hon. Gentleman's comments directly to my right hon. Friend the Secretary of State for Transport. As I understand it, full capability for the electronic first registration of all vehicles now exists, with a take-up of more than 75 per cent.

GM Policy

12.31 pm

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): With permission, Mr. Speaker, I would like to make a statement on the Government's approach to the technology of genetic modification, including its use in crops. The tool of GM has been used for at least 10 years across the world in the production of food and medicines, both human and animal.

In the UK, only a handful of foods have been approved for use—GM soya, tomato puree and some forms of maize. The first two were approved under the previous Administration and the maize in 1997–98. At present, no GM crop has all the approvals needed for commercial cultivation in the UK.

Decisions as to what can be consumed or grown in the EU as a whole have throughout been taken by member states collectively under a regime of safety testing, monitoring and control, which itself dates back 10 years. That legal framework has recently been substantially strengthened, and a much-strengthened regulatory regime came into effect in the UK last year. It is firmly based on the precautionary principle and applied on a strictly case-by-case basis. Every genetically modified organism for which authorisation is sought must receive a comprehensive prior assessment of any potential risk to human health or the environment.

In 1998 the Government decided to go further. We were advised by English Nature of its concern about the effect of current GM herbicide-resistant crops on biodiversity. It was agreed that farm-scale trials would be conducted to assess those risks. Those trials were largely completed and reported by the end of last year, and the results were referred to our independent advisory committee for its assessment.

In the meantime, another advisory committee had advised the Government to fund an independently run public debate or dialogue on GM issues. I accepted that advice and announced in May 2002 that the Government and the devolved Administrations would sponsor such a dialogue with three strands: the debate itself, a thorough review of the science, and an economic cost-and-benefit study by the Prime Minister's strategy unit.

The public dialogue reported general unease about GM crops and food, and little support for the early commercialisation of GM crops. People already engaged with the issues were generally much more hostile. Those not so engaged were more open-minded, anxious to know more, but still very cautious; and it was suggested that, as they learned more, their hostility deepened.

The cost-and-benefit study concluded that the currently available GM crops offer only some small and limited benefits to UK farmers, but that future developments in GM crops could potentially offer benefits of greater value and significance, even in the UK. The science review concluded that GM is not a single homogeneous technology and that applications should continue to be assessed on a case-by-case basis. It reaffirmed that there were some gaps in scientific knowledge and, in particular, that it was important to keep the regulatory system under review so that it kept pace with any new developments. It concluded, however, that there was no scientific case for ruling out all GM crops or products.

The review examined all the concerns generally raised. In particular, it reported no verifiable ill effects from extensive human and animal consumption of products from GM crops over seven years, and it concluded too that current GM crops were very unlikely either to invade the countryside or be toxic to wildlife. The most important environmental issue identified was the effect on farmland wildlife, which was the subject of our extensive trials—the largest carried out in the world.

Our independent advisers have now reported to us on these trials. On the basis of that advice, and having consulted the devolved Administrations, I have concluded that the UK should oppose the commercial cultivation of the relevant varieties of GM beet and oilseed rape anywhere in the EU using the management regime tested in the farm-scale evaluations. However, I have also concluded that we should agree in principle to the commercial cultivation of GM herbicide-tolerant maize, but only subject to two further important conditions.

The first condition is that restrictions should be imposed on the existing EU marketing consent that expires in October 2006, so that it can only be grown and managed as in the trials, or under such conditions as will not result in adverse effects on the environment. The second condition, which responds to concerns that have been raised about the phasing out of atrazine in the EU, is that the consent holders should be required to carry out further scientific analysis to monitor changes in herbicide use on conventional maize, and also to submit new evidence if they seek to renew the existing EU marketing consent when it expires in 2006.

Before commercial cultivation of GM maize can proceed, separate approval will also be required under seeds legislation, and also under pesticides legislation for the associated herbicide use. Chardon LL will not be added to the UK national list of seeds until the necessary amendments to the EU marketing consent are in place. We also anticipate that co-existence measures will be in place before any GM crops are grown commercially. I do not in fact anticipate any commercial cultivation of GM maize before spring 2005, at the earliest.

The farm-scale evaluations also raised much more far-reaching questions about crop management and the environment. Incidentally, those questions reinforce the value of the case-by-case approach. The evaluations showed that there was no blanket difference between GM and non-GM crops. The trial crop with the "best" results for the environment was a conventional crop. The crop that was "worst" was also a conventional crop, yet we have nothing like the influence over the growing and management of conventional crops that we have over GM crops, even though the effects may be just as far-reaching. We are giving careful consideration to these issues.

I believe that the approach that I have outlined today is the right one. It is precautionary and evidence-based. In practice, it means licensing one application, which runs till October 2006 and is subject to two further conditions.

Apart from the scientific decisions that flow from the trials, there is the related issue of GM and non-GM crops being grown in the same area—so-called co-

[Margaret Beckett]

existence. The Agriculture and Environment Biotechnology Commission has recently produced advice on this issue.

I propose that, as the AEBC advises, farmers who wish to grow GM crops should be required to comply with a code of practice based on the EU's 0.9 per cent. labelling threshold, and that this code should have statutory backing.

There are particular concerns, of course, for organic farming, for which the Government have much increased funding, and to which we remain committed. The AEBC argued for a lower threshold for organic farming, but could not agree on a figure. We will explore further with stakeholders whether a lower threshold should be applied on a crop-by-crop basis.

I will also consult stakeholders on options for providing compensation to non-GM farmers who suffer financial loss through no fault of their own. However, I must make it clear that any such compensation scheme would need to be funded by the GM sector itself, rather than by Government or producers of non-GM crops. The Government will also provide guidance to farmers interested in establishing voluntary GM-free zones in their areas, consistent with EU legislation.

This is a difficult issue, bedevilled by confusion. There are many legitimate concerns—about gene stacking, cross-pollination and much else—but reports that combine comment on all these matters can be misleading. People worry that a GM crop could affect wild relatives and hence the gene pool. Maize—the crop that we are prepared to license—has no wild relatives in the UK. It is highly unlikely that any stray remaining plant or seed would survive a winter here and thus cause concern about a subsequent crop. Equally, very little organic maize is grown here, so many of the concerns usually raised do not apply. That reinforces the value of a case-by-case approach. Some GM crops are already used for animal feed, although they are not grown here. Several GM veterinary medicines are also in use and much vegetarian cheese is produced using a GM processing aid.

There is no scientific case for a blanket approval of all the uses of GM. Safety, human health and the environment must remain at the heart of our regulatory regime, and rigorous and robust monitoring must be maintained. Equally, there is no scientific case for a blanket ban on the use of GM. I know of no one who argues, for instance, that the GM tool alone can solve the problems of the developing world. However, it is less than honest to pretend, especially against a background of climate change, that GM does not have the potential to contribute to some solutions.

That, too, was part of the outcome of the public dialogue. I thank those who ran it and those who took part. From that process and many other attempts to assess public opinion, it is clear that most people believe that genetic modification should be approached with caution. They want strong regulation and monitoring; farmers want a framework of rules for the co-existence of GM and non-GM crops; and customers want a clear regime for traceability and labelling so that they can make their own choices. The rules that we now have and those that we shall put in place in the months ahead meet the criteria as well as being soundly based on the scientific evidence, and I commend our approach to the House.

Mr. John Whittingdale (Maldon and East Chelmsford) (Con): I begin by thanking the Secretary of State for coming to the House to make this statement and also for giving me advance sight of it.

The statement itself is not a surprise. Indeed, it confirms the decision made nearly a month ago in the Cabinet sub-committee, the minutes of which were then leaked. At that time, it was reported that the Government would announce their decision the following week. Will the Secretary of State confirm that the reason why the decision was not announced was that, in the words of the Cabinet sub-committee minutes, the Government have been trying to

"prepare the ground with key MPs, particularly those with an interest in science or food security"?

Will the Secretary of State accept that one group of key MPs are the members of the Environmental Audit Committee? Will she explain why the Cabinet approved the growing of GMHT forage maize 24 hours before the Committee unanimously recommended that it should not do so? Is it not extraordinary to dismiss a Select Committee's recommendations before even having had a chance to read them?

Will the Secretary of State accept that the Environmental Audit Committee has raised some serious concerns about the validity of the farm-scale evaluations? In particular, does she agree that the findings of the GMHT forage maize trials were based on a wholly invalid comparison? Will she accept that, in the words of English Nature, atrazine turns a maize field into a wildlife desert? That is why atrazine is to be phased out and why it is not that surprising that any herbicide regime that does not use atrazine is likely to be preferable. The Government should conduct new trials to compare the effect of GMHT forage maize with its non-GM equivalent grown without the use of atrazine. The few trials that did take place were on too small a scale to produce conclusive results.

The Secretary of State knows that results have been published for only three of the four crops trialled. Can she say when the Government intend to publish the results for the winter-sown oilseed rape trials? Can she also say what work is being done to examine the cultivation of GM crops in north America? Will she accept that the experience there has been that, over time, the use of herbicides on GM crops has had to increase as herbicide-resistant weeds have developed? Does that not suggest that the trials in this country should have been longer, and can she explain why that evidence appears to have been ignored by the Government in reaching their decision?

We welcome the Government's recognition that there needs to be a clear framework governing separation distances and liability before plantings take place. In considering those issues, will she also take account of the north American experience, which has seen up to two thirds of all seeds contaminated by GM genes?

It has been suggested that legislation may well be needed to establish the rules. The private Member's Bill, the Genetically Modified Organisms (Contamination

and Liability) Bill, being introduced by my hon. Friend the Member for Bexhill and Battle (Gregory Barker) aims to do precisely that. Will the Government, therefore, take advantage of the Bill, which provides an opportunity to debate the necessary safeguards against contamination that we all want to see?

Is the right hon. Lady aware that, despite the Government's decision, more than 40 regions in Britain—including Cornwall, Devon, Somerset and the Lake district—have indicated their wish to declare themselves GM-free? Will the Government provide advice to these authorities on the establishment of voluntary GM-free zones?

Can the right hon. Lady confirm that both the Scottish Executive and the Welsh Assembly have decided that no GM maize planting should take place for the foreseeable future, and say how she intends to obtain their agreement to the inclusion of GM maize on the national list?

Finally, the Cabinet sub-committee apparently noted that

"The public is unlikely to be receptive to this decision."

Is that not a masterly understatement? The Government's own national GM debate showed that 90 per cent. of the public opposed the commercial cultivation of GM crops. What was the point of having that debate if the Government now ignore the opinions of the overwhelming majority? Does the right hon. Lady accept that until that changes it makes little difference whether the Government give the go-ahead, since people will simply refuse to buy meat from animals fed with GM produce?

Has the Secretary of State seen the letter to the Prime Minister from organisations representing 8 million members, including the National Trust and the National Federation of Women's Institutes, calling for the postponement of the introduction of GM crops? The concerns raised by the Select Committee and by all those organisations are not scaremongering; they raise real questions about the dangers to the environment that may result from GM crop cultivation. Yet the Secretary of State has chosen to ignore all of them and to press ahead. Many people will want to know why, when by her own admission the economic benefits are small and limited. Until those questions have been satisfactorily answered, no approvals for commercial plantings should be given.

Margaret Beckett: Let me begin where the hon. Gentleman ended and remind him of what I said in my statement, and of what we have said repeatedly about the strategy in the report, which is that it is clear that there are few advantages to the UK of crops that are currently available. However, it is also clear that this technology has the potential to produce much greater advantage. That is why the Government have taken a case-by-case approach.

The hon. Gentleman raised a number of issues, and he would not be very happy with me if I attempted to answer all of them. Let me pick out one or two.

The hon. Gentleman asked what was the point of having the public dialogue to which I referred. I remind him of what the AEBC itself said when it recommended that the Government have such a dialogue. It said in terms that the intention was not to conduct some kind of referendum on the crop trials or on the decisions that flowed from them, but that it thought that there would be merit in exploring the range and spectrum of public concerns, what questions the public had and the potential range of answers.

The hon. Gentleman also referred to the recent letter to my right hon. Friend the Prime Minister. I say this with some caution, because I have read the letter: I think that there is a degree of confusion. That is a problem when people draw their conclusions from material that has been leaked rather than from knowledge of what has actually happened.

The reference seems to have been to a discussion about future uses of biotechnology. That is not, of course, just genetic modification. It is a considerable range of scientific endeavour and potential scientific advantage to this country for the future. I very much doubt whether the organisations that signed that letter would wish to say, "Let us abandon all biotechnology." What should we do with all the 1 million people who are dependent on GM insulin, for example? What should we do about the poor vegetarians, who want cheese that does not have to be made with material that comes from animals? There is, as ever, scope for misunderstanding here, and it is important that we try to avoid misunderstanding.

The hon. Gentleman referred to the devolved Administrations. I cannot remember his exact phraseology, but what he said is not correct. The devolved Administrations have not made the decision that he suggests, and we are, as ever, trying to work closely with them.

The hon. Gentleman asked when we expected the results on winter-sown crops in tones that implied that he thought that the Government were suppressing them in some way. We shall publish those results when we receive them from the scientists in question, after they have been peer-reviewed. We have no control whatever over the timing of that, any more than we had over the timing of the first trial publication, but we anticipate that the results are likely to be available towards the end of this year.

The hon. Gentleman went on to talk about the discussions and consultations held by the Environmental Audit Committee. We take seriously what the Committee says, and have looked with care at its observations. However, those observations drew on known material and the Committee could not draw on the further assessment, published in *Nature*—as it happens, on the morning of the publication of the EAC's report—which addressed some of the concerns that the Committee had raised. Having heard the Chairman of the Committee dismiss the article in *Nature* in all of 1½ seconds flat, I feel confident that the article will be disputed in its assessment of those concerns. However, in our judgment, and that of the scientists who carried out the assessment—independent scientists, not the same lot—it is not invalidated.

Finally, the hon. Gentleman mentioned English Nature. As I said in my statement, it was of course English Nature that first asked the Government to carry out further trials, as we did. However, he may not have observed that Dr. Johnson of English Nature said that he thought that the results of the trials were valid and showed that growing that particular crop would be

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better for the environment. Dr. Johnson also made the point that electricity can kill people but we do not call for it to be banned.

Andrew George (St. Ives) (LD): I, too, thank the Secretary of State for providing an advance copy of her statement. I welcome the fact that it was billed as a Government statement on GM policy and not dismissed as a minor issue on one aspect of a consent licence, because this is a watershed decision.

Some people will want to characterise the debate as being held between cavalier scientists in the pay of multinational biotech companies versus green Luddites, which could mean that we lose sight of the serious questions that need to be asked. However, the Secretary of State has partly answered some of those questions. Decisions should be based on sound science, not on hasty or make-do science. The decisions made now are probably irreversible.

A number of questions arise from the statement. The Secretary of State announced two conditions on the growing of fodder maize. The first was that it be grown and managed "as in the trials, or under such conditions as will not result in adverse effects on the environment". But who will make that decision? How will an assessment be made before the crop is grown?

Secondly, the Secretary of State appears to be saying that consent holders need to present new evidence if they want to renew a consent after October 2006, but they do not need to present it beforehand. In that case, why issue consents before 2006? I agree with the Conservative spokesman, the hon. Member for Maldon and East Chelmsford (Mr. Whittingdale) that the decision should be put off until at least that date.

The AEBC says that lower threshold figures for organics should be given, but, with regard to GM contamination on organic farms, when will those decisions be made? Will it be before the first planting, which is likely to take place next year?

I welcome the Secretary of State's comments on compensation payments, but when will they be in place? If DEFRA's arrangements for the fallen stock collection scheme are anything to go by, it will be a very long time indeed before any compensation arrangements are made.

The Secretary of State did not answer the question about Government support for areas that want to establish GM-free zones. It is important that she send a message today to demonstrate that the Government are prepared to go to Europe for some tightening of regulations to support regions such as Cornwall, which want to set up a GM-free zone to obtain market advantage.

The right hon. Lady also failed to answer the question—properly put—about the Government's assessment of Dr. Benbrook's research in north America into the greater use of pesticides over time. We need further independent research.

As this is a watershed decision, the Secretary of State should have consulted Parliament rather than coming here with a statement after the decision had been made. I complained about that when she made a statement about single farm payments a few weeks ago, yet she has done the same thing today. She was unhappy about my comment that some people thought she was treating Parliament with breathtaking disdain, yet I have to point out that, although I raised the issue with Leader of the House and was promised a debate in Government time, as well as a vote on the issue, the decision has been made, so we can debate the matter only after the event. That is not good enough. A cross-party motion has been tabled in today's Order Paper calling for such a debate and, in future, the Secretary of State must consult Parliament and allow us to hold a proper debate, with a vote, on such substantive issues.

Margaret Beckett: The hon. Gentleman is right to point out that I did not manage to deal with all the questions raised by the hon. Member for Maldon and East Chelmsford (Mr. Whittingdale) and I am grateful to him for repeating some of them. As he rightly says, some of them are of some importance.

The hon. Gentleman asked about experience in the United States. The Advisory Committee on Releases to the Environment is looking at the most recent suggestions made about changes in herbicide use. Many of the other issues to which he alluded were very much part of the assessment of the science review, which tried to look at all the scientific evidence from across the world. He particularly referred to contamination, but some of that evidence is not wholly germane as, for example, there are few, if any, co-existence measures in place in the United States. However, I can assure him that both the scientific review and our advisory committees have looked at and taken into account all the various evidence.

The hon. Gentleman asked whether decisions for thresholds for organics would be made before the first planting. We anticipate that that will be the case, although as I pointed out in my statement, little organic maize is grown in the UK, so the issue is not of major importance. However, we anticipate that the decisions will be in place. Furthermore, we intend, as soon as possible, to issue guidance on the establishment of voluntary GM-free zones, if that is what people want. We propose to address all those issues. Similarly, I have said that we will be holding consultations on compensation issues, and we shall do so.

The hon. Gentleman asked about the management of the trials and what we meant by the new conditions that we were putting in place. In the short term, the use of atrazine will continue to be allowed, although we anticipate that it will be phased out. The wording means that a range of other management regimes can produce equivalent effects without using that herbicide; it is intended to convey that we should be confident that we are not running a regime that is any more damaging to biodiversity than the regime that was trialled—that is why I have written to the lead authority, which is the French Government, on the issue—and there are a variety of ways of doing that, as the trials showed.

Jean Corston (Bristol, East) (Lab): I thank my right hon. Friend for her statement. May I refer her to the part about public consultation? She stated that as the public learned more about GM, their hostility deepened. May I suggest that we ignore that hostility at our peril and remind her that the fastest growing part of

the food sector is organics? Ten years ago, it was worth £1 million; last year it was worth £1 billion. People are very concerned that organic production will be compromised by association with GM contamination. Will she accept that many of us feel that the presence of atrazine in the comparator crop severely compromised the research? Finally, may I remind her that science is not neutral, is not always right and is almost never definitive?

Margaret Beckett: I am very mindful of that, but I have reported—faithfully, I hope—what was reported in the statement on the outcome of the public debate and dialogue. However, although that is what was said in the report of the public debate and dialogue about what was called the narrow but deep polling among a smaller group—as those in the group became more informed, their concern deepened—my hon. Friend may not be aware that the overall outcome of the debate was independently evaluated by a study. That study, which I recall was performed by Leicester university, reported that an independent evaluation of the public debate, as opposed to its being written up by the people who ran it, suggested that, although there was genuine concern—it is right that we are properly respectful of that genuine concern—it was perhaps not as deep and widespread as the outcome of the debate and dialogue report suggested. There was a greater range of views, although, of course, there is a very considerable degree of concern.

I take the point that my hon. Friend makes. She is entitled to say that, in her judgment, the presence of atrazine in the trials invalidates them. All I can say to her is that that is not the judgment of either our independent advisory committee or the different group of scientists who assessed that aspect of the trials' outcome. Indeed, that view was peer-reviewed and not endorsed.

My hon. Friend is right to say that people are particularly interested in organic production. I made the point a moment ago that little, if any, organic maize is produced and that organic production has grown substantially, perhaps not least because the Government have put millions of pounds into supporting and endorsing it. No one wishes to jeopardise organic production, but if my hon. Friend's argument is that we should completely ban the use of genetic modification in crops on the basis of the concerns that she expresses, that is not supported by the science. Much of the organic produce that is bought in this country comes from countries that grow GM crops in parts of their countryside.

Mr. Peter Ainsworth (East Surrey) (Con): Will the Secretary of State apologise for her discourtesy to the Environmental Audit Committee in deciding to make an announcement when she knew perfectly well that its report would be published 24 hours later? She referred to the *Nature* research. Who paid for that research, and how does a sample of four half-fields not treated with triazine make a valid basis for decision taking? Is it not the case that the scientific evidence for her decision today is at best equivocal; that the public remain implacably opposed to GM and will not be spun by the Government into acquiescing; and that where there is no demand, there is no market and therefore no reason for her decision today?

Margaret Beckett: No, I do not believe that. If the Environmental Audit Committee felt that I was discourteous, I would, of course, regret that, but I do not believe that I have shown discourtesy to the EAC. I was asked whether we would announce the outcome of the discussion on an earlier date, and the answer is no. It was always envisaged that the decision would be announced now, following further consultation and discussion.

I do not know who paid for the *Nature* study, but I deplore few things more than the growing tendency to point the finger at people and say, "X paid for this; Y paid for that. Everyone is corrupt." The *Nature* study was conducted by independent scientists who had no interest in the outcome of the field-scale trials because, in fact, they did not conduct them. The study was peer-reviewed and would not have been published in *Nature* unless it was thought to be valid, so that issue ought to be put on one side.

I think that I heard the hon. Gentleman incorrectly say on the day of publication, when he so speedily rushed to judgment on the *Nature* report, that a handful of fields were part of the assessment that underlay the *Nature* article. In fact, there were about 26 fields, with different kinds of management, and the implications of all those patterns of management were assessed.

Finally, attempting to spin issues has never been a habit of mine, and I simply put it to the hon. Gentleman that, of course, he is right to say that there is little, if any, demand for GM produce to be bought or marketed at present—so why do we need to ban it?

Diana Organ (Forest of Dean) (Lab): Why did the Government hold the consultation when they so clearly ignored the outcome of that debate? Will my right hon. Friend ensure that, if that GM crops go ahead, meat products from animals that may have been fed on GM maize are fully labelled so that consumers may choose not to eat that meat?

Margaret Beckett: For reasons that I have already made crystal clear, I do not accept that the Government have ignored the outcome of the debate. It was never intended that the debate would do more than explore the range and nature of the public's concerns. That is what it did, and it did so well. It identified the fact that the public want caution and that they want regulation and monitoring, which the Government have put in place or are putting in place, but it also confirmed that many members of the public accept that there may be circumstances in the future when this technology could be of value and that there is perhaps not the same pressure to turn one's back completely on the technology as there is from some other quarters.

On labelling, the science review referred to how one can study whether and what material ends up in the human gut. My hon. Friend will find that there is no evidence whatever to suggest that such material survives all the way through the human digestive system. She will certainly find, if she inquires, that although few animals are fed on GM maize, many animals are fed on GM soya. We have in place a strong traceability and labelling regime. We should do everything that we can to make it relevant to people's real concerns.

Mrs. Angela Browning (Tiverton and Honiton) (Con): I do not disagree with the precautionary principle that the Secretary of State will exercise in introducing the

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crop and I appreciate that little organic maize is grown in this country, but has she taken advice on where the legal liability would lie if an organic crop were challenged by a GM crop? Would it lie with the grower of the GM crop, with the producer of the GM seed or with the Department that issued the licence?

Margaret Beckett: The hon. Lady says "challenged", but I presume that she does not just mean that there is a challenge. She presumably means that there is evidence of a breach. It seems to me that there would be liability if there were proof of management neglect against the farmer who grew the GM crop or if the incident happened inadvertently and was in some way a fault of the seed supplier. Liability would lie with whoever was responsible for that event—not, I fear, with the Department.

Mr. Michael Meacher (Oldham, West and Royton) (Lab): Is my right hon. Friend aware that this is the wrong decision because, now that atrazine has been banned throughout the EU, it is not supported clearly by the science? It continues to be strongly opposed by public opinion, which the Government say they want to listen to, and it is not driven, as it should be, by a public interest need for precaution, but by the commercial interests of the big biotech companies and, no doubt, pressure from the White House.

If cross-contamination occurs, as it will, who will pay the compensation, when the industry flatly refuses to accept any liability, the Government have rightly said that they will not allow taxpayers to foot the bill and the insurance industry will not provide insurance for farmers who grow GM crops? ACRE insists that the only basis for going ahead with GM maize should be that it follows exactly the same regime as that for the trials. How will the Government secure that when it would require an amendment to the consent in Brussels to which the other 14 member states would almost certainly not agree?

Margaret Beckett: My right hon. Friend asks how we could secure that, but I have already dealt with the point about the same or equivalent regime and the question of what would happen if contamination occurred. He says that the decision is not supported by the science, but I simply disagree with him about that. He says that the decision is driven by the biotech companies, but I genuinely do not understand why people who are especially concerned—it is a legitimate concern—about the influence, advice and interests of major multinational biotech companies are desperate to get any research on, or development and experience of, the handling of genetic modification out of this country. Our independent laboratories and universities have a strong scientific reputation, so I would have thought that people might want such research to be pursued here, rather than leaving it all in the hands of those whose motives they mistrust so much.

Finally, my right hon. Friend says that the decision was driven by the White House, but I simply say that I assume that the decision in 2004 was no more driven by the White House than the decision that he made in 1998.

Mr. Simon Thomas (Ceredigion) (PC): I am sure that the Secretary of State is aware that the Environmental Audit Committee's report said that a decision along such lines would be irresponsible. Does she agree with that conclusion? If it was irresponsible a few days ago, why was it responsible to take such a decision today? We should turn her statement round. If the crop is so unimportant to the United Kingdom's economic future, why break the dam now? Why license the crop now to get small economic gains? The real issue is the signal that the decision sends to future licensing applications for GM crops in this country.

The Secretary of State has not yet responded to two questions on whether areas in the United Kingdom will be able to declare themselves GM free. Will she now take the opportunity to say how that will happen—not only in respect of voluntary relationships whereby farms come together—and whether, for example, Wales and Scotland will be able to maintain their GM-free policies?

Margaret Beckett *rose—*

Mr. Speaker: Order. Before the Secretary of State replies, may I point out that every hon. Member so far has asked about four supplementary questions? That is unfair to other hon. Members who wish to be called.

Margaret Beckett: As I have said, we intend to give guidance so that if people want to set up voluntary GM-free areas, they may do so. It would not be lawful to have an arbitrary designation of a whole geographical area, but there is nothing to stop people coming together and the Government will offer advice on how that may be achieved. I do not accept that the decision is irresponsible, but I accept that there is some truth in what the hon. Member for Ceredigion (Mr. Thomas) says. The decision does send a signal. It sends a signal that the Government will try—no matter what the pressure is—to make decisions that we believe to be right on the basis of evidence that we carefully weigh. There will be disagreement about those decisions and legitimate disagreement about judgments. In the end, however, it is the Government's responsibility to do their best to make the right decisions, which is what we have done and will do.

Mr. Nigel Beard (Bexleyheath and Crayford) (Lab): I congratulate my right hon. Friend on her statement, and especially on her reaffirmation that case-by-case scientific evidence will determine the future cultivation of genetically modified crops. What steps will be taken to protect such crops from destruction by misguided direct action?

Margaret Beckett: I would have hoped that those with a view on trying to destroy such crops would have learned a lesson from their experience in the farm-scale trials, because if they had succeeded in destroying the trials we would have had no evidence on biodiversity with which we could decide not to proceed with growing two of the crops. A cautious approach is needed, and the law on the matter applies as it does to any other action that people take.

Mr. Jonathan Sayeed (Mid-Bedfordshire) (Con): I have asked the Secretary of State on several occasions who will compensate organic farmers if their farms become contaminated by GMOs, and I am grateful to

her for partially answering the question. In her reply to the question asked by my hon. Friend the Member for Tiverton and Honiton (Mrs. Browning), she amplified that answer by saying that the GM seed producer or the GM farmer would have to offer compensation. Who will determine what represents contamination? Will it be determined by the Soil Association, which is, after all, the organisation that certifies that an organic farm is growing organics?

Margaret Beckett: As I have already indicated, consideration will occur on a case-by-case basis, and who will be liable for any compensation will depend on what happens in a specific instance. With regard to how a case would be judged, we have indicated that we will consult on thresholds. We do not oppose the notion that there should be a lower threshold for organic crops, but we think that it is wise to consider that case by case because it must be realistic; otherwise, it will harm the interests of organic growers and others.

Mr. David Drew (Stroud) (Lab/Co-op): My right hon. Friend will be aware that her decision will have wide ramifications for the third world and, especially, the new entrant states. Some of us see this as a Trojan crop. What advice can she offer the Governments of those countries when they come under pressure from the biotech industry to introduce other crops on a licensed basis? What guarantee can she give this country's consumers that they will be eating non-GM in the future?

Margaret Beckett: There is a limit to the extent of the guarantee that anyone can give because there is much GM material grown throughout the world and one cannot undo the reality of what has already been done. The EU has a strict traceability and labelling regime—I think we were one of the first Governments to put it into law—and we will monitor that to ensure that it is observed. He makes an important point about the third world. The UK is a signatory to the Cartagena protocol, which puts in place an international regime of advice, support and monitoring to help developing countries to reach decisions.

I simply make one point to my hon. Friend and others who are understandably concerned about the matter. I recently read an observation from someone who studies such issues in the developing world closely who said that if, for example, one could get a good and reliable crop of maize to grow in the climatic, pest and disease conditions of Africa, that single step would mean that millions of people would be lifted out starvation. Although I completely accept that there is much more to hunger and famine than that—especially given the possible impact of climate change—it seems to me that it would be folly to turn our backs on a technique that might allow us to tackle the problems of salinity, drought and other difficult conditions.

Mr. John Gummer (Suffolk, Coastal) (Con): Does the right hon. Lady accept that her statement would have been unpopular and questioned by hon. Members on both sides of the House irrespective of what she had announced? Her decision seems to be a sensible way forward in difficult circumstances, and as we would have had few developments over the past 500 years without such decisions, it is necessary for the opportunity to be given.

Does the right hon. Lady accept that one part of her statement is especially important, because some conventional mechanisms for growing crops are seen to be environmentally damaging? How does she intend to try to identify those so that we can improve the environment of our nation for the benefit of all?

Margaret Beckett: I am grateful to the right hon. Gentleman, who is quite right. Professor Pollock, who oversaw the trials, made the point that throughout history the human race and wildlife have competed for the sun. When wildlife is in the ascendant, as it was, for example, in the middle ages, many members of the human race went hungry, even in countries such as ours. However, we are now in danger of biasing the decision too far in the opposite direction. It is hugely important that evidence going far wider than anecdotal evidence is available to us for the first time about the impact on the environment and biodiversity of some conventional crops. The advisory committees to which I referred are pursuing those issues, looking at what research can be done and how we can follow it through, but I think that that is the most important lesson of all from those trials.

Mrs. Anne Campbell (Cambridge) (Lab): My right hon. Friend has achieved a difficult balance. I think that she got it right and applied a very precautionary principle in making her decision. Does she agree, however, that the stringent operation of the trials and the criteria used to approve the particular variety of maize send a clear signal to the GM industry that in future it needs to concentrate on varieties that will have much less damaging effects on the environment so that we can look forward to GM varieties that perform much better in relation to the environment than the conventional varieties that we are using at the moment?

Margaret Beckett: My hon. Friend is entirely right, and I am grateful for her remarks. One lesson is that it is important for GM companies to consider, as others must, the impact on the environment of their choices. It is also important that they accept that one lesson of the public dialogue was that people did not feel the need to attenuate their hostility to the technology because they saw little benefit for humans in many of the present developments. If people who are engaged in research in this field could turn their attention to things that have a clear net benefit for the human race, that would make a significant difference.

Sue Doughty (Guildford) (LD): In 2002, research published by Newcastle university showed that bacteria in the intestine could pick up GM material in the stomach. The public are concerned about the fact that we do not have enough sound scientific research about the flow of GM material from one species to another. Is the Minister considering the possibility of substantial research so that the public can be satisfied about perceived risks to human health and their fears allayed?

Margaret Beckett: We have known since the 1940s that such a flow of material was possible, and it has frequently been studied for various reasons and in

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different areas. The hon. Lady is right that those issues are of interest and concern, and people are following them. She will find in the science review a reference to the studies that have been carried out, and she will know that the World Health Organisation does not perceive that there is any special impact on human health from the growing of GM crops available at present. It is because that applies to crops available at present that a case-by-case approach is important. I understand that the British Medical Association made a similar point just this morning.

Kate Hoey (Vauxhall) (Lab): Does the Secretary of State accept that such an important decision, which many members of the public and Members of Parliament oppose, will set a precedent and is the thin end of the wedge? Should we not therefore have a vote in the House after a proper debate, and will she assure me that, if this goes ahead, compensation for organic farmers whose farms are contaminated will be on the statute book before the final decision is made?

Margaret Beckett: I have already dealt with the issue of compensation, and I repeat to my hon. Friend, as I have to others, that, yes, we anticipate that we will deal with the co-existence regime and will also be able to deal with and resolve the issue of contamination. We also anticipate further discussions in the House. She is right, however, that these are important, complex and difficult decisions that, as the right hon. Member for Suffolk, Coastal (Mr. Gummer) said, will undoubtedly make us unpopular with various players. That is what is called being in government.

Mr. Michael Jack (Fylde) (Con): The right hon. Lady's statement illustrated the care with which she has assessed the difficult scientific and environmental issues surrounding the matter in reaching her conclusions. May I press her to make it clear in Government publicity the basis on which the decision was made, as there is ignorance about such matters and a need for education? Will she also clarify the use of the technology when applied to the plant as a biofactory? Finally, will farmers who choose to plant the approved variety be able to do so without public identification or announcement of their planting intentions?

Margaret Beckett: I shall consider the right hon. Gentleman's final point—because there will not be trials such announcements may not be necessary. I am grateful for his remarks as Chairman of the Environment, Food and Rural Affairs Committee, and we will do everything possible to convey the basis of our decision to people who, I suspect, will be beset by a fog of misinformation. He is also right to draw attention to the potential of the technology as a biofactory. I heard a passing reference from a Nobel scientist to its potential as a technique to produce plants that can fix their own nitrogen, which would mean that we would move away from the regime of fertilisers and so on, which has bedevilled much of our environment for a long time.

Geraint Davies (Croydon, Central) (Lab): My right hon. Friend said in her statement that it was "highly unlikely that any stray remaining plant or seed would survive a winter here and thus cause concern about a subsequent crop. Equally, very little organic maize is grown here". In other words, there is a perceptible risk of environmental contamination. There is a growing demand for organic food, not an appetite for GM food, so would it not be wise to learn the lessons evident in the behaviour of bigger companies such as Unilever, Nestlé, Sainsbury and Tesco, which are not pursuing GM foods because they are consumer-driven, not scientifically led? Perhaps we should be more democratically led, not driven by disputable scientific interpretations that, it is accepted, still leave a possible opening for environmental contamination.

Margaret Beckett: It is because I use words with care and try to use them accurately that I used the words that he quoted. Of course, there is potential for cross-contamination and cross-pollination between one crop and another, but as maize is not native to this country it has no wild relatives, so that is irrelevant in this case. Similarly, I said that stray plants or seeds were unlikely to survive the winter because they are not native to this country. Strong substances such as atrazine had to be used in conjunction with the growing of maize because it is difficult to grow the crop in the UK as it does not belong here.

My hon. Friend talked about disputable science, and suggested that other approaches would be better. The technology has been more scrutinised and tested than any other. In the farm-scale trials we compared the use of genetically modified crops and others, and discovered information about the use of conventional crops and their impact on biodiversity that was not previously known. The vast majority of stuff that we have eaten for generations has never been studied in this way. Cabbage contains 17 or 27 substances that, fed separately in sufficient quantities to animals, can be carcinogenic. Should we all stop eating cabbage—*[Interruption.]* There are some good recipes using cabbage.

It is because I would not make up my mind in advance of the evidence and ban the use of genetic modification in crops that I have been accused of being pro-GM. I am not pro-GM any more than I am pro-Petri dishes or pro-mass spectrometry. It is a technique or tool that allows us to do with rather more precision something that the human race has been doing since the dawn of time. If the human race had not been doing so, most of us would not be here and the ones who were would be very hungry.

Mr. Robert Key (Salisbury) (Con): I welcome the right hon. Lady's sensible and balanced statement. She and her sceptical Ministers must have taken some convincing, but I am confident that they are right to move forward cautiously. Does she agree that the silent majority have found it difficult to hear the voice of sound science, and that one reason for that—I say this in the nicest possible way, without any criticism of the Minister involved—is that we do not have a science Minister in the House of Commons? Next time round, we need a science Minister in the House of Commons who is not bound by conflicts of interest that prevent him from saying anything about the issue.

Margaret Beckett: I am grateful to the hon. Gentleman for his remarks and for his consistent view that we should assess the technology very carefully.

Sex Discrimination (Clubs and Other Private Associations)

1.30 pm

David Wright (Telford): I beg to move,

That leave be given to bring in a Bill to make provision for the prevention of sex discrimination in relation to membership of, or the benefits, facilities and services afforded by, clubs and other private associations.

In promoting the Bill, I follow in the distinguished footsteps of the hon. Member for North Dorset (Mr. Walter) and of my good friend, the hon. Member for Gloucester (Mr. Dhanda), who tried to introduce a similar Bill. I am also indebted to Lord Faulkner for trying to move the issue forward in the other place.

More than 70 years ago, the area that I represent returned to this House Edith Picton-Turberville, who was a campaigning Labour MP renowned for her commitment to tackling discrimination. I cannot but think that she would be somewhat surprised that in the early 21st century we are still attempting to legislate to end discrimination against women. I hope that she would be pleased that one of her successors is still working in this House to tackle such discrimination.

The purpose of the Bill is to bring private clubs within the coverage of the Sex Discrimination Act 1975 by making unlawful the unequal treatment of male and female members, associates and guests of mixed-sex private clubs with 25 or more members. That mirrors a similar provision in the Race Relations Act 1976. Let me take a brief look at how the Sex Discrimination Act applies to clubs. At present, section 29 applies to all clubs that are open to the public or to a section of the public: that is, where a person or a particular group of people can pay their money and enter the club—examples would be nightclubs and some sports clubs—to use its facilities and services. Those clubs cannot discriminate on the grounds of sex. If a member of a public club has been discriminated against on those grounds, they can take action under the auspices of the Act. Private members' clubs have been found by the courts not to come within the scope of section 29 because they provide facilities and services to their own private members, not directly to the public. The Sex Discrimination Act, as interpreted to date, allows such clubs to discriminate against members in the facilities that they offer because the discrimination has occurred in a "private" sphere.

Why bring private clubs within the scope of anti-discrimination legislation? In the past, private clubs have been asked to take voluntary action to abolish discriminatory practices. Some mixed-sex clubs have made a real effort to achieve that, but others still discriminate on grounds of sex. It is interesting to note that the availability of national lottery resources, which are allocated to clubs on the basis that they do not discriminate, has prompted many of them to change their practices. I am also pleased to say that, as far I can tell from my research, no clubs in Telford operate discriminatory practices. Perhaps it is time for others to follow our example.

Excluding women from equal treatment as full members of mixed-sex clubs is simply unfair and can involve demeaning and humiliating treatment. What kind of discrimination do women face in private members' clubs? I understand that more than half the 3,000 working men's clubs that belong to the Club and Institute Union still deny their female members full rights. They often restrict women's use of certain facilities, give them restricted voting rights and deny them access to the annual general meeting. Many golf clubs are the worst culprits in relation to discriminatory practice. Some still restrict playing times for women members to, for example, peak hours at weekends. Such treatment can deprive members of potentially valuable associations and networking opportunities, which can in turn have an adverse effect on their personal and professional lives.

In summary, what would the Bill achieve? It would have an impact on mixed-sex private clubs with 25 or more members by making unlawful unequal treatment between their male and female members, associates or guests. It would not affect single-sex clubs, other than by making unlawful the unequal treatment of male and female guests at an occasion to which guests of both sexes were invited.

I hope that the House will support the Bill. It is supported by the Equal Opportunities Commission and has a great deal of cross-party backing. I understand that the Government have warm feelings about it; and it is supported by a glittering array of parliamentary talent.

Question put and agreed to.

Bill ordered to be brought in by David Wright, Mr. Parmjit Dhanda, Mr. Robert Walter, Mr. David Stewart, Vera Baird, Mr. Tom Harris, Mr. David Heath, Ann McKechin, Ms Meg Munn, Peter Bradley, Mrs. Lorna Fitzsimons and Liz Blackman.

SEX DISCRIMINATION (CLUBS AND OTHER PRIVATE ASSOCIATIONS)

David Wright accordingly presented a Bill to make provision for the prevention of sex discrimination in relation to membership of, or the benefits, facilities and services afforded by, clubs and other private associations: And the same was read the First time; and ordered to be read a Second time on Friday 14 May, and to be printed [Bill 68].

Opposition Day

Iraq (Attorney-General's Advice)

1.37 pm

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): I beg to move,

That this House believes that all advice prepared by the Attorney-General on the legality of the war in Iraq should be published in full.

I am pleased to be speaking to the motion, which stands in my name and in those of my hon. Friends. It is co-sponsored by Plaid Cymru—the party of Wales—and the Scottish National party.

The wording of the motion is tightly drawn, but for further clarity I should say that this debate is not about whether one was for or against the conflict in Iraq. As was explained to the House, my colleagues in Plaid Cymru and the Scottish National party were against military action in Iraq before it started because we were not persuaded that the war was justified. We did not believe that either dossier displayed any credible threat, immediate or otherwise, from the tyrant Saddam, and that remains our opinion. There was no justification for the war then: ergo, there is a real question about the legality of the action that was taken. That is the issue on which we hope to concentrate this afternoon.

As the motion makes plain, we are calling for the Government to publish the advice or advices of the Attorney-General, because without such publication it will not be possible fully to inform the debate. Incidentally, both the Prime Minister and the Foreign Secretary have described the debate and the disagreement as "legitimate." If we accept that the debate is legitimate, surely it is part of the function of Ministers of the Crown to inform it fully and apprise Parliament of all facts that are germane to the issue. That is beyond contradiction. In calling for the publication of the advice or advices, we call on the Government to inform the House.

Nothing in the "Ministerial Code" prevents the full publication of the advice or advices. In the foreword to the current code, the Prime Minister says:

"I believe we should be absolutely clear about how Ministers should account, and be held to account, by Parliament."

Paragraph 5 on page 1 states:

"The code should be read against the background of the overarching duty on Ministers to comply with the law including international law and treaty obligations."

Ministers are expected to observe the seven principles of public life, which include openness. The code states:

"Holders of public office should be as open as possible about all the decisions and actions they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands."

The code therefore provides that Ministers should be as open as possible with Parliament and the public, refusing information only when that is considered to be in the public interest.

When considering the disclosure by Ministers of Law Officers' opinions, it is helpful to consult "The Law Officers of the Crown" by J. Ll. J. Edwards. The chapter of the 1964 edition entitled "Attorney-General's Fiat and Responsibility to Parliament" states on page 259:

"When Parliament is faced with situations involving the disclosure of the contents of the Law Officer's opinions to departmental Ministers, it is surely impossible to be dogmatic and to assert either the principle of absolute confidentiality, or on the other hand, a rule requiring the government to reveal in full or in part the content of the opinions. There may be circumstances, as exemplified by the Belfast Riots and the Archer Shee cases, in which everything is to be gained by telling the House all the facts."

It continues on page 260 that

"the better constitutional convention is the flexible rule expressed in Erskine May".

The rule states:

"The opinions of the Law Officers of the Crown, being confidential, are not usually laid before Parliament or cited in debate . . . But if a Minister deems it expedient that such opinions should be made known for the information of the House, he is entitled to cite them in debate.'"

Page 261 of Edwards states:

"Intransigence on the part of Ministers or Members of the Commons when issues of this nature arise for debate is not calculated to enhance the prestige of Parliament or the administration of justice. So far as the Attorney-General and the Solicitor-General are concerned, in suitable cases sufficient reason should be given to convince the House of Commons that the Law Officer has considered all the relevant factors and has reached his decision with that impartiality of judgement which is the ultimate strength and protection of the constitutional independence of the Law Officers of the Crown."

There are several examples of the disclosure of Law Officers' advices. For example, Law Officers' advice on the compatibility of the Commonwealth Immigrants Act 1968 has been publicly available in the Public Record Office since 1998. Their advice on the legality of proposed merchant shipping legislation and its compatibility with European law, as disclosed to the courts in the Factortame litigation, is available in the House of Lords Record Office. In a written answer on 12 January, Baroness Amos stated:

"In 1993, Law Officers' advice relevant to the subject matter of the Arms to Iraq inquiry was disclosed to the Scott inquiry."—[*Official Report, House of Lords*, 12 January 2004; Vol. 656, c. *WA* 64.]

Hon. Members may remember that the advice was published in its entirety as an annexe to the report.

The Government's amendment refers to a hard-and-fast convention. I do not know on what evidence they base that. There is no hard-and-fast, time-honoured convention.

Mr. Simon Thomas (Ceredigion) (PC): My hon. Friend is doing a sterling job through his revelations. We have been told for several weeks that it is not the convention to reveal the Attorney-General's advice. My hon. Friend has explained that such advice has been disclosed in the past and, dare I say it, on issues that appear to be less important than going to war with Iraq.

My hon. Friend knows that many of those who lead our armed forces in Iraq wanted unambiguous advice up to five days before the start of the conflict. Only then did they receive two lines of advice from the Attorney-General. Surely my hon. Friend's comments and our knowledge of the war present a case that it is crucial for Ministers to answer. Perhaps they will take the opportunity to intervene on my hon. Friend to explain why the advice has not been published.

Mr. Llwyd: My hon. Friend speaks for himself and makes an important point. There is great anxiety in not only the House but the public arena about the reason for not producing the advice or advices.

I am worried about the Government's stance. Apart from setting what appears to be a precedent for the Government to extract what is expedient for them from the document and make only that public, thereby applying soundbite politics again, the precise subject matter of the advice and its context are worrying.

Lembit Öpik (Montgomeryshire) (LD): Does the hon. Gentleman agree that the precedent, which the amendment mentions, was broken by the Government's selectively sharing some of the advice? Does he further agree that there is no difference in principle between sharing part of the advice, as the Government have done, and sharing all of it, as the rest of us want?

Mr. Llwyd: The hon. Gentleman is right. It is an added concern, which has recently been widely mentioned. There is no distinction, although there are more examples of such actions in the past.

Treasury counsel—senior, independent counsel—would have received a set of instructions when advising the Attorney-General. Their accuracy or veracity is key. If counsel were ill informed or, perchance, misled about a key component of the instructions, the advice would be flawed from the start. In the case that we are considering, the instructions would undoubtedly have set out the Government's case for war. It is fundamentally important to establish whether the instructions contained references to the infamous 45-minute claim. If they did, and counsel accepted them as valid, the whole basis of the advice could have been flawed or skewed from the beginning.

Furthermore, did the Government argue that the 12-year-old United Nations resolutions were extant? Was that presented to counsel as an undisputable fact? Again, if so, the advice could have been skewed from the beginning.

Ian Lucas (Wrexham) (Lab): Is the hon. Gentleman making the case that the instructions on which the advice was given should be disclosed too? The motion does not make that clear.

Mr. Llwyd: I shall go into detail about that later, but I shall also deal with the point briefly now. Counsel's advice would undoubtedly include the instructions, because he or she would have to base his opinion firmly on the facts before him or her at the time. Given that the hon. Gentleman is a lawyer, I am surprised by his intervention. Perhaps it shows why he is here and not in practice.

Ian Lucas: I am surprised by that response, because clearly a set of instructions to counsel is distinct from the advice that is tendered in response to them. The hon. Gentleman is completely misleading the House with that suggestion.

Madam Deputy Speaker (Sylvia Heal): Order. I think that the hon. Gentleman might wish to reconsider that remark. Certainly, the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) is not misleading the House.

Ian Lucas: What was said was clearly inadvertent, but will the hon. Gentleman accept that the advice and the instructions that led to it are distinct documents?

Mr. Llwyd: The hon. Gentleman is a questionable parliamentarian as well.

We want to know whether the Government stated as a fact that the 12-year-old UN resolutions were extant. That is why the question that the hon. and learned Member for Medway (Mr. Marshall-Andrews) put to the Prime Minister last Wednesday, which echoes my remarks, was hugely significant. He asked:

> "The Attorney-General has provided three written replies to the effect that he did not rely on any facts in Government dossiers when reaching his opinion that Iraq had failed to disarm. In those circumstances, what factual material was he given by the Government from which he could draw that conclusion?"

I am making the same point. The Prime Minister's response was:

> "The Attorney-General was given whatever material he required to make his decision, but the basis of the decision was that Iraq continued in material breach of UN resolutions. I must tell my hon. and learned Friend that in respect of resolution 1441 there was a whole series of things that Iraq was supposed to do under Saddam Hussein . . . The point, surely, is that the Iraq survey group has already found that there was a failure to disclose proper information to the United Nations inspectors and that there was a series of activities and programmes in breach of UN resolutions, so it is completely obvious that Iraq was in material breach of resolution 1441."—[*Official Report*, 3 March 2004; Vol. 418, c. 895.]

Many of us throughout the House thought that that reply was insufficient and, in fact, not a little demeaning, considering the seriousness of the question and its subject.

I refer in passing to a further case in point. It is our understanding that in the Katharine Gun case, which collapsed on 25 February, the prosecution decided to offer no evidence on receipt of Mrs. Gun's defence statement. She was running a defence of necessity, in other words, to prevent unjustified loss of life and damage to property. That would have made it necessary to produce the Attorney-General's opinion or advice to the defence. Usually in such circumstances, the Crown would have applied by counsel to the trial judge to exempt it from producing that, on the ground of public interest immunity, and such a certificate would not have been granted if the advice were equivocal. Again, that highlights the need for the full advice to be produced.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): I think that the hon. Gentleman is a lawyer, like my hon. Friend the Member for Wrexham (Ian Lucas). Is that right?

Mr. Llwyd: Yes.

Mr. Foulkes: I thought so. Is not all this pettifogging? Is it not far more important that Saddam Hussein is in custody and that Iraq is liberated and moving towards democracy and prosperity? If the hon. Gentleman and his nationalist allies had had their way, Saddam Hussein would still be in power, killing and torturing hundreds of thousands of people.

Mr. Llwyd: There is more to it than that. If the right hon. Gentleman were in the Old Bailey facing a charge of breaching the Official Secrets Act 1989—which is apparently what he wants to happen to his one-time friend the right hon. Member for Birmingham, Ladywood (Clare Short)—he would not call legal niceties pettifogging. Those niceties are the bulwark that

[Mr. Llwyd]

ensures that our rights are preserved. If the right hon. Gentleman thinks so little of them, after so many years in this House, I despair.

David Winnick (Walsall, North) (Lab): I am going to the Home Affairs Committee in a moment, so I will be unable to listen to the rest of the debate. Does the hon. Gentleman accept that, for many of us, the question of human rights in Iraq was not a petty, unimportant issue, but that we considered human rights there and in Kosovo in the same light? As I remember it, the nationalist parties opposed intervention in Kosovo, as they did in Iraq. If a regime such as Saddam's, as my right hon. Friend the Member for Carrick, Cumnock and Doon Valley (Mr. Foulkes) has said, is responsible for the murder of hundreds of thousands of people over the years, why should we in the House of Commons oppose military action to end such tyranny?

Mr. Llwyd: No one in this House, I imagine, would ever have supported the Saddam regime. No one in my party has ever said anything of the kind, and no one ever would. However, the remit of this debate is to look at the legal process and to see where Parliament fits into that process, if at all.

Llew Smith (Blaenau Gwent) (Lab): Does the hon. Gentleman accept that some of those who are now the fiercest critics of Saddam Hussein failed to join some of us when we were demonstrating against his regime in the 1980s and campaigning against the arms trade with his and other evil regimes?

Mr. Llwyd: The hon. Gentleman has a long history of consistency on this subject, and I take his point on board. I fully agree.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): Given that we are a signatory to the International Criminal Court, surely the question of whether the war was legal is not pettifogging, but goes to the heart of whether we support in principle and in practice the framework of international law.

Mr. Llwyd: The hon. Lady is absolutely right. I add that, at a time when allied forces are quite properly trying to bring normality back to Iraq, one index of that normality will be the rule of law. How can we impose the rule of law on Iraq when we ignore, at our peril, international law in its entirety? That does not make a great deal of sense.

Jeremy Corbyn (Islington, North) (Lab): Has the hon. Gentleman had a chance to read Hans Blix's statement on the way in which he was removed from Iraq while still undertaking weapons inspection, and replaced by the Iraq survey group, which did not find any weapons of mass destruction? Mr. Blix is concerned that the real aim of the United States and Britain was always to go to war, rather than to achieve some kind of peaceful resolution to what was obviously a serious situation.

Mr. Llwyd: I agree with the hon. Gentleman, who knows that we opposed the war from the beginning.

I return to the theme of the debate, which is fairly tightly drawn, to pursue the question of the Attorney-General's advice. If his advices were to be published in full, the matter might be laid to rest. As I said earlier, counsel invariably sets out in its advices the precise facts on which its instructions are based. The advice takes shape as those facts are assimilated and the law applied. That is why this question is of such huge import. Some might say that in publishing the advice, the Government would open a Pandora's box and give rise to such claims being made day in, day out. The answer to that is that there will be a discretion, as at the moment, but that what makes the present case so compelling is the consequence of the advice given, and the question of whether Members of Parliament were adequately informed of what was going on when the House voted on the matter some time ago. We need to pursue that because otherwise we will from now on be given only what the Prime Minister considers to be good for us, which cannot be right in any democracy. My party would resist that at all costs.

Another cardinal point in favour of publishing the advice in full is that this was the first occasion on which UK forces went to war almost solely on the basis of intelligence. Lord Boyce, the then Chief of the Defence Staff, was so concerned that a few days before—

Mr. Foulkes: On how many occasions was the intelligence dossier referred to during the debate on 17 March, and how many questions were asked about it? There were only a couple of questions, and it was mentioned only once in passing. That was not the basis for the decision; the basis was the way in which Saddam Hussein flouted resolution after resolution of the UN, including 1441. That was what was referred to in the debate.

Mr. Llwyd: I shall refer briefly to resolution 1441 later. Frankly, I cannot say precisely how many times the dossier was referred to. Perhaps the right hon. Gentleman will do so if he catches your eye later, Mr. Deputy Speaker—heaven preserve us.

Days before the conflict began, Lord Boyce demanded an "unequivocal legal authority" for the invasion of Iraq. This is, therefore, an important issue.

Mr. Calum MacDonald (Western Isles) (Lab): The admiral demanded that before the Attorney-General's view was published. What I am really puzzled by is the fact that none of those who oppose the case for the legality of the war addresses the Attorney-General's argument. Will the hon. Gentleman do that now? The Attorney-General said that the Security Council had decided—*[Interruption.]*

Madam Deputy Speaker: Order. The hon. Gentleman is making an intervention.

Mr. Llwyd: The hon. Gentleman makes my case for me. How can I argue about the full advice if I have not seen it? That is a fairly obvious point.

Mr. MacDonald: The hon. Gentleman does not need the full advice. All he has to do is address the logic of the

Attorney-General's argument. Does he refute the fact put forward by the Attorney-General that the Security Council had decided that Iraq was in breach of resolution 1441; that in so being, it was in breach of resolution 687; and that being in breach of 687 invoked the right to use force as expressed in resolution 678? That is the only fact that the hon. Gentleman needs to make his argument.

Mr. Llwyd: It most definitely is not, with great respect to the hon. Gentleman. In a few moments, I shall deal with the three resolutions, albeit in a fairly short time. Frankly, it is not enough for the hon. Gentleman simply to disclose something written on a sheet of A4 paper that purports to be the Attorney-General's full advice—

Mr. MacDonald: What matters is not how long it is, but the logic.

Mr. Llwyd: I shall come to the logic. If the hon. Gentleman will bear with me, I will deal with that point in a moment.

Mr. Dominic Grieve (Beaconsfield) (Con): The hon. Gentleman said that a key issue was that the decision to go to war was taken on the basis of intelligence. Is not another key issue the fact that the decision was, at the Government's own request, taken by this House, this Parliament? That was wholly unprecedented, and in order to persuade Parliament to back them the Government saw fit to place before Parliament a large amount of material, including part of the Attorney-General's advice.

Mr. Llwyd: That is absolutely right, but I take exception to being given only a part of anybody's advice.

Some apologists will say that legal professional privilege might apply in supporting non-disclosure, but in my view it would not apply in this instance. The Government are concerned about the lack of trust with which the public treat politicians in general and the Government more specifically. How can they expect to build up that relationship when they behave in this way? How is a member of the public expected to engage, if he or she is not allowed to see fully what is going on?

The Government have talked extensively about freedom of information and openness. There was even talk of another Freedom of Information Act. That must have been nothing but spin, in the light of the Government's record in general and of this episode in particular. I hope that the Government will change their mind about producing the full advice to Dr. Ann Abraham, the parliamentary ombudsman. Failure to do so would be to undermine her office completely.

I shall now deal with the point raised by the hon. Member for Western Isles (Mr. MacDonald). The Attorney-General believed that resolutions 678 and 687 were both revived, and that 1441 would allow for military action, as was anticipated by resolution 678. He believed therefore that there was automaticity in resolution 1441 and a trigger for action. However, that is not what was understood by the combined ranks of the Governments of France, Germany and Russia. I would suggest that such mass misunderstanding is rare in international diplomacy.

Ms Abbott: Will the hon. Gentleman give way?

Mr. Llwyd: I will, but I want to make this the last intervention that I take. I must make some progress.

Ms Abbott: I am grateful to the hon. Gentleman. Is it not the case that resolution 1441 was passed only because of assurances that there was no automaticity?

Mr. Llwyd: The hon. Lady is right; that is precisely the point that I was trying to make.

Following the adoption of resolution 1441, the United Kingdom's ambassador to the United Nations said:

"There is no 'automaticity' in this Resolution. If there is a further Iraqi breach of its disarmament obligations, the matter will return to the Council for discussion as required under operational paragraph 12."

Turning to what the Attorney-General has made known, we find that he said that resolution 678 authorised force against Iraq. I do not disagree with that. However, that force related only to Kuwait—*[Interruption.]* Well, that is what he has said in the information that he has given us. He said that resolution 687 set out ceasefire conditions, then somehow came to the conclusion that those two old resolutions, which were specifically drawn up to authorise action in Iraq following the invasion of Kuwait—

Mr. MacDonald: Will the hon. Gentleman give way?

Mr. Llwyd: No, I have already explained that I must make some progress.

Many experts believe that the Attorney-General's argument is flawed, because although resolution 678 authorised military action, using the diplomatic language "all necessary means", that referred specifically to military action to free Kuwait. Resolution 687 marked the permanent ceasefire. It did not adopt or preserve the right to use force set out under resolution 678, although such words did appear in paragraph 4 of resolution 686. Rabinder Singh, QC, said in his opinion of 10 September 2002 that there was a clear recognition that the right to use force required express terms if it was to be continued, and that the absence of clear terms in any resolution after 686 led to the conclusion that no such use of force was authorised.

Further, resolution 687 states that the Security Council

"decides to remain seized of the matter and to take such further steps as may be required for the implementation of the present resolution and to secure peace and security in the region."

That clearly suggests that the Security Council will remain seized of the matter and will itself decide what further steps might be required for the implementation of that resolution. We must remember that both resolutions 678 and 687 were specific to the matter of Kuwait. It is therefore difficult to follow the Attorney-General's thesis in the material with which he has graced us. That is, that those resolutions somehow authorise the use of force. In my submission, according to their

[Mr. Llwyd]

wording it is impossible to accept an implicit authorisation for the use of force without a further resolution, because the Security Council remained seized of the matter.

At this juncture, I could cite the opinions of many respected international lawyers who would agree that such authorisation was not and is not revived. This aspect of the argument has been debated before and the ground has been well covered. To be fair, some respected lawyers have also given a differing opinion, but they are in a small minority. There is, as the Prime Minister and the Foreign Secretary have said, a legitimate debate. Over the weekend, the Prime Minister urged us—in new Labour parlance—to find closure on that debate and to move on.

Sir Adam Roberts, professor of international relations at Oxford university, recently said that there was, in principle, a possible case for the lawfulness of resorting to war, but that the US and UK Governments had overstated the Iraqi threat. On the question of whether the Attorney-General's advice should be published, however, he said:

"Of course I'd like to see the full advice. What we have seen of the Attorney-General's advice does not deal with the key question of why the situation was deemed so urgent that inspectors had to be withdrawn and forces sent in."

On the question of legality, Malcolm Shaw, QC, professor of law at Leicester university, said:

"On the basis of intelligence we had at the time and publicly available knowledge, there was a credible and reasonable argument in favour of the legality of the war."

When asked about disclosure of the full advice, however, he said:

"I don't see why not. There's no constitutional bar to doing so."

Nick Grief, professor of law at Bournemouth university and a specialist in international law, said that he did not believe that there was a legal basis. As to the publication of the Attorney-General's advice, he said, "Definitely." James Crawford, professor of international law at Cambridge university, is unclear as to the legality. On the disclosure of the Attorney-General's advice, however, he said:

"If the war was conducted in private, there would be every case for hiding the advice. If it's going to be fought with public funds, in public and expending the lives of members of the public, then it should be published".

Lord Alexander, QC, did not believe the war to be lawful, and on the question of the Attorney-General's advice, he said:

"Yes. I want to do justice to the Attorney General's arguments. This was the most important legal opinion given in the last quarter of a century. The Attorney has already published a summary. So why not publish the whole text. There's no legal distinction between the two."

Those are five distinguished international lawyers who have differing views on the first question, but are unanimous on the question of the publication in full of the Attorney-General's advice.

To conclude, I emphasise that the House will be asked to divide this evening on the specific motion before it. Despite the opinions held by me and my colleagues, it is not meant to be a further vote on the war. The question before the House is whether the Attorney-General's advice on Iraq should be published in full. Those who believe in informed democratic debate, freedom of information and transparency in government should have no problem joining us in the Lobby this evening. I urge every right hon. and hon. Member to consider the matter carefully and to support the motion.

Madam Deputy Speaker: I inform the House that Mr. Speaker has selected the amendment in the name of the Prime Minister.

2.12 pm

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): I beg to move,

That this House notes the long-standing convention, followed by successive governments, that the advice of the Law Officers is given in confidence and is not disclosed publicly; notes, however, the Answer given in the House of Lords by the Attorney General on 17th March 2003 which set out his view of the legal basis of the use of force against Iraq, and the letter of the same date from the Secretary of State for Foreign and Commonwealth Affairs to the Chairman of the Foreign Affairs Committee giving more detail of the legal position; and believes that the priority now for the Government is to help the Iraqi people rebuild Iraq.

I am grateful to the Welsh nationalists and Scottish nationalists for using their time for this debate. The hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) began by telling the House that he would confine his argument to the case for publication of the legal advice. As his speech went on, however, he developed his case into an argument about the nature of the legal advice as to whether the war was legally justified. At the end of his speech, he provided the astonishing and illuminating revelation that when two or more lawyers are gathered together and consider the same question, they almost always disagree.

On this issue, from the very start, there have patently been legitimate disagreements about whether, in the event of there not being a second resolution—a point with which I will deal later—it would have been and was lawful to take military action against the Saddam Hussein regime in the circumstances that we found last spring. I respect those arguments, but I wholly resist the insinuation in the hon. Gentleman's speech that the Attorney-General, and Ministers reflecting his view, have somehow not been straightforward with the House about the nature of the legal advice that he gave or that we received.

As the amendment states, a long-standing convention exists that the advice of the Law Officers to Ministers is given in confidence and should not be published. I have never thought, however, that precedent alone is sufficient justification for anything, and, of course, the Government, like all our predecessors, have been prepared to depart from previously accepted conventions when there has been a good reason. The bigger question is therefore why there are strong substantive arguments in favour of this convention, now and for the future.

First, a general principle applies to all relationships between lawyers and those whom they advise that the advice that they offer must in principle be given in confidence. If we want our societies to be based on the rule of law, as we do, we must have properly qualified lawyers who are subject to high standards of professional integrity. To be effective, lawyers require

the confidence of their clients. All of us who have practised—even for a short while, as I did—know that there could and would be no effective relationship if the advice that we gave, which must sometimes not be the advice that our client would wish to hear, was disclosable to the other party in civil proceedings or to the court or the defence in criminal proceedings, or was made publicly available. If that were so, our system of justice as a whole would suffer.

Mr. Grieve: I agree with that statement in its entirety. Is it not the case, however, that the Government, as the client, chose to waive at least part of their privilege in relation to the document, because they chose to publish a summary of the Attorney-General's advice rather than simply stating, "It is the Government's view that . . . "? Why did the Government do that? Was it not in fact to back up their position, which ought therefore to make them reconsider whether the full advice should not be made available now, given the circumstances that have arisen?

Mr. Straw: On a number of previous occasions, Governments, including those of the hon. Gentleman's party, have made available to the House the outline opinion of Law Officers. For example, in relation to Maastricht, which some of my hon. Friends will remember well, the then Labour Opposition moved an amendment to ensure that we could sign up to the social chapter. Along with many arguments put forward there was the argument that if we signed up to the social chapter, and overturned the protocol which the Major Government had signed up to, we would not be able to ratify the whole Maastricht treaty, and we were told that that argument was made on the basis of legal advice. A Minister then came to the House rather shamefacedly and told us that, by the way, that was wrong, and that, after all, we could, if we wished, remove the opt-out from the social chapter and still sign up to and ratify the Maastricht treaty. On that occasion, the Foreign Secretary came to the House and gave an outline of the basis for the subsequent opinion, which is very similar to that which I gave the House on 17 March last year, and the Attorney-General went to Committee and gave an outline of the case, but he never published his advice.

To the hon. Member for Beaconsfield (Mr. Grieve), whom I respect, I say that if the Conservative party is serious about getting into office, about which I have grave doubts, it ought to think one, two, three, four and many more times before going down the opportunistic route of backing the Scottish and Welsh nationalists. I have been through all the speeches made this time last year and previously. I can remember no occasion whatever—not one—on which Conservative Front-Bench spokespeople demanded to see the full text of the Attorney-General's advice. What I do remember, for sure, is that people had legitimate legal arguments about that advice. I also remember a very good speech, which was not in agreement with the Government, by the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg), in which he said:

> "I do not speak of the legalities. I have read what the Attorney-General said about that matter and I do not feel competent to express a view as to whether he is right or wrong, but I am competent to say this: many distinguished lawyers—as distinguished as the Attorney-General—will take a contrary view."

That is certainly true. He continued:

> "In any event, if I am honest, I do not think that legalities go to the root of the matter. The real question is whether it is right—right expressed in moral terms."—[*Official Report*, 18 March 2003; Vol. 401, c. 796.]

He then disagreed with what the Government were doing, and I entirely respect him for that. Lest there be any doubt, however, it is of course absolutely essential that although morality was at the heart of what we were doing, Governments must be satisfied that what they do is also legally correct. At the heart of the argument last year was the question of whether or not it was morally and politically right to take military action, and that remains the case.

Mr. Alex Salmond (Banff and Buchan) (SNP): The legal arguments were rather important, and I am grateful to the Foreign Secretary for reminding us of the days when he used to support disclosure of such matters, but he did less than justice to what my hon. Friend the Member for Meirionnydd Nant Conwy (Mr. Llwyd) said about the opinion of major international lawyers. The point was not that they disagreed about the conflict, but that although they disagreed about the conflict, they agreed that the Attorney-General's advice, in its full form, should be disclosed. If the Foreign Secretary resents the insinuation behind that, he has the remedy of publishing the advice.

Mr. Straw: I shall come to the issue of the Freedom of Information Act 2000. My position on disclosure in opposition was entirely consistent with the position I have taken in government.

Llew Smith: I accept that if a private individual seeks legal advice, he or she has a right to ensure that it remains confidential. If I may state the obvious, however, a Government are not a private individual but a democratically elected, accountable body. How can accountability be retained if a Government will not provide the people with the information on which they have made a decision? How can there be accountability and democratic government if they will not provide Members of Parliament with that information so that they can vote in a particular way?

Mr. Straw: My hon. Friend anticipates my next point. Should the principles that apply to private individuals and corporations in respect of legal professional privilege—

Mr. William Cash (Stone) (Con): Will the Foreign Secretary give way?

Mr. Straw: I want to make some progress first.

Should those principles apply to Government, or are there such differences in the nature of Government that we should make an exception to that general rule? I do not suggest that, for many if not most purposes, the nature of Government is comparable to that of a private individual or corporation; and because we live in a democracy, Governments must be significantly more accountable for their actions than private individuals or corporations—and rightly so. But Governments, Ministers and senior officials need legal advice in the same way as private individuals and corporations.

[Mr. Straw]

Ministers have an overwhelming duty to act lawfully, and, as I know from my time at the Home Office, Governments are frequently parties in legal actions. I therefore suggest that the same considerations apply in this particular instance.

Those arguments, moreover, have been accepted by the House as a whole. The hon. Member for Meirionnydd Nant Conwy referred to freedom of information. I well remember the great debates on freedom of information, because it was my party that promised at the time of the 1997 general election that we would introduce a freedom of information Act—and my party that introduced the Freedom of Information Act 2000, which provides a far more extensive right of disclosure than exists in virtually any other European country outside Scandinavia.

We had many debates at that time about the balance between disclosure and the public interest in non-disclosure so that government could continue. That was always going to be an issue. Big questions were raised about the extent to which background papers available to Ministers, such as Cabinet Committee papers, should be made available. But I do not recall, and I have checked carefully today, a single occasion on which there was any objection to the exemption in respect of legal professional privilege—what became section 42 of the Act—or, more directly, in respect of what became section 35(1)(c), concerning the provision of advice by any of the Law Officers or any request for the provision of such advice. There was consensus throughout the House, and in the other place, that provision of such advice ought to be protected.

Mr. Cash: The Foreign Secretary should bear it in mind that the Attorney-General is not a mere lawyer, and that the Government are not a mere client. The right non. Gentleman's analogy with legal professional privilege is, I think, gravely defective. Does he not agree that the Attorney-General is in a unique position, in that he is personally accountable for giving advice of this kind? He is not collectively responsible even to the Cabinet, and he is accountable to Parliament. That lies at the heart of much of what we are discussing today.

Mr. Straw: I certainly agree with that. As I have said, I am not arguing that Governments are in the same position as private individuals or private corporations. I am arguing, however, that if government is to operate effectively, legal professional privilege is essential. As the hon. Gentleman knows all too well, were he ever to become a Law Officer in a future Conservative Government, it would be essential to his operation on behalf of his client. At least, the hon. Member for Beaconsfield accepts that.

The construction of the Freedom of Information Act reflects the distinction between legal professional privilege in general and advice from Law Officers, or a request for such advice, in particular; but I argue on both bases. As I have said, the argument was accepted by all parties in Parliament, and it has also been accepted by leaders of the Bar. Those of us who keep in touch with our former colleagues in the Bar Council, its professional body, know that it is not slow in coming forward to criticise the Government when it disagrees with us. It does that frequently. I therefore hope that weight will be attached to the views of its chairman, Stephen Irwin QC, who went on record nine days ago to say:

"It is of great importance that confidential advice should remain open to Government.

If future Governments—whether Labour, Conservative or whatever—feel that confidential legal advice on matters of major importance might be made public they may not ask for that advice when they need to, or may not reveal all the facts to their advisers.

Were this advice to be published, it would leave future Governments of whatever hue in difficulty when it comes to obtaining confidential legal advice on major matters of public or international law. That would clearly be against the public interest."

Mr. Irwin added:

"Whether you talk to his political opponents, his political friends, judges or anybody in the law, what is completely clear is that the Attorney-General has enormous integrity and great determination to support the rule of law."

Those of us who know our right hon. and learned Friend the Attorney-General know that that testimonial is entirely deserved. Yes, the man is independent, and rightly so. Yes, he quite often tells us that which we may not wish to hear, but in doing so, he is upholding the finest traditions of his office and defending the interests of Parliament.

To the hon. Member for Meirionnydd Nant Conwy, let me say that it is one thing to argue that lawyers sometimes disagree among themselves. We have learned this afternoon that they do, and as a former member of their profession I must say, "Thank God they do." Far fewer lawyers would be employed if they always agreed. That is the gravamen of what the hon. Gentleman said this afternoon, but he also suggested that the Attorney-General was disagreeing with himself—that he could somehow have presented the House with a clear statement of his conclusions, yet his advice would have been wholly contrary to that. He knows that that is completely untrue. The hon. Member for Beaconsfield nodded in affirmation when I read out the testimonial about the Attorney-General, recognising his integrity and professionalism. If the hon. Member for Meirionnydd Nant Conwy is not arguing that the Attorney-General is disagreeing with himself, what the devil is he arguing?

Mr. Llwyd: I speak as a member of the Bar, and I have the highest regard for the Attorney-General. In no circumstances would I impugn his integrity. What I am saying is that he is gagged.

Mr. Straw: That, too, challenges his integrity. Decisions about the release of the Attorney-General's advice are a matter for the Attorney-General. I hope that, on reflection, the hon. Gentleman will withdraw that insinuation as well.

Mr. Cash: On a point of order, Madam Deputy Speaker. The Foreign Secretary has just alleged that the disclosure of the Attorney-General's advice is a matter for the Attorney-General, and he implied that it was a matter for him alone. As you well know, page 389 of "Erskine May" clearly states that the question of whether the Attorney-General's opinion may be cited in

debates or otherwise is exclusively a matter for the Ministers concerned—that is, the Prime Minister and the Foreign Secretary.

Madam Deputy Speaker: That is not a point of order for the Chair; it is a point for debate.

Mr. Straw: I shall now give way to the hon. Member for Louth and Horncastle (Sir Peter Tapsell).

Sir Peter Tapsell (Louth and Horncastle) (Con): It seems to me, as a layman, that the Foreign Secretary, as a lawyer, is complicating what is essentially a simple issue. Nobody denies that the Government are entitled not to reveal the advice that they receive from the Attorney-General, but they have chosen in this case to make public a very considerable part of that advice. Given that they have done so, it is difficult to understand the legal, moral or even political basis on which the Foreign Secretary refuses to give the whole of that advice.

Mr. Straw: In a sense, the hon. Gentleman makes an interesting point, but as he knows, some documents are summaries of considerations and others are not written for publication. Everybody knows that, if they are being truthful. Such documents are about examining the issues, and if they were not protected by legal professional privilege or by the rule protecting the publication of Law Officers' advice generally, it would not be possible for Ministers to get from the Law Officers the explicit, frank and honest advice that we receive.

Several hon. Members *rose—*

Mr. Straw: I shall take some interventions in a moment, but I want to make some progress first.

Throughout the intense public debate about whether the United Kingdom should contemplate military action, which extended from March 2002 until this House made its decision on 18 March last year, two questions were understandably intertwined. The first was whether it was right politically to threaten, and if necessary to take, military action against the Saddam regime; the second was, if so, whether there was a legal basis for doing so. Both questions gave rise to the issue of the authority of the United Nations, to which the United Kingdom has always been profoundly committed. We played a key role in getting the United Nations Security Council to look again at the issue of Iraq in autumn 2002. Along with our permanent representative in New York, Sir Jeremy Greenstock, and my political director, Sir Peter Ricketts, I negotiated virtually every line and every word of the resolution that became resolution 1441, which was passed on 8 November 2002. I therefore know its text, and I know its negotiating history.

There were many hours of intensive argument about the detail of that resolution. Significantly, however, there was remarkably little debate about the preambulatory paragraph, which claimed and asserted that Iraq posed a threat to international peace and security by reason of its non-compliance with the resolution, its proliferation of weapons of mass destruction, and its long-range missile systems. Nor was there any argument about the assertion at the beginning of the operative paragraphs that Iraq had been in, and remained in, material breach of its obligations. To pick up on an issue raised by one of the many lawyers whom the hon. Member for Meirionnydd Nant Conwy mentioned, nor was there any argument as to whether UN Security Council resolution 678—the original resolution—was still in force. Resolution 1441 dealt with that issue explicitly: it was still in force.

Instead, the argument in the Security Council centred—as it did here, in many ways—on whether the resolution that became 1441 would provide sufficient further authority for military action if it proved necessary, or whether a second resolution would be required. In headlines, though, the issue was more complex than that. The debate, in advance of resolution 1441, was written up as an issue of "automaticity". In the event, those who were pressing heavily for a second resolution backed away from that demand. At the same time, the resolution provided no "automaticity". Instead, we agreed unanimously to a process that placed obligations on Iraq: a full and final declaration, and complete co-operation with the inspectors on substance as well as appearance. Further material breaches were very clearly defined by operative paragraph 4. Operative paragraph 12 defined the process by which the Security Council would come together to consider the matter if further material breaches were disclosed under operative paragraphs 4 or 11. If so, operative paragraph 13 made it very clear that "serious consequences"—in other words, military action—would follow.

At every stage, right up to the decision that was taken on 18 March last year, the Government's position was that we would much prefer to have a second resolution. We went to enormous—if abortive—lengths to secure a second resolution, and I attended ministerial meetings of the Security Council four times between the end of January and 7 March. I also made it consistently clear that there was no requirement for a second resolution. As colleagues on both sides of the House will recall, on the first occasion that we debated resolution 1441—25 November 2002—and on every subsequent occasion, the question of whether we needed a second resolution arose, and legitimately so. Time and again, I spelled out the negotiating history and said that we would prefer a second resolution, but that we did not need one.

By 17 March last year, in the light of the breakdown of negotiations on a second resolution, and in the light of clear further material breaches by the Iraqi regime—no one in the Security Council or in the House argued about the fact that it had broken both the tests in operative paragraph 4—the Cabinet recommended to Parliament that military action should be taken. We did not publish the Attorney-General's advice to the Government, but I should point out—I hope that the hon. Member for Meirionnydd Nant Conwy will think about it—that the Attorney-General's advice in respect of military action has been published on no occasion whatsoever that we can identify.

Although we did not publish that advice, we did two things that we thought would help the House in setting out the legal position as the Government saw it. First, the Attorney-General set out in a statement his conclusions on the matter. Secondly, I wrote a detailed five-page letter to the Chairman of the Foreign Affairs

[Mr. Straw]

Committee about the legal basis for the use of force. In it, I said explicitly that resolution 1441 does not provide "automaticity", but that that

"does not, however, mean that no further action can be taken without a new resolution of the Council."

The letter proceeded to spell out why we believed that taking further military action without a second resolution was entirely justified legally.

That was the basis of the advice that we received. It was made available to this House via a note in the Vote Office, and, in addition, I wrote to every Member on both sides of each House, setting out the text of the Attorney-General's statement and my five-page letter. Let us be clear: many countries took the same view as the United States and the United Kingdom. Australia, Japan, Bulgaria, Spain, Uganda, Ethiopia, South Korea and many others took exactly the same position as we did in respect of the law and the need to take military action.

Mr. Salmond: A few minutes ago, the Foreign Secretary said that the question of publication was a matter for the Attorney-General. That view was challenged. Would the Foreign Secretary care to explain and revisit the argument that he advanced?

Mr. Llwyd: What about page 389 of "Erskine May"?

Mr. Straw: I am familiar with "Erskine May", but I should tell the hon. Member for Banff and Buchan (Mr. Salmond)—he has not been in government; I am—that it is utterly improbable that a Minister would publish legal advice from the Attorney-General without the authority of the Attorney-General or the Solicitor-General. I have never known that to happen, and I do not believe it ever would.

Several hon. Members *rose—*

Mr. Straw: I give way to my hon. Friend the Member for Walsall, North (David Winnick).

David Winnick: Does my right hon. Friend agree that it is rather odd that the very same people who used the absence of a second resolution as an excuse not to support military intervention opposed the liberation of Kuwait, in respect of which there was no ambiguity whatsoever about the Security Council resolution? I do not question the fact that they are anti-Saddam, but every time action is taken against Saddam—be it the liberation of Kuwait, sanctions or the liberation of Iraq itself—they make every possible excuse not to end one of the most notorious tyrannies since 1945.

Mr. Straw: I agree entirely with my hon. Friend on this issue. We have to be judged by our actions and the consequences of our decisions, as well as by our words.

I should tell the hon. Member for Meirionnydd Nant Conwy that all the resolutions were made available to the House in Command Papers. My dossier was published, and every single word in it was public and accurate. If he looks at resolutions 678 and 687 in their entirety, he will see that they were not confined to authorising legal action in respect of the removal of the Saddam regime from Kuwait; they also gave wider authority. That wider authority of resolutions 678 and 687 was revived by resolution 1441.

Jeremy Corbyn: The Foreign Secretary has given an interesting build-up to the passage of resolution 1441 but says that it made various assertions about Iraq's real, present and credible threat of weapons of mass destruction. The weapons inspectorate was there, so can the Foreign Secretary explain why Hans Blix was denied the further two months that he requested to continue the inspection? What response does the Foreign Secretary have to make to the Iraq survey group's non-finding of any weapons of mass destruction—given that we were all told that the reasons for the war were weapons of mass destruction and a real, present and credible threat from Iraq?

David Winnick: Why did he oppose the liberation of Kuwait?

Mr. Straw: It was not just the Government who were telling my hon. Friend. The whole international community believed that Saddam posed a threat to international peace and security by the proliferation of Iraq's weapons of mass destruction and long-range missile systems. Russia did not rely on a dossier from the United Kingdom Government. Neither did China, Germany or France. The whole international community reached the conclusion it did from the evidence—in particular, year after year of non-compliance by Saddam Hussein that was charted to the Security Council in the 173 pages of a 29-chapter document that Dr. Blix put before the Security Council on 6 March.

I invite my hon. Friend the Member for Islington, North (Jeremy Corbyn) and other hon. Members to examine Command Papers 5769 and 5785, which I laid before the House in February and March last year. They set out the case and include the speeches that I made before the Security Council. I relied not on direct intelligence but on facts shared with everybody else—including the fact that after 12 years, Saddam was still refusing active compliance with the inspectors. As Dr. Blix said in his report of 27 January, it was a game of catch as catch can.

Of 29 separate clusters identified by Dr. Blix almost six weeks later, he was explicit that in the cluster relating to anthrax, 10,000 litres of anthrax were unaccounted for. His words, not mine, were that there was a substantial presumption that material was still in Iraq and still active and could be used. When one put together all the publicly available facts and the behaviour that we could see with our own eyes, there was substantial evidence of further material breaches by Iraq.

My hon. Friend the Member for Islington, North asked why we did not give the inspectors more time. That decision had to be made by the Security Council and Governments—Dr. Blix never suggested otherwise—on the basis of earlier Security Council

resolutions, not on the evidence of the inspectors, as to whether or not Saddam's regime had been given enough time.

David Winnick: He was given 12 years.

Mr. Straw: Saddam was given 12 years and also overran all the time limits specified in resolution 1441.

Mr. Grieve: We have strayed on to wider issues. Earlier, the Foreign Secretary seemed to imply that it would be impossible to publish the Attorney-General's advice without his consent. While I appreciate that one should always ask the Attorney-General to agree, perhaps the Foreign Secretary concurs that ultimately, such advice becomes the property of the Government. It is for the Government to decide whether or not they wish to publish. That must be the position.

Mr. Straw: The hon. Gentleman is right—publication is ultimately for the Government. *[Interruption.]* Sure. If it was published by a Minister, of course it is a Government document in the end. In practice, one would have to seek the opinion of the Attorney-General. In practice, the idea that one would publish such advice without the Attorney-General's approval is so distant as to be wholly unlikely.

Mr. Foulkes: Has my right hon. Friend ever asked the opponents of the war what they believe Saddam Hussein used to invade Iran and Kuwait and to kill hundreds of thousands of people at Halabja?

Mr. Straw: That is for them to say.

I am glad that we have moved on from whether or not we should dance on the head of a pin and have the legal advice made public. We accept that there was legitimate argument about the legal advice, but at the heart of this, political and moral judgments had to be made about whether or not we should go to war. We must accept the consequences of our decisions. Those who oppose military action must accept the consequences of what would have been their decisions, which would not have been the status quo.

Mr. Salmond: The world would have been a safer place.

Mr. Straw: The hon. Gentleman says that Iraq would have been a safer place.

Mr. Salmond: And the world.

Mr. Straw: Let us be absolutely clear that neither the world nor Iraq would be a safer place if Saddam Hussein had remained.

Lembit Öpik: I came here to hear the justification not for the war but for the refusal by the Foreign Secretary and the Government to share the legal advice. This is not about the integrity of any individual but about the integrity in the eyes of the public of the British body politic. Does the right hon. Gentleman agree that it might be in the public interest on this specific occasion to share the legal advice? After all, if the outline was accurate it will simply confirm that the legal advice was consistently reflected in that which the Government have already published.

Mr. Straw: I hope that the hon. Gentleman works on the basis that Ministers are not liars.

Lembit Öpik *indicated assent.*

Mr. Straw: But the hon. Member for Meirionnydd Nant Conwy gave himself away. He started by saying that we should make available the legal advice, then added that we should make available the instructions as well. The hon. Gentleman's party and the Scottish and Welsh nationalists disagreed with military action in respect of the war. They now seek to make one argument after another to justify their policy. That is fair enough but they must not expect us to be party to that attempt.

The Government have responsibilities to the House and have met them more than any previous Government in respect of military action. I came to the House and said that decisions on military action must be taken on substantive motions whereas, extraordinarily, that was never done in the past. We also made available a digest of the legal basis for the use of force, which had not been done in the past.

Mr. Llwyd: It is a not a question of disclosing the instructions. I said that if the full advice had been published, the instructions would be there because it was upon those factual bases that the advice was drawn. That is an obvious point for any practising lawyer and quite plain. The factual bases would have to be on the face of the documents.

The Foreign Secretary says that we introduced a smokescreen in relation to the war. I spent five minutes speaking about the legality of the war. The right hon. Gentleman has so far spent 20 minutes speaking on that aspect.

Mr. Straw: Because it is at the heart of the issue. I may have misheard the hon. Gentleman but *Hansard* will tell us tomorrow whether his recollection or mine is correct. I thought that I heard the hon. Gentleman say that he wanted the instructions to be published as well. We have had a spirited debate about whether or not the legal advice should be published and the basis for our decision to use force against Iraq. Whatever our differences over military action, we should look forward as well as back. I am not dismissing for a second the need for clear retrospective examination of Government decisions—not least and above all where military personnel are put in harm's way and innocent and military lives are lost.

Along with our international partners from more than 30 countries, the Government's focus today is on working with the Iraqi people to build the safe, free and prosperous country that they deserve.

Yesterday we saw a potentially historic step along that path. For the first time, representatives of Iraq's different communities, ethnic and religious groups have come together and agreed a common political approach for their country. The signature of the transitional administrative law is a significant Iraqi achievement.

[Mr. Straw]

The law sets out a framework for governance during the transition and represents a landmark Iraqi consensus across a range of contentious issues.

I am sure that the House will join me in paying tribute to all parties to that agreement. The members of the Iraqi governing council have shown great patience and fostered a spirit of consensus throughout the negotiations, which has laid the foundations for success. I also want to pay tribute to the work of Ambassadors Paul Bremer and Sir Jeremy Greenstock in facilitating the negotiations on the transitional law, and for everything they and their teams are doing to help the Iraqi people to rebuild their country.

Sir Jeremy comes to the end of his period as a British representative on the coalition provisional authority, working directly alongside Paul Bremer, at the end of this month. He has been an outstanding diplomat and public servant, and I venture to suggest that, without his skill and ability to relate to others, the job of securing the transitional law would have been much more difficult. I pay tribute to him and to his wife, Anne, who first had to endure long periods of separation, but has more recently been in Iraq with Sir Jeremy, working particularly on women's issues.

Looking at the detail of the transition law shows how far Iraq has come since the dark days of Saddam Hussein's rule. The law enshrines fundamental principles of human rights, including protection for the freedom of religious belief and practice, freedom of expression and a free and independent judiciary. All Iraqis will be equal in rights, and equal before the law—without regard to gender, sect, opinion, belief, religion or origin. The law makes provision for a national commission for human rights and it includes provision for an electoral system designed to achieve 25 per cent. representation of women in the national assembly—a higher target than has been achieved in our Parliament.

I would say to right hon. and hon. Members who were sceptical about the military action against Iraq, that none of those achievements, including a free press, an independent judiciary, recognition of all religions—Sunni and Shi'a Kurds, as well as Arab Kurds—could possibly have been achieved without the military action that we set in place.

Sir Menzies Campbell (North-East Fife) (LD): We can certainly agree about the enormous contribution of Sir Jeremy Greenstock to Iraq, and, indeed, his contribution when he was our permanent representative at the United Nations. However, all the constitutional elements to which the Foreign Secretary has just referred stand no chance of implementation unless the security situation is sufficiently stable. What is the Government's present judgment on the extent to which a stable security position will obtain when the constitutional responsibilities are handed over? How many British troops will be required to be in station in Iraq and for how long?

Mr. Straw: I would say to the right hon. Gentleman that the signature of the transitional administrative law is the clearest demonstration to date of the strong desire of the overwhelming majority of Iraqis to build a free, stable and democratic society there. That it happened after the appalling attacks in Ashura a week ago shows how strong is the shared determination of the people of Iraq to build a better future for themselves. That was one of the most remarkable aspects of all. Security remains the overwhelming concern of the multinational force, the Iraqi security forces and the coalition provisional authority. Part of the issue is the status of forces post-30 June. It will probably be difficult to reach agreement, but I am optimistic because all sides understand the importance of doing so.

As regards how long our troops will remain in Iraq, it is a matter for my right hon. Friend the Secretary of State for Defence, and we will not be able to make judgments about that until nearer the mid-year point. I have already made it clear to the House that it will take at least this year before there is any possibility whatever of significant British troop withdrawals. The crucial point is that we committed ourselves to Iraq for the long term and we shall stay there in support of the Iraqi people. On 30 June, unless something wholly unanticipated happens, there will be a transfer of sovereignty to the Iraqi people.

Other good developments are taking place. Nine months ago, I recall endless concern being expressed—quite rightly—about the lack of electricity and water supply, failures in sanitation systems, difficulties with the transport system and problems in schools and hospitals. We do not hear so much about those problems these days, because huge efforts have been made to raise the standards of those public services, not just to their level on 17 March last year, but well above the level that most Iraqis in most parts of the country have ever known. We have also helped to establish a free trade union movement—I would hope that that would be welcomed on both sides of the House, but particularly on the Labour Benches—which never existed under Saddam.

All that is in stark contrast to the repression, neglect and exploitation practised by Saddam's regime. The full extent of the crimes committed under that regime is only just emerging: dungeons, shackles and instruments of torture in police stations and prisons; vast qualities of documentation on those killed and persecuted by the regime; and testimonies of arbitrary imprisonment, beatings, torture, amputations and mass executions. Some 270 mass graves have been reported, containing hundreds of thousands of bodies. The fate of hundreds of thousands of missing Iraqis, and other nationals, remains unknown.

There are many challenges ahead in Iraq, but the Iraqi people are, with international help, making good progress in rebuilding their country. Whatever our different positions on the justification for military action, our focus now should be on supporting the Iraqi people, and all those who are working with them, as they build a free, safe and prosperous Iraq at peace with its neighbours and taking its rightful place in the international community.

2.56 pm

Mr. Dominic Grieve (Beaconsfield) (Con): I have no difficulty in associating myself with the Foreign Secretary's last remarks about the position in Iraq. In a sense, it is probably right to say that the judgment of

history will determine whether the intervention of the various powers, including the UK and the US, bears fruit—it was always going to be a difficult venture. Equally, I have no difficulty with the fact that I voted for the motion to use armed force. I did so based on my assessment of the position and, of course, on the material that the Government presented to the House—presumably, the exact basis on which the Government intended hon. Members to make up their minds.

The difficulty with the current debate is that we seem to be in danger of straying from the single essential point into much wider considerations. The motion requests the publication of the Attorney-General's advice. I fully accept what the Foreign Secretary said when he enunciated the general principles pertaining to an Attorney-General's advice; it is little different from that given by any other lawyer to his client. It is essential that the Government have access to the best legal advice, as they do through the Attorney-General, albeit that it is not always him who writes the advice—or at least provides some of the basic information or gives an opinion—because he has a pool of talent on which to draw in supplying the advice.

It is ordinarily important that such advice should remain confidential. The reason for the confidentiality is exactly that enunciated by the Foreign Secretary: the desirability of being able to get advice without it being published and also because—I suspect that the right hon. Gentleman would not disagree—the Government cannot hide behind the advice of an Attorney-General. It is the Government's decisions, based on advice, that have to be taken. In the old days, the advice used to be called an opinion. It is someone's opinion, not the gospel truth, that is offered to the world. It is the best advice that an individual, having sought the opinion and help of others, can offer the Government on what may be a complex and difficult issue.

I have no difficulty with those basic principles. I think that the Foreign Secretary accepts that the convention has not required that previous advice from those who held the office of Attorney-General must never be published. The pages of parliamentary history show that that has happened on a number of occasions. Interestingly enough, it has generally happened when a problem about the legality or appropriateness of subsequent Government action has arisen. Matters such as the Archer Shee case and the Belfast riots seem to me to fall roughly into that category.

Mr. Straw: I remember them well.

Mr. Grieve: They may be a long time ago, but one virtue of our parliamentary tradition is that what happens in Parliament is based on precedent. I hope that the Foreign Secretary is not about to consign that tradition to the bin, as it is very desirable. The problems faced by our forefathers tend to replicate themselves in the problems that we face. There is nothing new under the sun, so the past is a good place to look when one needs to know the best way to proceed.

The Foreign Secretary has argued that he does not want to publish the Attorney-General's advice in this case. I disagree with that decision. Before the right hon. Gentleman gets hot under the collar, I hope that he will listen to some straightforward arguments about why the advice should be published.

First, we must look at the circumstances in which the advice came to be given, and the use that the Government have made of it. Last year, the Government faced a difficult task. The Foreign Secretary restated a few moments ago what the Government believed at that time—that military action against Iraq was necessary and that Iraq had systematically flouted a series of UN resolutions. The Government also believed that Iraq posed a regional and even global threat; at least, that was how the matter was presented to the House when it was debated here. Finally, the Government wanted to ensure that Iraq was stopped. They took the view that UN resolutions already agreed allowed action to be taken and that there was no need to go back to the Security Council to secure a further resolution.

To achieve that, the Government put out a great deal of information. Instead of acting first and debating the result in Parliament afterwards, they decided to take the novel step of seeking Parliament's sanction and approval for the action that they intended to take. I thought that that approach was commendable, and I welcomed it at the time.

The Government put into the public domain a mass of information that, generally speaking, would not in the past have been seen by parliamentarians or the public. There were dossiers, and information about Iraq's capability in respect of weapons of mass destruction; also made available were assessments of the risks that Iraq posed, and of previous UN resolutions and the way that they had been broken, as reported by Dr. Blix. The Government also made it clear that they had gone to the Attorney-General before asking Parliament to come to this very important decision. Although the Government were not about to publish the Attorney-General's advice, they stated that they would publish a summary. That summary was published, and was available to hon. Members when the time came to make our decision.

Llew Smith: Does the hon. Gentleman agree that we did not go to war because Saddam flouted UN resolutions? Had that been the reason, I assume that we would have gone to war with Israel many years ago, although I would not have supported that. We went to war with Iraq for one reason—because it had weapons of mass destruction. At least, that is what we were told.

Mr. Grieve: There lies the nub of the issue. When I came to consider whether it was proper to take military action against Iraq, I was not shadow Attorney-General. My assessment was influenced by Iraq's systematic flouting of UN resolutions, dating from the end of the Gulf war with Kuwait. The armistice at the end of that war contained conditions that were simply not observed. I was greatly influenced by the systematic violation of those agreements. However, for many Labour Back Benchers and other hon. Members, the critical question—and I accept that it was very important—was whether the situation was grave enough to merit military action.

Clearly, the question of proportionality arose, and I remember the words "real and present danger" being bandied about. Was Iraq a real and present danger as well as being in breach of the resolutions? As the hon. Member for Blaenau Gwent (Llew Smith) says, the issue

[Mr. Grieve]

of WMD featured very largely in the debate. Although I did not think that the WMD issue should be taken in isolation, it was clear from the debate that for many hon. Members it was of critical importance.

Mr. Stephen McCabe (Birmingham, Hall Green) (Lab): My recollection is that a number of senior Conservatives were extremely anxious to go to war, but I hope that the hon. Gentleman will satisfy my curiosity about a particular question. It appears that publication in full of the Attorney-General's advice is now crucial for the hon. Gentleman. He is a lawyer, and he was considering these crucial matters very deeply, so why did it not occur to him, or any of his senior colleagues, to request full publication of the advice at the time?

Mr. Grieve: I confess that I wonder where the hon. Gentleman has been for the past six months.

Mr. McCabe: Why did not the Opposition request full publication at the time?

Mr. Grieve: I had no reason to seek the publication of the Attorney-General's entire advice at the time, because the Government placed before the House a body of material that stated that Iraq had weapons of mass destruction. However, two things have happened since then that have caused us to have this debate, which would not have happened otherwise. First, the weapons have not been found; and, secondly, evidence has emerged that calls into question the Government's competence in handling the intelligence material in relation to WMD. We know that because we discovered in the debate on Lord Hutton's report that the Secretary of State for Defence knew in March 2003 knew that the term "WMD" referred to battlefield weapons only, but that the Prime Minister apparently did not.

Mr. Patrick McLoughlin (West Derbyshire) (Con): My hon. Friend has offered two reasons why we should see the advice in full, but matters have moved fast. I remind him that there is another reason. The right hon. Member for Birmingham, Ladywood (Clare Short), the former Secretary of State for International Development, was a member of the Cabinet that took the decision to go to war, but she now says that there was something fishy about the decision. I cannot remember that happening in the past. The hon. Member for Birmingham, Hall Green (Mr. McCabe) wants to know what has changed, but he should ask those who sat around the Cabinet table at the time. Therefore, does my hon. Friend not agree that we are right to ask the questions that we are asking?

Mr. Grieve: My hon. Friend is right. I was about to move on to questions about the actions of that former Cabinet Minister since her resignation. Moreover, we know that the legality of the decision to take military action appears to have been the subject of some controversy, to say the least. I do not mean that as a criticism of the Government, but we know that the second permanent legal adviser to the Foreign Office, Mrs. Wilmshurst, was so concerned that she resigned over the issue.

That is not to say that she was right and the Attorney-General wrong, as it is possible for people to have different opinions. However, we are entitled to ask whether the Attorney-General was given the right information on which to base his advice. That is the critical issue in this case, and the Government cannot avoid it. It may be that the Government were misled by the intelligence services. Their claim about WMD may have been made in complete good faith, As a result, the Attorney-General, again in complete good faith, may have based his advice on it. If that is the case, it may reflect on the competence of the intelligence services—intelligence is a fairly murky area—but it would not necessarily reflect badly on the Government and it would not make the decision to go to war unlawful. We did not have the correct intelligence because Saddam Hussein consistently denied and obfuscated the true position over the previous months and years. It would be useful to have the entire picture because it might well exonerate the Government of anything more than making a mistake.

Alternatively, the conspiracy theory is that the Government knew that the evidence on weapons of mass destruction was nothing like as good as the way in which they presented it to the House, but chose for their own reasons—perhaps they were particularly concerned about their Back Benchers—to deny their Back Benchers and, for all I know, the Attorney-General access to it. That is why the Attorney-General's advice, which the Government specifically relied upon to present their case to the House to justify the legal basis for military action, is so relevant.

I hope that the Foreign Secretary is willing to listen with an open mind. Subject to the problem that the Attorney-General's advice might contain either classified material, which would have to be edited, or references to secret material that the Government have still not been able to present to the public, it is entirely in the Government's interest to make the advice available. The Government used parts of the advice to persuade the electorate and Parliament. One year later, they have got themselves into a position where, possibly through no fault of their own, elements of the factual opinion that they gave have been called into question on valid grounds, and supplying the entire advice would provide reassurance. In that light, I must say to the Foreign Secretary that it strikes me as being fairly reasonable for the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) to table his motion.

Mr. Llwyd: I am following the hon. Gentleman's argument fairly carefully and agree with him, but it is highly unlikely that the Attorney-General's advice contains anything secret. If that were the case, the Katharine Gun case would not have collapsed because the judge would have allowed a public interest immunity certificate.

Mr. Grieve: We may be entering the realm of speculation by discussing the collapse of the Katharine Gun case. The hon. Gentleman's point is a little far-fetched because we do not know why it collapsed—we were told that there was a lack of evidence. I do not know whether there was a lack of evidence, whether the Government had material that they would have liked to have put before the court but could not because it was

subject to PII or whether the Government had material covered by PII that they did not want to put before the court but would have been forced to put in front of the judge.

Mr. McCabe: I want to return to the notion that the Government may have deliberately sought to dupe an array of people in the build up to war. Were members of the Privy Council such as the right hon. and learned Member for Devizes (Mr. Ancram) and the right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith) so slow and inept that they could not see possible areas of doubt? Were they so in love with the idea of war that they did not want to consider the matter? What is it about the position now that was not remotely apparent to any of them at the time? This issue is difficult for all of us, but at the time they were in no doubt about the information that they were receiving. Apart from the political opportunity, which we have heard about, why have all the doubts surfaced subsequently? Why did members of the Privy Council not entertain any doubts at the time?

Mr. Deputy Speaker (Sir Michael Lord): That was a very long intervention.

Mr. Grieve: As I said earlier, the hon. Gentleman does not seem to have kept abreast of what has happened since. When the debate took place, it was clear that Iraq had flouted the UN resolutions—I suspect that no hon. Member in the Chamber this afternoon could suggest that it had not flouted UN resolutions because it did so consistently. The obfuscation, the denial and the expulsion of the inspectors in 1998 form a pattern, and each of those events might well have justified taking military action at the time that it occurred. I can think of all sorts of other things that Iraq did not do: it did not hand back the Kuwaiti art treasures and it never provided a full list of those it had deported and murdered; the list is endless. Saddam Hussein was a monster who behaved monstrously before, during and after the war against Kuwait. I have no regrets about having seen him removed from power.

The issue was difficult for the House. We were told that the pressing need to take military action rather than relying on other means was the existence of weapons of mass destruction, which provided a real and present danger that had to be addressed then and there and not by any other prolonged means. That argument influenced me when I considered how I should vote. I was comfortable in voting for the resolution provided that the Government were acting honestly with the House, and I certainly have no reason to think that they were not. The hon. Member for Birmingham, Hall Green (Mr. McCabe) may remember that it was pointed out to the Prime Minister that, if only people trusted him more on other matters, it would be easier for them to trust him on that important matter, where we all think that trust was required.

Mr. John Randall (Uxbridge) (Con): My hon. Friend and I took different views about military action at the time, and I did so with a heavy heart. In March last year, I asked the Prime Minister for the full evidence because many of my constituents and I wanted to be persuaded by the Government. We wanted the evidence to know that the Government were doing the right thing, and that argument remains. We need the evidence to persuade people to trust our Government.

Mr. Grieve: I agree with my hon. Friend. Other Conservative Members also voted another way as a matter of conscience and were given every allowance to do so—I fully respected their position. I agree that there is a need to restore public trust. It is in nobody's interest for trust not to exist, and we will all lose in those circumstances. The belief that there are short-term party political advantages from a decline in trust in politicians in general is frankly a mistake. A loss of trust will ultimately affect the entire system of governance in this country and do none of us any good.

The Government's reliance on the advice, the fact that they published a summary of it and the fact that it was intimately linked to the information that was available at the time and on which they based their view seems to make publication desirable. At the end of the day, however, it is their decision, not mine.

Mr. Cash: Will my hon. Friend acknowledge that there was a pragmatic reason for the release of the summary? Having been intimately involved in those matters, perhaps he will take it from me that the necessity for producing a summary opinion had much to do with getting Labour Members of Parliament through the Lobby. Furthermore, the alternative in the absence of any such summary would have been a deluge of opinions from Matrix and other chambers, which would have been in the hands of those who were opposed to the war, and the nation would have heard them on the airwaves if they were broadcast nationally on that day.

Mr. Grieve: I am sure that that analysis is correct. There is nothing wrong with what the Government did, and it was all the more desirable for them to take the unusual step of publishing a summary.

Rather than getting agitated by what, in the light of what has happened, is a perfectly sensible suggestion, the Government should go away and consider the matter carefully. It is in their interest and that of good government generally that the advice should be published. If there are compelling reasons why it should not be published that go beyond the reasons of convention, the Foreign Secretary should explain them, rather than saying simply that convention does not allow publication and then giving us an interesting speech on several issues that are not germane to the point that we are discussing this afternoon. I wish the Government every success in what they are trying to do in Iraq, but I also think that it would be wise for the Government to publish the entire advice from the Attorney-General.

3.20 pm

Llew Smith (Blaenau Gwent) (Lab): To save time and prevent unnecessary interventions, I shall say straight away that I was among those who voted against the war. However, I oppose Saddam Hussein now, just as I opposed him and demonstrated against his rule in the 1980s. I find it ironic that some of his greatest critics today were some of his greatest friends in the 1980s. I remind the House, as I said in an intervention, that I

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opposed the arms trade with Saddam Hussein and other evil regimes. I remember some of the criticism that we were subject to at the time. We were told that if we continued our campaign we would put British jobs in the arms industry at risk. We ignored that criticism because we thought that the campaign against selling arms to regimes such as Saddam's was more important than putting at risk some jobs in the UK arms industry. In saying that, I accept that right hon. and hon. Members disagree about whether we should have gone to war.

Perhaps I was naive to assume that we could disagree on whether to go to war but that we could still agree that all the information that the Government received before taking the decision to go to war should be provided to hon. Members and to the public. Sadly, that is not the case. However, I believe that the Government have a moral obligation to provide that information, especially to the families of those who died as a result of the war. That obligation extends to us all, so that we can decide whether that act of war was legal. I am not a recent convert to that argument and I have not jumped on the bandwagon. Indeed, I am one of those who have consistently posed such questions to the Government over the past 12 months.

On the day following the House of Commons vote on the war, the Prime Minister stated:

"We want to ensure that any post-conflict authority in Iraq is endorsed and authorised by a new United Nations resolution".—[*Official Report*, 19 March 2003; Vol. 401, c. 932.]

But many of us who voted against the war contended that we did not even have an existing UN Security Council resolution that endorsed a military invasion and that it was an illegal war. In reply to a question of mine in May 2003, I was informed that Sir Jeremy Greenstock had said, when he spoke at the UN:

"There is no 'automaticity' in this resolution. If there is a further Iraqi breach of its disarmament obligations, the matter will return to the Council for discussion as required in ... Resolution 1441".—[*Official Report*, 7 May 2003; Vol. 404, c. 739W.]

We all know that no second resolution was ever put to the United Nations.

Mr. Salmond: The hon. Gentleman is well versed in the statement that was produced by France, Germany and Russia thereafter, which emphasised that that was their understanding of the resolution that they had voted for.

Llew Smith: I support such sentiments and I suspect that it is one of the reasons why a second resolution was not put to the UN at the time.

Many hon. Members today wonder how a year ago they were able to vote for a resolution for war that asserted that this House:

"recognises that Iraq's weapons of mass destruction and long range missiles, and its continuing non-compliance with Security Council Resolutions, pose a threat to international peace and security". —[*Official Report*, 18 March 2003; Vol. 401, c. 760.]

That was false. As Dr. David Kay, an ex-CIA agent and the former head of the Iraq survey group, which was set up to find the Iraqi weapons of mass destruction, put it to the United States Senate in January this year, after he resigned:

"We were almost all wrong".

We now need to know whether Ministers simply proved to be very bad judges of geopolitics, stubbornly refusing to listen to the millions who marched against the war a year ago, or—worse—deliberately distorted the evidence, cherry-picked the details that suited their case for invading Iraq, and pressed the Attorney-General to provide an opinion that endorsed a political decision already taken two years earlier to invade Iraq and overthrow Saddam.

Mr. McCabe: I respect my hon. Friend's view on the war, although I do not agree with it. Is he seriously suggesting that Ministers in this Labour Government deliberately set out to lie, distort and misrepresent the truth to con us all into a war? Is that really what he believes?

Llew Smith: I cannot answer that question.

Mr. McCabe: You voiced it.

Llew Smith: Where I come from, we have a quaint tradition that if someone poses a question, someone else answers. You have both posed and attempted to answer the question. You posed the question and now I shall answer—

Mr. Deputy Speaker: Order. I would gently remind the hon. Gentleman that he must use the correct parliamentary language.

Llew Smith: My hon. Friend posed the question and I shall answer it. My answer is that I cannot answer his question truthfully until we receive the information that some of us have demanded and is the reason for today's debate. If we receive the information in the weeks or months ahead, I shall be in a far better position to answer my hon. Friend's question, but until that happens I have to say that I just do not know.

The sequential refusals of the Attorney-General in the other place, and Ministers in this House, to release the full legal opinion have prevented both Houses of Parliament from finding the truth about how the war was started. I have tabled many questions on the legality of the war—probably more than any other Member, as the Minister will accept. I have requested that all—I emphasise the word "all"—the information that the Government received should be in the hands of Members of Parliament and the public. Sadly, a Labour Government who came to power in 1997 committed to open government have failed to keep their promise. The Government's responses to my requests for information have included "No" and "Information withheld". The Government have also responded that it is

"not the practice to disclose the content of confidential discussions with foreign Governments."—[*Official Report*, 24 March 2003; Vol. 402, c. 21W.]

On another occasion, they said that the

"substance of advice which the Law Officers may have given to Government is not publicly disclosed."—[*Official Report*, 26 March 2003; Vol. 402, c. 236W.]

I have also been told that

"information is withheld under exemptions 2 and 4 . . . of the Code of Practice on Access to Government Information."—[*Official Report*, 6 October 2003; Vol. 410, c. 1114W.]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Bill Rammell): For the sake of clarity, will my hon. Friend confirm that when he says that all information should be put into the public domain, he means that all the intelligence information on which the Government based their decision should be put into the public domain?

Llew Smith: I assumed that my hon. Friend the Minister would have known without bothering to ask that I was referring to the information that the Government received from the Attorney-General. Indeed, that is the reason for the debate. I did not ask for intelligence information or any other information that would put national security at risk. I am referring to the information that the Attorney-General provided to the Government. I see no reason why Members of the House, and indeed members of the general public, should not receive all of that information in order to be able to pass judgment on whether it was right or wrong, legal or illegal, to go to war.

We also know from Anthony Aust, a former Foreign Office deputy legal adviser and visiting professor of international law at the London School of Economics, writing in *The Guardian* on 2 March, that legal advice to the then Tory Government was published in 1972

"over the Simonstown Agreement with South Africa. The treaty for the navy base obliged Britain to supply the apartheid regime with military equipment. The legal advice was published to justify the exports."

Indeed, Ministers were becoming even more secretive, adding that even information on whether legal advice had been offered was a secret.

In an intervention I said that I could understand that if a private individual sought legal advice, that individual had a right to determine whether the advice would remain confidential. But I repeat that a Labour Government or any other Government are not a private individual. This Labour Government were democratically elected and are therefore accountable to the people. It is not possible to have that accountability if the people—those who put the Government into office—are prevented from having information that determines the most important of all decisions: whether the country should go to war. I believe that Members of this House cannot take that kind of decision unless we, too, are provided with that information.

While all this has been going on, a cloak of secrecy has been drawn over these matters. Despite the fact that no weapons of mass destruction have been found—Saddam was supposed to have weapons of mass destruction that he could use within 45 minutes and that were a threat to the west—no resignations have followed. Last December, I asked my right hon. Friend the Prime Minister whether, if no weapons of mass destruction were found in Iraq, we could expect resignations at the highest levels of Government. Unfortunately, he failed to answer.

In my opinion, the war was illegal. It was immoral, and it has resulted in a more unstable world, where terrorism is a graver threat. It was conducted on a false premise—that Iraq had weapons of mass destruction, that it could use them within 45 minutes and that it was a threat to us in the west.

3.32 pm

Sir Menzies Campbell (North-East Fife) (LD): Were I winding up the debate, I should be compelled to describe it as wide-ranging. But in the time available to me I shall try to focus on the issue of publication, which I understand to be the gravamen of the motion in the name of Members of Plaid Cymru and the Scottish National party.

Let me remind the House that when General Galtieri invaded the Falklands, the legal position was clear and unequivocal. When Saddam Hussein invaded Kuwait, there could be no dispute about the illegality of that act. But the military action against Iraq 12 months ago had neither such legal clarity nor unanimity, then or now. The truth is that legal opinion was then, and remains today, as controversial and divided as public opinion.

The circumstances were and remain unique. The United Kingdom went to war on the basis of intelligence assessments, not because of an actual or even an immediately threatened act of aggression. It has been repeated again today that we went to war, the Government said, on the basis of the contention that Iraq was in breach of United Nations resolutions, and that that of itself justified military action to enforce those resolutions. That contention, if I have stated it both accurately and fairly, as I believe I have, seems to me to fail to take account of three significant legal principles.

The first principle is that war must always be the last resort when all other diplomatic and political alternatives have been exhausted. Yet at the time of our debate on 18 March, and the military action that followed it, inspections were still continuing, and in the opinion of Dr. Blix could usefully be allowed to continue. Diplomatic and political alternatives were still available.

The second principle is that when military action is taken, the use of force must always be proportionate to the political aims. The object of the resolutions upon which the Government rely now, and upon which they relied then, was to disarm Iraq, not to topple its Government. It is self-evident that military action for the first purpose is different in degree and extent from what is required for the second.

The third principle is that regime change is illegal under article 2, paragraph 4, of the charter of the United Nations. Yet which of us doubts that the clear objective of the United States, with which we were associated in alliance, was regime change? Last week in Sedgefield, in a speech whose second half in particular requires careful study and consideration, the Prime Minister distanced the Government from regime change. But it cannot be avoided that we acted in concert with the United States, for which regime change was a publicly stated justification for military action.

Those three elements—last resort, proportionality and regime change—all have legal consequences. I do not believe that any opinion seeking to examine and analyse the legal justification for military action could or should have ignored them. That is why I believe that the

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public are entitled to know whether the Attorney-General considered those elements, and if so what weight was attached to them.

It is said that convention precludes publication of the Attorney-General's advice, but that principle was breached when part of the advice was published. If the principle is of such profound significance, as soon as it is breached the argument that it must be maintained in all circumstances suffers at the very least considerable damage. That principle can have been breached only because of a recognition by the Government of the special circumstances of the time—special circumstances reflected, as the hon. Member for Blaenau Gwent (Llew Smith) has just said, in the Government's decision to put to the House a question seeking endorsement of the decision to take military action; special circumstances indeed. But that convention is not a statutory rule. The law is not broken by publication of the Attorney-General's advice, and it must be borne in mind that conventions in our constitution are conceived of in the public interest. It is not their purpose to protect parties or Governments from scrutiny or embarrassment. So, in this case, it is my conclusion that the convention does not serve the public interest and that the public interest is best served by full disclosure. That is why the House should support the motion.

3.39 pm

Ross Cranston (Dudley, North) (Lab): Only rarely does the House discuss matters of lawyers' law, and I am rather surprised that we are doing so this afternoon. The confidentiality of the Attorney-General's advice may be a matter that plays more in the taverns and byways of some parts of Wales, and possibly of Scotland, than in my constituency. Frankly, it has no resonance in my constituency.

Yes, there is an interest in the security situation in Iraq because some of my constituents and some of the sons and daughters of my constituents are in that country with the United Kingdom's armed forces. There is interest in the developing democracy in Iraq and the emergence of a free press, responsible government and the interim constitution that was agreed recently. There is also some interest in what is to happen to Saddam Hussein and when he is to be tried for crimes against humanity, but there is no interest whatever in the subject of this debate. None the less, I shall address it.

I thought the debate was to be about a specific issue—the confidentiality of the advice—but the right hon. and learned Member for North-East Fife (Sir Menzies Campbell) strayed into the substance of that advice. I understood him to say that because we do not have the full advice we cannot understand the full legal reasoning. If that is what he was saying, let me assure him that the matter is widely canvassed in legal literature and there are extensive discussions of the various legal arguments. It is not merely a matter of an A4 sheet, as the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) claimed; a fuller memorandum to the Select Committee on Foreign Affairs was published by my right hon. Friend the Foreign Secretary, which set out in detail issues such as automaticity. That advice clearly stated that we did not accept that the situation gave rise to automaticity, but that Iraq had a final opportunity, under resolution 1441, to comply with the UN resolutions but had not taken advantage of that.

Mr. Salmond: That being so, we should do justice to the comments of the right hon. and learned Member for North-East Fife (Sir Menzies Campbell). Does not the hon. and learned Member for Dudley, North (Ross Cranston) find it passing strange that the published summary of the Attorney-General's advice included no consideration of such pertinent issues as proportionality in weighing up the legality or otherwise of the conflict before reaching a conclusion?

Ross Cranston: As I just said, one has to look not only at the summary of the Attorney-General's advice, but at the memorandum to members of the Foreign Affairs Committee published on 17 March, which explores in great detail the legal reasoning adopted by the Government.

Sir Menzies Campbell: May I put a specific question to the hon. and learned Gentleman? Is it his position that the UN resolutions, including 1441, gave warrant for regime change?

Ross Cranston: The resolutions—1441 in particular—gave rise to an obligation that the then Iraqi Government bring themselves into compliance. The onus was on that Government to comply with the obligation to disarm. They had a final opportunity to do so, mechanisms were set up for that under 1441, but they did not comply. I shall return to that point in a moment.

Ms Abbott: My hon. and learned Friend's argument appears to be that the legality of the case for war was wholly transparent, partly because of the summary and partly because of various memorandums. But if the legal basis for going to war was as transparent as all that, why, only days before the war, was the Chief of the Defence Staff, Sir Michael Boyce, still asking for a clear legal authorisation?

Ross Cranston: Because, clearly, our armed forces and our civil servants are scrupulous about complying with legal advice. I do not know the substance of the advice being sought, but two issues are, unfortunately, sometimes confused: the legality of taking action and—whether or not the action is legal—the need to comply with what was set out in the Geneva protocols and is now incorporated in the statute of the International Criminal Court, namely, that one cannot commit crimes against humanity, war crimes and so on.

Mr. Salmond: The admiral can help us, because he speculates in *The Herald* on 8 March—just yesterday—that the impact of his questioning may have had an effect. He says:

"Now, if that caused them to go back saying 'We need our advice tightened up', I don't know."

Ross Cranston: As I said, our armed forces are scrupulous about whether or not they are acting in accordance with the law. I do not know the background, but I can well understand Lord Boyce wanting

assurance on that point. On the substance of the advice, which is not the issue of the debate, I am absolutely clear, as I have told the House on a number of occasions, that the repeated failure of the then Iraqi Government to comply with a series of resolutions dating back to the first Gulf war—resolutions 678, 687 and a number of others, leading to resolution 1441—gave rise to the obligation unconditionally to co-operate, which Saddam Hussein failed to do.

Let me come, first, to the technical issue that is the substance of the motion: the obligation to publish the advice. In private law matters, there is both confidentiality—the lawyer's obligation to maintain the confidence of the client—and the separate evidential rule, which involves legal professional privilege, one aspect of which is that one cannot get access to legal advice during judicial or quasi-judicial proceedings. One cannot get access to communications between the lawyer and the client that have been used for the purpose of obtaining legal advice. The reason for that goes back to statements such as those of Lord Brougham in the early 19th century, for example, and reiterated by the chairman of the Bar Council, quoted by my right hon. Friend the Foreign Secretary.

I shall quote Mr. Irwin, who is the current chairman of the Bar in England and Wales:

"Were this advice to be published, it would leave future governments of whatever hue in difficulty when it comes to obtaining confidential legal advice on major matters of public or international law. That would be clearly against the public interest."

In other words, we want our armed forces and civil servants to seek legal advice, and the protection given by the confidentiality of the advice encourages them to do so. That has always been the rationale of the confidentiality of advice, although one may question it. In my former guise, I was not always persuaded by the notion that legal professional privilege should be absolute. The law should recognise that there are good public policy reasons in some cases for overcoming legal professional privilege, but that is the general rule.

In the public sector, there are additional features. There is the provision in section 35(1)(c) of the Freedom of Information Act 2000, which my right hon. Friend mentioned. There is the provision in the ministerial code, and there is the convention. It is a convention, not an absolute rule, and it is recognised in "Erskine May". The hon. Member for Meirionnydd Nant Conwy quoted Edwards's "The Law Officers of the Crown." It is a convention widely recognised that the Law Officers' legal advice remains confidential. There are exceptions; it is not an absolute rule. There is the case of the Belfast riots in 1865, and there are other exceptions. In recent times, Law Officers' legal advice was published as a result of legal proceedings in the Factortame case and the Scott inquiry, but good public policy justifications are needed to publish in defiance of the convention.

The argument that it might be necessary to publish the Attorney-General's advice in specific legal proceedings so that people can defend themselves in criminal cases has already been used in the debate. Several Greenpeace volunteers are appearing before the magistrates court as a result of occupying tanks at the Marchwood military docks in February 2003. They want to argue a defence of necessity and say, "We were trying to prevent an illegal war, so we need access to the Attorney-General's advice."

Mention has also been made of the Katharine Gun case, although if one reads the statement by the Director of Public Prosecutions carefully, one finds that the abandonment of that prosecution had nothing whatsoever to do with the Attorney-General's advice. The Greenpeace activists are barking up the wrong tree, and I suggest that they get better legal advice if they think that the Attorney-General's opinion would provide them with any defence to the charges of aggravated trespass or criminal damage because there must be some proximity between the Attorney-General's advice and the defence of necessity. Anyhow, they may make the application and can seek judicial review if the magistrates refuse to order the advice to be produced.

We have heard a second argument about the situation somehow undermining the position of the parliamentary ombudsman, who, as I understand it from press reports, has sought the advice as a result of an application from *The Guardian*. It would be deeply ironic if the advice were made available to her but not to the House, and I frankly do not think that she should have access to the advice. I cannot understand the legal justification for making the advice available to her, but that is another argument, which frankly is not especially relevant today.

The third argument, which is a serious argument, is that we must understand the factual basis on which the advice was given. Serious commentators such as Professor Peter Hennessy have commented on the matter. Professor Hennessy said:

"That opinion turned largely on what intelligence told Whitehall about the degree to which Saddam Hussein and his weaponry posed a danger to other people's nationals other than his own."

The right hon. and learned Member for North-East Fife was reported last week in *The Guardian* as saying:

"The reliability of the advice is directly related to quality of the facts on which it is based".

The argument is serious, but it can be easily resolved because the facts on which the advice was based were perfectly clear. The facts are set out in Security Council resolution 1441, and my right hon. Friend the Foreign Secretary spoke about the way in which each of the resolution's words was carefully negotiated.

The preamble to resolution 1441 sets out two facts: Iraq's breach of Security Council's disarmament resolutions over 12 years since 1990, and its failure to comply with inspection regimes under those resolutions. As the preamble says, the Security Council was deploring

"further that Iraq repeatedly obstructed immediate, unconditional, and unrestricted access to sites designated by ... UNSCOM".

It also says that the Security Council recognises

"the threat Iraq's non-compliance with Council resolutions and proliferation of weapons of mass destruction and long-range missiles poses to international peace and security".

The obligations on Iraq are clearly set out in the substance of resolution 1441. Paragraph 1 says that Iraq is "in material breach". As I have said in previous debates, that is the most serious kind of breach because it may give rise to the breach of a treaty. Paragraph 2 gives Iraq

"a final opportunity to comply with its disarmament obligations".

[Ross Cranston]

Paragraph 9 puts the important obligation on Iraq to

"cooperate immediately, unconditionally, and actively with UNMOVIC and the IAEA".

The resolution is perfectly clear.

Mr. Colin Challen (Morley and Rothwell) (Lab): I have been listening carefully to my hon. and learned Friend. I am not an expert in international law, but surely we should take into account the context of resolution 1441. The American delegation to the United Nations said that 1441 would not lead to military action. Indeed, it would have been difficult to secure unanimous agreement for that resolution if the French or Germans had believed otherwise. It is odd to build an argument on the basis of what happened on that fateful day in the United Nations.

Ross Cranston: Resolution 1441 imposed a unanimous obligation on Iraq, saying that it was "in material breach", but had a final opportunity to comply with its obligations inter alia by co-operating "immediately, unconditionally, and actively". Paragraph 13 goes on to say that

"the Council has repeatedly warned Iraq that it will face serious consequences as a result of its continued violations of its obligations".

Mrs. Alice Mahon (Halifax) (Lab): I think that my hon. and learned Friend is going to conclude that 1441 gave the green light to go to war. Why, then, did the much praised public servant, Sir Jeremy Greenstock, make a statement outside the UN in which he said that there was "no automaticity" about our going to war in that resolution?

Ross Cranston: I touched on that earlier, when I said that there was no automaticity, but that Iraq had to achieve compliance immediately, unconditionally, and actively.

Dr. Blix produced three important and detailed reports for the Security Council, the first of which was published on 27 January. One remembers that report in particular because in it Dr. Blix used the following expression:

"Inspection is not a game of 'catch as catch can'."

He pointed out that the obligation in paragraph 9 of resolution 1441 was to co-operate actively. In his report of 14 February, he referred again to the need to co-operate and said:

"Although I can understand that it may not be easy for Iraq in all cases to provide the evidence needed, it is not the task of the inspectors to find it. Iraq itself must squarely tackle this task and avoid belittling the questions."

Finally, in his March report, Dr. Blix said:

"It is obvious that, while the numerous initiatives which are now taken by the Iraqi side with a view to resolving some long-standing open disarmament issues, can be seen as 'active', or even 'pro-active', these initiatives 3–4 months into the resolution cannot be said to constitute 'immediate' co-operation."

In other words, Dr. Blix was saying that Iraq had not complied with its obligations under 1441.

The issue of whether or not weapons of mass destruction existed is beside the point as far as 1441 is concerned, because under that resolution the onus is on Iraq to demonstrate that it does not have such weapons. I remind the House that in the preamble to resolution 1483, passed after the conflict had finished on 22 May 2003, the Security Council reaffirmed

"the importance of the disarmament of Iraqi weapons of mass destruction and of eventual confirmation of the disarmament of Iraq".

Paragraph 11, the substantive part of that resolution, reaffirms

"that Iraq must meet its disarmament obligations".

Even after the conflict, the Security Council said that Iraq must disarm. The fact that weapons of mass destruction have not been found so far is clearly beside the point.

Llew Smith: How can weapons of mass destruction be beside the point, given that they were the reason why we went to war?

Ross Cranston: It is clear, in terms of 1441, that we took armed action because Iraq had not demonstrated that it did not have weapons of mass destruction. That is the point. The onus was on Iraq to demonstrate that it did not have them, but it failed to do so.

I was sad to see that the other day the hon. Member for Meirionnydd Nant Conwy, supported by the hon. Member for East Carmarthen and Dinefwr (Adam Price), signed up to the petition to the International Criminal Court on UK war crimes. That petition is entirely misconceived. It confuses the earlier notion of the illegality of the war with that of how any war is conducted in relation to the Geneva protocols, and also suggests that we in the UK are guilty of genocide because we acted in accordance with the sanctions resolutions imposed by the United Nations. That is completely wrong.

It is clear what the motion is all about. We cannot get away from the obvious fact that we have a legitimate disagreement in this House about the war in Iraq. The motion is one more weapon that is being used by those who opposed the war to further that cause. I completely reject the suggestion that the Attorney-General was suborned in terms of the opinion that he gave. As my right hon. Friend the Foreign Secretary said, the Attorney-General is a man of the highest integrity. Before he became Attorney-General, he was a leader of the commercial Bar and chairman of the Bar Council. He is a man of the highest intelligence and integrity, and the suggestion that he was manipulated to produce advice must be clearly and unequivocally rejected.

The motion represents one more attempt to go over very old ground. As my right hon. Friend the Foreign Secretary said, our major concern should be the future of a democratic state in Iraq.

4.3 pm

Mr. William Cash (Stone) (Con): I regard it as a little odd, to say the least, that the Solicitor-General is not in her place to discuss these matters, given that she assumed such a prominent role in the Gun prosecution case and that the Attorney-General is the subject of the debate. A few days ago, I said in a letter to *The Daily Telegraph* that I deeply regret the fact that the Attorney-General is not in the House of Commons to answer for and to be accountable for the decisions that he takes on

behalf of the nation, particularly in matters of this kind. Many people have the highest opinion of the Attorney-General, and I would concur. However, nobody is infallible. Moreover, under the conventions of the House, it is—or was, until this Government took over—always the case that the Attorney-General sat in this House, for extremely good and sound reasons. I shall revert later to the role of the Attorney-General.

I share or bear some responsibility for the Government's position because I repeatedly asked questions in the run-up to the war. I pressed especially for the Attorney-General's opinion on the legality of the war to be made available. Furthermore, on 14 March 2003, I specifically asked the Prime Minister in a parliamentary question whether he would make a statement on the legal basis for military intervention against Iraq. His initial answer was that there was a long-standing convention that legal advice to the Government remained confidential. That has often been repeated. He continued:

"We always act in accordance with international law."—[*Official Report*, 14 March 2003; Vol. 401, c. 482W.]

Towards the end of my remarks, I shall revert to that point and speak not only about dismantling the issue of the resolutions but the philosophy that lies behind the question of what constitutes international law, what the Prime Minister thinks about that now and what he thought about it then. His speech in Sedgefield on 5 March has a great bearing on the publication of the Attorney-General's opinion.

In the run-up to the debate on 17 March 2003, the Attorney-General published an opinion in summary, which was given to Parliament. As I said in an intervention on the Foreign Secretary, I was clear about the reason for that. It was partly pragmatic. I believe that the Labour Government were legally justified in going to war. I approved of the war, and I believe that the decision has been proved correct. As history unfolds, despite the difficulties, of which there will be more, the moral, political and legal justification for the war will become apparent. However, a veritable deluge of opinions poured out of all the international law chambers of the Middle Temple, Gray's Inn and so on. They dominated the airwaves. Professors of international law gave interviews on every television and radio station and said that the war was illegal. We also knew that our debate would be broadcast to the nation. A million people or thereabouts had marched against the war, which was a matter of intense controversy. The question that was asked most often was whether the war was legal.

I believed—I emphasise that I express a personal opinion, although others share it—that it would be highly undesirable if proceedings in the House were dominated by a deluge of opinions on only one side—that the war was illegal. It appeared to me that it would therefore be wise for alternative opinion to be presented to the House to rectify the imbalance that would have been broadcast to the nation. Furthermore, from the Government's point of view, that would have influenced those hon. Members who were prepared to vote for the war only reluctantly and who could be persuaded if the deluge of opinion from international lawyers were counterbalanced. Those Members had a difficult choice—I am not in any way cynical about that, or unfairly critical of them—and I believe that the submission of the Attorney-General's opinion in summary form had an enormous influence on the debate. I think that I am right in saying that the legality of the war was not challenged during the course of that debate. That may seem curious in retrospect, but on the whole, the fact that the Attorney-General's summary opinion had been put before the House laid the matter to rest for the time being.

As we know, however, that has not been the case since then, and the debate on legality rumbles on. For many reasons that I have often stated, from the Front Bench during debates and in correspondence in the national press, I have repeatedly called for publication of the full opinion. The Prime Minister apparently understands the basis of that argument, because in my exchanges with him during his statement to the House on the setting up of the Butler inquiry, I explicitly suggested that the Butler committee should have a copy of the full opinion from the Attorney-General. The Prime Minister replied that it could have anything it wanted, and the Foreign Secretary had said as much to me the previous day in reply to a similar question. On that basis, we know that the Butler inquiry will have access to the full opinion. We also know that the ombudsman has called for it. As I said in my exchanges with the Solicitor-General at the time of the dropping of the Gun prosecution, it would be in line with the ministerial code for the matter to be put before the House to be cleared up.

The Government amendment repeats the mantra, which the Foreign Secretary has repeated today from the Dispatch Box, that under the so-called

"long-standing convention . . . the advice of the Law Officers is given in confidence and is not disclosed publicly".

I do not mean this offensively, but, as a point of factual correction, that is not true. In all fairness, I think that the Foreign Secretary admitted as much in our exchanges, so we have cleared that up. However, it is intolerable that for several weeks—even several months—millions of people in this country have been subjected to yet another propaganda outburst, in which that convention was claimed to exist. In fact, that was not properly challenged at all until last week.

I became so frustrated with that that I wrote a very plain letter to *The Daily Telegraph* setting out, in terms, the precedents for disclosure. I also spelled them out on the "Today" programme. Given that there is no rule of absolute confidentiality—I go further, and say that no rule of confidentiality exists at all—it is intolerable that the nation was deluged with so much propaganda and was led to think that disclosure of the Attorney-General's opinion would contravene some constitutional principle of the highest importance.

The Foreign Secretary simply could not deny that many of the opinions previously disclosed by an Attorney-General related to state policy and questions of war and peace. That has happened on many important occasions, not all of them in the mists of antiquity, although some go back to 1865. They include the Belfast riots case, in which Palmerston made it explicit that there was no reason why the Attorney-General's opinion should not be made available to the House of Commons; he based that decision on the Cagliari case of 1858. Subsequently, along came Balfour in 1901, who, for reasons of political convenience, tried

[Mr. William Cash]

to change the rules. However, Edwards—the great authority on these matters—makes it clear that we cannot say dogmatically that there have been no occasions on which the Attorney-General's advice has not been made available, and there are so many instances when it has been, that it would be utterly absurd to cling to the idea that, in matters of great controversy and dispute involving state policy, as in the case of the Iraq war, the Attorney-General's opinion should not be made available this time.

Mr. McCabe: As the hon. Gentleman has told the House that there is no doubt in his mind as to the legality of the war, I assume that the release of the full advice would have no impact on his opinion, since he has already used his best judgment to come to that conclusion. Will he therefore tell the House whose cause would be served by the release of the information?

Mr. Cash: I am coming to that. The answer is simple: it is the cause of trust. The very people who have been deluged with the deception that there is a bar to the Attorney-General's opinion being released to the public would benefit. Let us make no mistake: many people have been deceived into believing that a constitutional bar exists. We are bound to ask why such an alleged bar was set up. It was because the Government did not want people to know that no absolute rule of confidentiality existed. It was for that reason that I wrote my letter to *The Daily Telegraph* and appeared on the "Today" programme. As I have said, I did so because I became so fed up and frustrated at the deception that was being perpetrated.

Mr. Salmond: How does the hon. Gentleman feel that the earlier exchange with the Foreign Secretary was left? The Foreign Secretary said first that the matter was up to the Attorney-General, but he seemed later to retract that. Did we reach a satisfactory conclusion on that issue?

Mr. Cash: I think we were getting there.

Such matters have been canvassed in the past, and I ought perhaps to refer again to Edwards, the great authority on the Law Officers of the Crown. He makes it abundantly clear that it is no more than a courtesy for the Attorney-General to be asked for his consent when a Minister decides—as a matter of his ministerial accountability—to exercise his discretion to release the opinion of the Attorney-General in regard to the sphere of functions relating to that Minister. In this case, it is the sphere of the Prime Minister, the Foreign Secretary and, to a certain extent, the Defence Secretary that is at stake. Having opened my remarks by noting the absence of the Solicitor-General from this debate, it is instructive to point out that we now have two Foreign Office Ministers here. I hope that that is in recognition of the fact that they are responsible for the release of the opinion, and that it is not specifically the Solicitor-General or the Attorney-General, but those Ministers, who are primarily concerned.

Mr. Llwyd: On that point, does not it make matters even worse that one of the senior legal advisers at the Foreign Office took a view opposite to that of the Attorney-General?

Mr. Cash: Certainly, it is unusual to find the Foreign Office legal adviser resigning. I am not privy to the full facts of that resignation. Of course, the Attorney-General's advice at the time will have been based on the facts as he understood them, on which I will comment in a moment.

Briefly, however, I want to deal with the other precedents that have been mentioned. The Archer Shee case in 1911, which was the famous Winslow boy case, raised matters affecting the integrity of the Admiralty. Then there was the instance of Austen Chamberlain on the legal questions arising over peace and disarmament in 1927. There was also the case of the naval base at Simonstown in 1971. There was the instance—this was not so much a matter of state policy, although I think that it was a matter of immensely important foreign policy—of the Maastricht treaty in mid-1993. The advice given by the Law Officers with regard to the Merchant Shipping Act 1988, which was disclosed in the Factortame case, was also an example. In addition, there was the substance of the advice given in connection with the Scott inquiry, and an incidence in the 1960s in relation to Commonwealth immigration. Lastly, of course, there is the summary opinion of the Attorney-General given in relation to this war.

The full advice has therefore been given on a number of occasions, and advice has been given in substance or in summary in others. As far as I know from all the reports that I have heard, the Australian Attorney-General's full opinion was given to the Australian Parliament. Many of the traditions on which Australia's parliamentary system is based are similar to ours, and no doubt similar considerations applied. I have been informed that the US Attorney-General's opinion could well be made available, too. Therefore, if we consider the desirability of transparency, there seems to be no profound reason why the opinion of the Attorney-General should not be available in this case.

Given the debacle in the House of Lords yesterday in relation to the Constitutional Reform Bill, the role of the Attorney-General may be subject to some uncertainty, if not threat, in light of the kind of reforms being proposed and the abolition of the Lord Chancellor's role. The debate therefore has a certain poignancy, as it could turn out to be highly inconvenient to have a man of integrity and independence of mind standing up to a Government and saying, "You cannot go to war." Previous Governments have had to contend with difficulties with regard to advice given by the Attorney-General in relation to matters of state policy, and that has been catastrophic for them.

As we know, or ought to know, conventions depend on the reason for the rule. If the reason in this case is merely to protect the Government—if the alleged convention not to release the advice of the Attorney-General is intended merely to protect the Government

from their critics and those Back Benchers who voted reluctantly for the war—that is a bad reason. The convention, such as it is—broken as often as it is adhered to—should not be relied on in this instance. T. S. Eliot wrote in "Murder in the Cathedral", that now is my way clear, now is the meaning plain: temptation shall not come in this kind again, for I now know it is the greatest treason to do the right thing for the wrong reason. I believe that the Government's moral dilemma in relation to the non-publication so far of this advice turns on that moral dilemma.

For me, the most important question arising in this debate turns on accountability and trust—accountability for judgment and trust in the basis on which that judgment was made: the two are interwoven. The disclosure of the advice is a matter not for the Attorney-General, but for the Prime Minister and the Foreign Secretary. The Attorney-General could have arrived at his opinion, pursuant to my question on the eve of war, only on the basis of the facts before him at that time. The facts were provided by the Prime Minister and the Foreign Secretary—and so was the perception, or the understanding, or the conduct, of international relations in the context of international law. That may not be apparent at first sight, but I believe it has a great bearing on the matters we are considering.

Contrary to suggestions by leading counsel in the press recently that the rule of confidentiality is based on the legal professional relationship between legal adviser and client, it is surely obvious to anyone that—as I said in an intervention earlier—the Attorney-General is not a mere legal adviser, and the Government are not a mere client. Given the case of R *v.* Allen in 1862, and on any constitutional analysis, the Attorney-General has a vital role in our constitutional arrangements. He is personally accountable to Parliament and is not collectively responsible to the Cabinet, as was made clear by the judgment of Lord Justice Cockburn. He is therefore in a unique and exposed position. At the time of giving his opinion on the legality of the war, if he had declared it to be unlawful and if his advice had not been accepted, he would have been honour-bound and expected to resign. That is his prerogative and his responsibility. If he advises the Government that a war is legal, all is well; if he does not, all hell is let loose.

In such circumstances, there is every reason why the Attorney-General should not be left as the boy on the burning deck. I am bound to say that that thought lay at the back of my mind when I told the Solicitor-General on 26 February, in relation to the dropping of the Katharine Gun prosecution, that I found much of what she said pretty unconvincing. It was anticipated that the full opinion of the Attorney-General would be demanded during the course of the case by way of disclosure. In particular, it was clear that Katharine Gun regarded herself as being blatantly in breach of the Official Secrets Act. The route adopted for the dropping of the prosecution on the ground of "evidential deficiency" is to say the least tortuous, although it does relieve the Attorney-General of the need to issue a nolle prosequi in the public interest, for which he alone would be personally accountable to Parliament, that being unchallengeable in any court.

The Solicitor-General claimed in her statement on that day that the Prime Minister was bound to take his law from the Attorney-General. In a letter of 26 February, the then Clerk of the House of Commons, Sir William Mackay, stated that, in line with page 389 of "Erskine May",

> "the Law Officers have no control over the legal action of the Government. A Minister is not obliged to take his law from the Attorney General. Accountability thus rests with the Ministerial decision taker."

In other words, we are back to the Prime Minister and the Foreign Secretary, although the latter refused to accept that point in his speech.

At 6 o'clock yesterday evening, I received an unsatisfactory answer from the Solicitor-General about the so-called evidential deficiency, which we all believe has much to do with the desire not to publish the full opinion. On the dropping of the Katharine Gun prosecution, the Attorney-General indicated in the other place that the papers relating to that evidence would be made available—or so I thought I heard him say. I have asked the Solicitor-General to lay these papers in the Library, and she said that she would provide an answer shortly. I faxed her last night, asking that the papers be made available for today's debate, but they have not been provided.

As I have said before, the production of the full opinion is a matter separate from the legality of the war. Many believe, for example, that the 45-minute claim was exaggerated in order to get Labour Members through the Lobby. In common with my colleagues—or most of them—I believe that the war was both legal and necessary. Indeed, I have much sympathy with the Prime Minister's speech last Friday on global terrorism, although I disagree with him when he claims that the question should not be one of "issues of trust", but of his judgment. For me, it is a question of both judgment and trust.

The Prime Minister is right to say that the United Nations needs reform and that international law needs re-evaluating. There is no final arbiter or court to adjudicate on many of these matters, although in my opinion we were unwise to submit ourselves to the jurisdiction of the International Criminal Court. Lord Boyce was right to insist that our armed forces were satisfied that the war was legal. We need to go further than that, however.

Of course, there is much to be said for the rules of international law in their general sense, but the Attorney-General's opinion is intimately bound up with the centre of gravity of our perception of, and conduct of, international relations, and with international law and our view of the nation state. It is therefore integral to the Government's view of foreign policy. The release of the Attorney-General's opinion would throw much light on these matters.

As the Prime Minister said in his Sedgefield speech, in our own self-interest we and the United States are ultimately bound up with the fate of other nations. Although he does not seem to appreciate the fact, his decision to go to war was based on the Westphalian concept of nation states, which he repudiated in his speech. According to that concept, states decide for themselves what is in their own self-interest—as the French, the Germans and the Russians did in respect of resolution 1441. Indeed, all those nations adopted their positions as individual nation states in their own self-interest, in opposition to the self-interest, as they saw it,

[Mr. Cash]

of the United States and the United Kingdom. Indeed, Monsieur Vedrine, the former French Foreign Minister, said that the French were making decisions according to their interpretation of their own interests.

Fundamental matters of foreign policy such as the 45-minute claim and what the Prime Minister knew about whether or not the weapons were battlefield weapons are inherently matters of judgment as well as of trust. If the Prime Minister wants us to trust his judgment, he would do well, in line with the precedents on state policy, to satisfy the House that the instructions to the Attorney-General as evidenced in his opinion—and Her Majesty's Government's policy on international law and the United Nations as reflected in that opinion—stand scrutiny. That should include the Attorney-General's opinion about the extent and relevance of international law, so that it cannot be said that the Attorney-General had changed his mind about the legality of the war, as we know he did in respect of the Gun prosecution.

In circumstances that echo today's debate, it emerges that in 1924 the Cabinet exerted undue pressure on the integrity and independence of the then Attorney-General, Sir Patrick Hastings, in relation to the Campbell sedition case. But the storm clouds grew and eventually burst in a vote of censure on Ramsay MacDonald's Government, which then fell. It would be as well for the Prime Minister to take note.

4.35 pm

Alan Simpson (Nottingham, South) (Lab): I do not propose to speak for half an hour, and I begin by apologising for not being a lawyer in a debate that has so far effectively been dominated by lawyers.

It is in the interests of all right hon. and hon. Members to ensure and insist that decisions made by the House comply with international law. It is to that context that I shall confine my comments. I do not want a re-run of the arguments about whether or not the war should have been fought. I accept the Prime Minister's view that, at one level, that is a matter of judgment. I have never questioned the sincerity of the Prime Minister—I just think his judgment was awful. The House has a responsibility to express judgments, and we will be judged by the public when they cast their votes. That is the nature of politics. Part of that process presupposes that judgments are made within a framework of legality.

The official position of the Conservative party cannot be rewritten as part of a post-hoc rationalisation. Before the war, I toured television stations either preceding or following the shadow Foreign Secretary. It was clear that the issue of legality did not for one moment pass through his mind. At some stages, his gung-ho approach left me feeling that if the Conservatives had evidence of Saddam passing wind, that would have been enough to declare war. The Conservatives just wanted to be in there, so for them to suggest at this point that they had a continuing concern about compliance with international law is not to be truthful. That is not necessarily the claim made by all Conservative Members but it would certainly be a gross distortion of official Conservative Front-Bench policy at the time.

Convention or not, one of the most important principles of open, democratic accountability in respect of an issue as profoundly important as going to war is that legal advice should be presented to the House. Right hon. and hon. Members have spoken about lawyer-client confidentiality, but it was the House that endorsed support for the war. As such, it was Parliament that should have been deemed to be the client and it is Parliament that should have the right to know the contents of the legal advice.

My reservations about the wording of the motion do not relate to whether the advice should be disclosed. Rather, the motion presents an inadequate proposition by posing three important questions that it then ducks. It cannot be sufficient merely to ask for the advice of the Attorney-General. We must ask for the background advice given to the Attorney-General by his deputy, Elizabeth Wilmshurst. We need to know also which other counsels' opinion was sought. As a House, we ought to address what we would do with advice presented to us today.

As to the opinion of other counsels, having had a limited amount of local government experience, I take a sanguine view of the advice that one gets from lawyers. Lawyers will give the best advice that money can buy—and the best opposite advice that money can buy. Whether one believes that or not, councillors in local government would usually look at the legal advice and ask whether it would get past the district auditor, knowing that someone else would judge them on that advice—

David Winnick: Will my hon. Friend give way?

Alan Simpson: No, because we have had so many interventions, and it is inappropriate for an hon. Member who has been absent for much of the last couple of hours to intervene at this stage.

The point is that someone else will judge the legality of one's actions. What the legal profession provided was legal advice and opinion, not necessarily an affirmation of legality. Ultimately, that is what the House will have to face up to.

Some hon. Members have mentioned human rights and argued that it was right to tackle the wretched record of Saddam Hussein, but I must remind them that that was not the basis of the case made to justify going to war. As others have pointed out, regime change would have been illegal under international law. The case made to justify the war was mounted on the basis of Saddam's possession of weapons of mass destruction, the threat to international security and the breach of UN resolutions.

In respect of UN resolutions, we should remind ourselves of what was said by Hans Blix—not only head of the weapons inspectorate, but himself an international lawyer. In an interview with *The Independent* at the weekend, he said:

> "I don't buy the argument the war was legalised by the Iraqi violation of earlier resolutions."

He went on to say that ownership of the resolutions rested with the entire 15-member Security Council, and not with individual international states. That is the proper basis and we should reflect on it. It is a fact that the rest of the UN Security Council believed that there was no automaticity to a war on the basis of resolution 1441. As Sir Jeremy Greenstock made clear, a second resolution would have been required to justify war.

What Hans Blix is telling us is that the possession of the right to determine was the prerogative of the UN Security Council. That is my main concern.

As a Parliament we must move beyond simple demands about what information and advice should be made available towards recognition that countries cannot act as judge and jury in their own cause. Those who argue that the outcome justifies the war are treading a flawed and dangerous path. It cannot be right for any country to be able to start a war simply because it wants to, and then declare the war lawful because it chooses to. That is making up international law as one goes along. If we presume that right for ourselves, the same right applies to every other country—whether it be a rogue state or "axis of evil" country or not. All those states would have exactly the same rights. The willingness of this Parliament to hold itself to account to international law, as judged by other international bodies, is the central issue at stake.

This weekend the Prime Minister made a speech about the war on terrorism. He made an important point when he said:

> "It means reforming the United Nations so its Security Council represents 21st century reality; and giving the UN the capability to act effectively as well as debate."

The Prime Minister was asking for new flexibilities. I suspect that, if that were put to the Security Council, other member states would talk about different constraints on the freedom of individual states. Throughout his speech, the Prime Minister may have wanted flexibilities, but he wanted them within a framework of legality. That is the central issue that we must address.

If the Government genuinely believe that there was a legal case for war, we should take the initiative ourselves and refer the case either to the International Criminal Court or to the UN Security Council.

There needs to be a judgment that is not made by us. The people who perpetrate a war cannot be the ones who determine whether it was legal.

That was brought home to me by the comments of Admiral Sir Michael Boyce, the Chief of the Defence Staff at the time. Other hon. Members have made reference to his demand, six days before the war started and with troops lined up on the borders of Iraq, for an unequivocal assurance that the war was legal. The significance of that demand is that he should have made it at all. No members of the defence staff or the armed forces would ever want to be accused of being unwilling to fight a legal war, or to put their lives on the line to defend the country against a real and present threat to our security.

However, Sir Michael was merely voicing the concerns of the defence establishment, which reflected the view of the British public that the war was not legal. The Chief of the Defence Staff feared that British soldiers would find themselves hauled up before the ICC and charged with committing war crimes because the war was not deemed to be legal.

The House must find the courage to do more than demand that the Attorney-General's advice be published. We must go further, and deal with the central question that the British public want us to address. The answer to that question cannot be determined through the claims and self-justifications of those who made the decisions. Only in the court of international opinion, or in the international institutions established to define the legalities of war, will the question be answered that people still ask us every day on their doorsteps. Was the war legal? At the moment, the answer in the public mind is no.

4.47 pm

Hywel Williams (Caernarfon) (PC): I am not a lawyer, and that makes me unusual in this debate. However, my remarks centre on the fact that non-lawyers can also contribute to the discussion of these matters, as can people from the countries represented on these Benches.

My constituents are puzzled by the Government's strange reticence on this matter. Earlier, the Foreign Secretary likened the situation to the relationship between lawyer and client. He said that confidentiality must be respected, or the relationship would be worthless in the future. Similarly, he claimed that the Attorney-General's advice must remain confidential.

However, the relationship in question is not like the one that exists between a client and a lawyer. It is the relationship between a Government and a people. The advice given to the Government was the basis on which we went to war. That is not a pettifogging issue, as the right hon. Member for Carrick, Cumnock and Doon Valley (Mr. Foulkes) claimed. He is not here at present, but it is not as if we are talking about double parking, shoplifting or the larceny of bicycle inner tubes. We are talking about war—the most extreme action a Government or state can take. The tragedies of 20,000 people, at least, attest to the seriousness of the matter. War is serious; it is not pettifogging.

If we are to resolve the matter collectively, and if the Government are to achieve the closure that Ministers and their friends so long for, the people of our countries must be satisfied. They must be given the full information so that they can decide the matter for themselves. I thought that Labour Members believed in the maxim, "Trust the people," but clearly they do not in this instance. I hope that the Government can trust the people in the future and that they publish the advice.

I was against the war and remain against it. I am clear about that, but this matter does not concern the war itself. The question here is whether people should be told the basis for going to war. If the advice is published, it will not be hon. Members who are satisfied but the people, in which case my constituents will be satisfied or otherwise by the Government's actions. The question is not for my hon. Friends or me; it is for the people, because the Government are answerable to the people of the United Kingdom—the people of Scotland, the people of Wales and the people of my Caernarfon constituency.

If the Government persist with their course of action and refuse to come clean and allow the matter to be resolved, the people will find them shifty and evasive, and—perhaps wrongly—they will be found guilty by default. If they have nothing to fear, nothing to hide and no guilt, let them publish the advice and be justified.

4.51 pm

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): I am pleased to have the opportunity to speak in this debate. Contrary to suggestions by my

[Ms Diane Abbott]

hon. Friends that the issue is pettifogging and that ordinary people are not interested in it, I have received many letters about it and am glad to speak on behalf of my constituents.

My hon. Friend the Member for Birmingham, Hall Green (Mr. McCabe) asked, whose cause would be served by publishing the legal advice. I have a simple answer: the cause of democracy will be served by publishing the legal advice. We have heard that Ministers' arguments that there is no precedent for publishing the Attorney-General's advice is wholly specious. In his comprehensive speech, the hon. Member for Stone (Mr. Cash) set out all the precedents going back to the 19th century. Before he informed us about the historical precedents, we already knew that the Government had partially revealed the advice by presenting a summary. I am not a lawyer, but I cannot see the difference between publishing a summary of the advice and publishing the whole advice.

The other argument that we have heard from Ministers—I hope that we will not hear it again this afternoon—is that the Government are somehow comparable to a lawyer's private client, but that is tendentious. The Government are not the clients; if anything, we are the clients, and therefore we are entitled to see advice that was sought in our names.

Some of my hon. Friends have asked why there is concern about the legal advice. One reason why there is concern is that it is widely acknowledged that the greatest expertise about the law in relation to war and foreign policy rests not with the Attorney-General, who is a distinguished commercial lawyer but not an expert on these matters, but the Foreign Office. Is it pure coincidence that the deputy legal adviser to the Foreign Office resigned on the eve of the war? Could it be that there were uncertainties within the Foreign Office that were not reflected in the published summary of the Attorney-General's advice?

Mrs. Mahon: At the United Nations, almost every person who was asked their opinion, including the Secretary-General Kofi Annan, did not give their blessing to the legality of the war. They are the experts on going to war.

Ms Abbott: I am grateful to my hon. Friend.

On the eve of war, the deputy legal adviser at the Foreign Office, Elizabeth Wilmshurst, resigned, which was not sufficiently remarked on at the time. Days before the war, the Chief of the Defence Staff, Admiral Michael Boyce, insisted on a simple statement on the legality of the war. That gives the lie to my hon. Friends who claim that the legality of the war was transparent all along. If the Chief of the Defence Staff demanded a definitive statement on the legality of the war, it means that there was uncertainty among those who were best placed to know—our armed forces. People ask why we are obsessed with this pettifogging issue and why are we always looking backwards, but I believe that the British public value our armed forces and do not want to feel that we sent them to fight an illegal war. That is not a trivial matter. Indeed, it goes to the heart of the framework of international law.

One of the reasons for the uncertainty, the bloodshed and the attacks on our forces in the region is a widespread belief internationally that the war was not legal. Certainly, military action was not taken on the basis of a genuine international consensus. It was undertaken unilaterally by the US and Britain. Whether my hon. Friends like it or not, the issue still concerns the British public. The legality of the war has a bearing on the legitimacy of the actions of our troops in the future.

The issue will not go away. There is a shadow hanging over the Government and all the bluster and threats against certain of my hon. Friends—such as intimations that we will be put in front of a special tribunals and asked whether we are, or have ever been, socialists—will not make it go away. The shadow from the war with Iraq is a widespread perception—not only among Opposition Members and Back Benchers—that we sent our troops into an illegal war. If the Government are confident of the legal basis for the war, they have nothing to fear from completing the process that they have started and publishing, in full, the Attorney-General's advice.

4.57 pm

Mr. Alex Salmond (Banff and Buchan) (SNP): It is a great pleasure to sum up the debate, which was opened by my hon. Friend the Member for Meirionnydd Nant Conwy (Mr. Llwyd).

Over the weekend, *The Guardian* asked for my memories of the Iraq debate held almost a year ago; I am sure that the Foreign Secretary and many others who participated in it will also be asked, if they have not been already, about their memories. I took the precaution of re-reading the debate, and it is instructive to see the development in the positions of several people.

I was pleased to note that I started my contribution by saying what I still believe to be the case—that the fundamental issue at stake was not Saddam Hussein, Iraq, oil or international terrorism, but the development of a new world order. In particular, it was the development of a doctrine of pre-emption by the dominant—indeed, the only—superpower in the world, and how the world community would adjust to that new reality. Having read the speech that the Prime Minister made in Sedgefield on Friday, I am even more concerned, because in it he sailed close to the wind about such a doctrine. As has been said at least once in this debate, the problem with a doctrine of pre-emption is that it would not be used only by the most powerful country in the world. By definition, without a framework of international law by which countries must abide, it is a doctrine that can be used by any country that is more powerful than another country from which it perceives a threat. I still think that the framework of law is the most important issue in the war in Iraq. The issue is still with us and it is clear that the Prime Minister is now struggling with it, although it might have been better to have had that intellectual struggle before the conflict, instead of afterwards.

I make my second point because, remarkably, I hear from a number of ultra-loyal forces on the Government Benches that somehow the question of weapons of mass destruction was not the dominant theme in the Prime Minister's presentation to us on 18 March. In fact, he presented us with a clear and present danger, saying:

"Let me explain the dangers. Three kilograms of VX from a rocket launcher would contaminate 0.25 square km of a city. Millions of lethal doses are contained in one litre of anthrax, and 10,000 litres are unaccounted for. What happened on 11 September has changed the psychology of America—that is clear—but it should have changed the psychology of the world." —[*Official Report*, 18 March 2003; Vol. 401, c. 769.]

The Prime Minister presented us with a world in which there was a clear, imminent threat, one that required an immediate response. It could not even wait a few weeks for Hans Blix and the rest of the inspectors to complete their work and furnish us with the facts. Those facts, which were then unknown, are now probably known to the extent that no such weapons of mass destruction have been found.

I want to do three things in summing up the debate, beginning with a look at the framework of law. I will not follow my hon. Friend the Member for Meirionnydd Nant Conwy, who quoted extensively from many legal authorities and said that people who were for or against legality all argued that the Attorney-General's advice should be published. I thought that that was an extremely powerful point, even if the Foreign Secretary did not take it fully on board. I want to quote key people who were involved in terms of the international framework of law: Hans Blix and the Secretary-General of the United Nations, who were not involved in our domestic political debate, but who were at the very centre of what can be defined as the world order, or at least what should be defined as the world order.

Secondly, I want to look at the development of Government thinking, because one of the reasons why the Attorney-General's advice should be published is that it is clear to me that the Government's thinking on the matter went through a serious evolutionary change as the realisation dawned that a second resolution would not be possible. I should like to see whether the Attorney-General's legal opinion reflected that change as the sequence of events unfolded, which is why I should like to see all his advice published.

Thirdly, I want to repeat the fundamental point that the party to this argument, the client, was not the Government. The client was Parliament and the people of this country, who are absolutely entitled to see the legal basis on which they were committed to conflict.

With regard to the question of quoting people, the Foreign Secretary follows the Prime Minister in almost demeaning his profession. Lawyers are people who disagree. It is said that there are as many legal opinions as there are lawyers. I am an economist, and the same sort of thing is said about economists. There is an argument unfolding that this is a matter about which reasonable people can agree or disagree: that there is no absolute certainty, no absolute fact, no moral code to abide by, but a series of arguments. On Friday the Prime Minister said it again:

"The lawyers continue to divide over it"—

the question of law—

"with their legal opinions bearing a remarkable similarity to their political views of the war."

I stop the quotation there. Lawyers would be less than human if their legal judgments were not informed by their general views. Every human being has that tendency. But is it not also possible that many lawyers, and many other human beings, informed their view of the war by their opinion of its legality, not vice-versa?

The question of legality is fundamental. In all the conflicts that I have been asked to vote upon, on some of which I agreed with the Government, as with the then Government on the first Iraq conflict and with the present Government on a number of humanitarian interventions more recently, I have taken as my fundamental code United Nations approval and sanction for conflict. Although they have never arisen to date, there might be circumstances in which the United Nations sanctioned an action and I still would not feel it to be right, because, as the right hon. and learned Member for North-East Fife (Sir Menzies Campbell) pointed out, the legality of a war is dependent on whether the action is proportionate, whether it is effective and whether all other avenues have been tried. However, the guidance of the United Nations is not a bad place to start from when deciding whether a conflict is legal and justified.

I shall quote from three opinions. The first is from a former Solicitor-General, Lord Archer—not the Tory but the Labour one—who served in that position for five years during the 1970s:

"Resolution 1441 . . . manifestly does not authorise military action. If the Council had intended to do so it could have said so quite unambiguously. To seek to spell out such authority from a reference to 'serious consequences' is to treat the Security Council as a Delphic oracle".—[*Official Report, House of Lords*, 17 March 2003; Vol. 646, c. 90.]

If the advice of the present Attorney-General had been not that war was legal, but that it was not justified and not legal, what would have been the Government's response? Would it have been to change their course of action or their Attorney-General? I want to get to the heart of the relationship between the Government and their Law Officers.

Mr. Straw: The hon. Gentleman is making a preposterous suggestion. If the Attorney-General had come to a different view, it would have been communicated to the House and that would have been the end of the matter.

Mr. Salmond: So if Lord Archer were still a Law Officer in the Labour Government and had communicated his view, we should not have gone to war?

Mr. Straw: The hon. Gentleman is making the general suggestion that the position of the Attorney-General is not independent of Ministers and that if his advice is not acceptable Ministers require it to be changed, on threat of his being sacked. That is a preposterous statement and is utterly untrue and incorrect—in respect not only of the present Administration but of any Administration. Peter Archer is a good friend and I should be happy to take him through the negotiating history of 1441 and explain why I think he erred, but if he had been the Attorney-General and had, finally, come to a different view, that would have been the end of the matter.

Mr. Salmond: The key word is "finally". One of the issues that we want to explore is whether the Attorney-General's advice went through a variety of versions before the Foreign Secretary published the final document in summary—*[Interruption.]* The Foreign

[Mr. Salmond]

Secretary waves his hands, but earlier in the debate he implied that the veto over the publication of the advice was in the hands of the Attorney-General, so it is perfectly reasonable to ask him whether the Attorney-General's advice went through a series of drafts before it became the final advice that the Foreign Secretary deigned to give the House when he wanted sanction for the war. However, if the Law Officers have a veto over such action—as the Foreign Secretary says—I am very pleased to hear it. I am glad that someone has a veto over military action.

My second quotation is from Hans Blix—*[Interruption.]* The Foreign Secretary can listen to the quotation and then comment. Hans Blix is an international lawyer as well as a weapons inspector, and he said:

"I don't buy the argument that the war was legalised by the Iraqi violation of earlier resolutions . . . It's the Security Council that is party to the ceasefire, not the UK and the US individually, and therefore it is the council that has ownership over the ceasefire, in my interpretation . . . Any individual member could take a view—the Russians could take one view, the Chinese could take another, they could be at war with each other, theoretically."

I shall come in a few seconds to the questions of who owns a decision to go to war and who owns the advice of the Attorney-General, but the point of view expressed by Hans Blix is surely correct: ownership of the interpretation of what is sanctioned by the UN lies with its Security Council and not with individual countries in the Council, which might come to different conclusions.

In the lead-up to the war, Kofi Annan, the UN Secretary-General, set out his position, saying that

"the legitimacy and support of any such action will be seriously impaired . . . If the United States and others were to go outside the Council and take military action, it would not be in conformity with the charter"—

of the United Nations. Those are not lawyers giving different legal opinions; they are the key players in an international framework of law—players whom the Foreign Secretary decided to bypass or ignore for the purposes of gaining legal sanction for the decision to go to war.

Another issue that has been raised in the debate is the Elizabeth Wilmshurst resignation, which has not been spoken of or debated publicly to the same extent perhaps as the Katharine Gun trial and other issues, but it is surely pertinent when a career civil servant, who, by all accounts, had a distinguished career and was near the pinnacle of her profession as deputy legal adviser in the Foreign Office, resigns on the eve of a conflict. At the very least, that gives us the strong suggestion that the arguments involving lawyers that the Foreign Secretary thinks take place outside the realms of the Foreign Office were taking place within the Foreign Office itself. I should like to know whether the Attorney-General weighed up those arguments and counter-suggestions before he finally decided to agree with the Prime Minister and the Foreign Secretary and give them the basis that they wanted for the legality of the conflict.

I also want to explore the development of Government thinking. The Foreign Secretary is very sensitive on this matter. He takes every opportunity, even when it is not central to the debate, as it is in this one, to tell us about his efforts on resolution 1441, but we can be reasonably convinced—can we not?—that the Government's position on the central importance of that resolution was developing as events moved along. On 4 March, the Cabinet Secretary confirmed to the Public Administration Committee:

"This was a moving situation because for a long time we were thinking this might have been authorised by a specific UN resolution, in a way because it would have been clear cut. We worked hard to get it and worked on the assumption that we probably would. I'm not aware of a plan B. It only became apparent when that resolution was not forthcoming that advice was needed."

What advice was the Cabinet Secretary talking about? Had there been prior advice based on resolution 1441? Was it only after the desired outcome of resolution 1441 was not forthcoming that "advice was needed"?

The indication that the Government's advice was developing also comes from the comments of Admiral Sir Michael Boyce. For example, in *The Herald* on 8 March this year, he said:

"My views were clear and made very formally in Cabinet and in the view I transmitted to the Attorney-General through Number 10. I required a piece of paper saying it was lawful. Now, if that causes them to go back saying 'We need our advice tightened up', I don't know."

Admiral Sir Michael Boyce, the Chief of the Defence Staff, clearly believed on the eve of war that he had not been supplied with an adequate and clear explanation of the legal position, and he required one, quite rightly, because he was concerned about the implications for him and the armed forces under his command if one was not provided. I should like the Foreign Secretary to say whether the Attorney-General's advice evolved to meet the circumstances and when that advice departed from resolution 1441 and went outside that resolution's remit.

The Prime Minister has never been able to explain the content of his interview on "Newsnight" on 6 February 2003, in which he was absolutely explicit that the only circumstance in which war would be sanctioned outwith a second resolution was if one country exercised an unreasonable veto. As we well know, it was a question not of one country exercising an unreasonable veto, but of the majority of the Security Council not being prepared to agree to that second resolution. We need to know how the Government's legal advice developed as events took their course.

The absolutely crucial aspect of the debate is the information allowed to those who make decisions. The Foreign Secretary has made great play of the fact that the House was given the unprecedented opportunity to make a decision on whether to go to war on a substantive motion. Despite all the points in the debate on which I disagree with him, I do not disagree with him about that. It was a good initiative and rightly something of which to be proud. However, if the House is to be called upon to make such a fundamental decision, surely the unavoidable conclusion is that the House, on behalf of the people whom it represents, should be given all possible advice on which to base its decision. The Attorney-General's advice has been described as a summary or a précis, and the Foreign Secretary earlier described it as a digest. If the House makes a decision, it is entitled to full information. If the public are called on to support a decision, we are entitled to full information.

As we have heard, there are several precedents for releasing an Attorney-General's advice: the Factortame judgment, the situation regarding the Commonwealth

Immigration Act 1962 and the Scott inquiry. The precedents go right back to 1865 and Lord Palmerston and the Belfast riots. However, even if there were not a single precedent, it would be right fully to publish the Attorney-General's advice on this occasion because of the unprecedented and correct decision to allow the House a substantive vote on peace or war. It is a question of ownership. Just as the United Nations should own the right to decide whether to sanction action on its behalf, the House, on behalf of the people, should have ownership of any legal advice that informs a decision on whether to go to war.

The Prime Minister has set out his case, and I re-read the Foreign Secretary's comments from last year's debate in which he said that if we agreed to the motion the world would become a safer place and the authority of the United Nations would be upheld. As the Prime Minister pointed out on Friday, the world is still in deadly peril. Is Iraq a safer place? The Foreign Secretary was right to say that the removal of the dictator was a major gain. The passing of a draft constitution is a major gain, but it has not yet been put into effect. The gains are immense, but it can hardly be said that they were a bargain given that 10,000 people are dead—British and American soldiers, and Iraqi civilians.

Even more tragically and importantly, the authority of the United Nations has not been upheld to consolidate its position. We have moved from the situation on 12 September 2001 when 100 countries came behind the United States of America in its moment of extremity to back an international war against terrorism, to a position in which the international community and the United Nations have been fractured to such an extent that the Prime Minister believes that there must be a new world order to reflect current realities.

The war in Iraq is haunting the Prime Minister and it will haunt the Government. The ghost will not be exorcised by telling journalists to write about something else or by saying that the solution is reform of the United Nations to make it conform to what he wants it to do. I honestly do not think that it will be exorcised by refusing to publish—by keeping secret—advice and information to which the House, which was asked to vote on a war, and the people of this country, who were asked to support a war, are entitled.

5.19 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Bill Rammell): This debate has been useful in reviewing many important issues surrounding the conflict with Iraq, but I am honestly not sure that it has been about the legality of going to war and whether it was right or wrong to do so. Hon. Members rehearsed arguments made in the Chamber before about whether we were right in principle to go to war, which is a separate issue.

Let me deal with the issues that were raised. The hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) referred to the non-disclosure of the Attorney-General's advice. He said that it was impossible to be dogmatic, and that there might be circumstances in which everything is to be gained from disclosure. That is an arguable case, but it is not justified in the circumstances. If he looks at the precedents, such advice from an Attorney-General has never been disclosed in circumstances of military conflict—not once has that happened, and he should reflect on that. He went on to level accusations at the Government, asking whether we can support the rule of law in Iraq when we ignore it here. I would argue emphatically that we are not ignoring the rule of law, and I would maintain equally emphatically that we would not have gone to war unless it was lawful under international law to do so.

Mr. Salmond: Reflecting on the Minister's first argument, a number of precedents for the full disclosure of the Attorney-General's advice have been raised in the debate, including, for example, the case of the Spanish fishing boats. Does the Minister maintain that it was more important to reveal advice on such an issue than to do so on the most fundamental issue of all?

Mr. Rammell: I wish that I had not given way to the hon. Gentleman. I was making the point that when Members cite selective examples of precedent, they must be able to sustain their argument, and I do not believe that they have done so this afternoon.

The hon. Member for Meirionnydd Nant Conwy said that we went to war solely on the basis of intelligence in the possession of the UK Government. That is emphatically not the case. We went to war because resolution 1441, which was passed unanimously, gave Iraq a last chance verifiably to disarm, which it manifestly did not take. Hans Blix's report consists of 173 pages of unanswered questions, which also led us to our conclusion. The hon. Gentleman threw in for good measure the 45-minute claim. Nothing in our debate has frustrated me more than the focus after the event on that claim, which in retrospect has grown in importance compared with its relevance in the run-up to conflict. The record shows that the 45-minute claim was raised only twice in the 40,000 parliamentary questions tabled between the publication of the dossier and the decision to go to war on 18 March 2003. Not once was it raised in oral questions, and not once was it raised in the debate on 18 March. It is all very well to make such claims in retrospect, but we need to look at what happened in fact in the run-up to the war.

The hon. Gentleman lamented the fact that he was not in a position to make a judgment without seeing the Attorney-General's advice. I contend that he does not need to do so—the Attorney-General's statement to Parliament makes the legal position clear—unless he is saying that the Attorney-General said one thing to Parliament in his published response and another privately to the Government. Unless that is his contention, I do not understand the case that he is making.

Mr. Llwyd: I have already gone out of my way to say that I am not impugning the credibility of the Attorney-General or the veracity of what he said. I repeat: the facts on which he based his conclusion are the key to the whole debate.

Mr. Rammell: With respect, I think that the hon. Gentleman did impugn the integrity of the Attorney-General—*[Interruption.]* Let me finish the point. He said clearly that he was not impugning the Attorney-General's integrity, but he went on to argue that the

[Mr. Rammell]

Attorney-General had been gagged yet had remained in office, which is fundamentally to question his integrity. I hope that in the cold light of day the hon. Gentleman will reflect on his comments and withdraw them.

We then heard a contribution from the hon. Member for Beaconsfield (Mr. Grieve), who said that although advice from the Attorney-General should ordinarily remain confidential, he disagreed with that in these particular circumstances. I find it difficult to reconcile his comments with those made by his right hon and learned Friend the shadow Foreign Secretary in a debate in the House on 22 October, when he said, explicitly referring to the Attorney-General's advice:

"I accept that that is a sensitive area that might not necessarily benefit from the sharp spotlight of public scrutiny."—[*Official Report*, 22 October 2003; Vol. 411, c. 670.]

The House needs to know what, in the view of the Opposition, has changed between then and now.

Mr. Grieve: First, there is no incompatibility between what my right hon. and learned Friend said and what I said. Secondly, the major change that has taken place since then is that information has come to light that has led to public disquiet about what information the Government had on weapons of mass destruction and how they used it. That is why the Government set up the Butler inquiry.

Mr. Rammell: I wholly refute what the hon. Gentleman says. If the public disquiet to which he refers exists now, it existed then. That is why the shadow Foreign Secretary called for an independent judicial inquiry. There is a significant difference between what the hon. Gentleman said today and what his right hon. and learned Friend said as recently as October last year. That demonstrates yet again that nobody knows more about opportunism than Conservative Front Benchers.

I listened carefully to the comments of my hon. Friend the Member for Blaenau Gwent (Llew Smith), who is no longer in the Chamber. He said that the House needs to know whether Ministers deliberately distorted evidence to justify the case for war, and implied that we could well have done. I shall choose my words carefully, because I have the greatest respect for hon. Members who, in opposing the decision to go to war, reached a conclusion that differed from mine. However, they do not have a monopoly on conviction or sincerity in this regard. I respect their right to put forward their views, but I wish that they would respect the right of Government Front Benchers similarly to argue from the position of conviction and sincerity.

As for the allegation that we distorted and fabricated evidence and misled the House, that has been refuted on three separate occasions. The cross-party Intelligence and Security Committee, the cross-party Foreign Affairs Committee and the Hutton inquiry all concluded in terms that we did not distort—to use the jargon, "sex up"—the dossier and that we took reasonable decisions based on the evidence before us. I wish that hon. Members who disagree with our decision to go to war would at least concede that point to us.

My hon. Friend raised the issue of Jeremy Greenstock's comments and the argument that the first Security Council resolution had no "automaticity" in terms of deciding to go to war. That is a key argument that needs to be addressed. I stress that Security Council resolution 1441 did not revive the 678 authorisation immediately on its adoption. In that very significant sense, there was no "automaticity". The resolution rightly afforded Iraq a final opportunity to comply and provided for any failure by Iraq to be "considered" by the Security Council. However—this is the key point—that paragraph in the resolution does not mean that no further action could be taken without a new resolution by the Security Council. Had that explicitly been the intention, it would have provided that the Security Council would decide what needed to be done to restore international peace and security, not, as the resolution actually stated, to consider the matter. The choice of words was explicit and deliberate. A proposal that there should be a requirement for a decision by the Security Council—a position that was initially maintained by several of its members—was not adopted. Instead, rightly in my view, the Security Council opted for the formula that it must consider the matter before any action was taken. That is fundamentally what happened.

The right hon. and learned Member for North-East Fife (Sir Menzies Campbell) knows from many of the issues with which we have been involved that I have the greatest respect for him. This afternoon, however, he questioned the legal basis for going to war. Yet on 24 September 2002, in the run-up to war, he made it clear that he believed that there was a legal basis. He said:

"It may well be true that, legally, no new resolution is required for the use of force to implement resolution 687."—[*Official Report*, 24 September 2002; Vol. 390, c. 43.]

He was right then and I wish that he had followed the thrust of his argument. His words in September 2002 do not sit easily with his comments today.

Sir Menzies Campbell: Does the Minister concede that I consistently said that military action must be seen as a last resort when all other diplomatic and political alternatives have been exhausted, and that the source of international law is to be found not only in the United Nations and its charter or resolutions but in customary international law?

Mr. Rammell: All hon. Members viewed military conflict as a last resort. I simply point out that the right hon. and learned Gentleman questioned the legality of our decision today, but did not do so in September 2002.

Mr. Salmond: The question of last resort affects legality. However, what does the Minister say to Hans Blix's comment that ownership of Security Council resolutions should lie with the Security Council, not with any individual country within it?

Mr. Rammell: There was a unanimous view on resolution 1441, but a disagreement on the method of enforcing it. We are entirely clear that we acted in accordance with international law at all times.

Authority to use force against Iraq derived explicitly from the combined effect of United Nations Security

Council resolutions 687, 678 and 1441. They were all adopted under chapter VII of the UN charter, which allows for the use of force for the express purpose of restoring international peace and security. The debate has centred on the disclosure of the Attorney-General's advice and the long-standing convention, which both parties have observed when in government, of not normally revealing that advice. The reasons for the convention of non-disclosure are compelling. Its purpose is to enable the Government, like everyone else, to obtain frank and full legal advice in confidence. It is manifestly in the public interest for all Governments to act in that way and in accordance with the rule of law.

As Ministers have said on innumerable occasions, the Attorney-General's advice was not to be disclosed. Nevertheless, in view of the amount of public interest, the Attorney-General exceptionally set out his view of the legal basis for the use of force against Iraq in response to a written parliamentary question on 17 March 2003. The Government are therefore confident that their actions in Iraq were right and consistent with the United Kingdom's international obligations. Again, I make it clear that the Government would not have engaged in military action unless they were satisfied that it was legal under international law.

Let me deal briefly with precedent. As I said earlier, I am not aware that Law Officers' advice on any previous military conflict has ever been disclosed at the time of conflict. Even on less serious issues, there has never been a general policy of disclosure. Given the position of Conservative Front-Bench Members now, it is interesting to recall the then Government's position on the Maastricht treaty in 1993. Although the Foreign Secretary had made a statement that included a summary of the Law Officers' conclusions, the Attorney-General was asked, and explicitly refused, to disclose his full advice. It was right then and it is right now. Those points need to be made clearly.

This Government, like others before them, will not reveal advice that the Attorney-General has given them. That is, rightly, the long-standing convention, which allows the Government, like everyone else, to obtain frank and full legal advice in confidence. However, hon. Members should be in no doubt that the conflict was legal. The Government would not have engaged in military action had they not been satisfied that such action was legal under international law.

Just as importantly, we should return to the central reason why we took military action. The removal of Saddam Hussein has made the world a much safer place. The conflict that we undertook was right and just; now, however, we should focus on our priority of reconstruction and the creation of a safe and stable democratic Iraq. Yesterday's signing of the transitional administrative law was a significant historic achievement. We are now committed to helping the Iraqis to achieve the prosperity, freedom and democracy that Saddam Hussein denied them for decades. That is the significant point in the debate, and I urge hon. Members to support the amendment and reject the main motion.

Question put, That the original words stand part of the Question:—

The House divided: Ayes 192, Noes 283.

Division No. 80] **[5:35 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baker, Norman
Baron, John *(Billericay)*
Barrett, John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Browning, Mrs Angela
Bruce, Malcolm
Burns, Simon
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Calton, Mrs Patsy
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Cohen, Harry
Collins, Tim
Corbyn, Jeremy
Cotter, Brian
Curry, rh David
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Doughty, Sue
Duncan, Peter *(Galloway)*
Duncan Smith, rh Iain
Ewing, Annabelle
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hoban, Mark *(Fareham)*
Holmes, Paul
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Jones, Nigel *(Cheltenham)*
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Laws, David *(Yeovil)*
Leigh, Edward
Letwin, rh Oliver
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McDonnell, John
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Marsden, Paul *(Shrewsbury & Atcham)*
Marshall-Andrews, Robert
Mawhinney, rh Sir Brian
May, Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
Oaten, Mark *(Winchester)*
O'Brien, Stephen *(Eddisbury)*
Öpik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Pickles, Eric
Portillo, rh Michael
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*

Pugh, Dr. John
Randall, John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Mrs Marion
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Smyth, Rev. Martin *(Belfast S)*
Soames, Nicholas
Spicer, Sir Michael
Stanley, rh Sir John
Steen, Anthony
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tonge, Dr. Jenny
Trend, Michael
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Weir, Michael
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, David
Williams, Roger *(Brecon)*
Willis, Phil
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Younger-Ross, Richard

Tellers for the Ayes:
Pete Wishart and
Hywel Williams

NOES

Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atkins, Charlotte
Bailey, Adrian
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Bell, Sir Stuart
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Boateng, rh Paul
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Coleman, Iain
Colman, Tony
Cooper, Yvette
Corston, Jean
Cousins, Jim
Cranston, Ross
Cruddas, Jon
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Flint, Caroline
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kelly, Ruth *(Bolton W)*
Kemp, Fraser
Khabra, Piara S.
Kidney, David
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Lammy, David
Laxton, Bob *(Derby N)*
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
MacDonald, Calum
MacDougall, John
McFall, John
McGuire, Mrs Anne
McIsaac, Shona
McKenna, Rosemary
Mackinlay, Andrew
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marshall, Jim *(Leicester S)*
Martlew, Eric
Michael, rh Alun
Milburn, rh Alan
Miliband, David
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Mountford, Kali
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Owen, Albert
Perham, Linda
Picking, Anne
Pickthall, Colin
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Primarolo, rh Dawn
Prosser, Gwyn
Purnell, James
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*

Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Sawford, Phil
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Skinner, Dennis
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, John *(Glamorgan)*
Soley, Clive
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stinchcombe, Paul
Stoate, Dr. Howard
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark *(Alyn)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Timms, Stephen
Tipping, Paddy
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*

Tellers for the Noes:
Gillian Merron and
Mr. John Heppell

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

MR. DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House notes the long-standing convention, followed by successive governments, that the advice of the Law Officers is given in confidence and is not disclosed publicly; notes, however, the Answer given in the House of Lords by the Attorney General on 17th March 2003 which set out his view of the legal basis of the use of force against Iraq, and the letter of the same date from the Secretary of State for Foreign and Commonwealth Affairs to the Chairman of the Foreign Affairs Committee giving more detail of the legal position; and believes that the priority now for the Government is to help the Iraqi people rebuild Iraq.

Young People and Democracy

Mr. Deputy Speaker (Sir Alan Haselhurst): Mr. Speaker has selected the amendment in the name of the Prime Minister.

5.52 pm

Angus Robertson (Moray) (SNP): I beg to move,

That this House notes the concern shared by all political parties at the lack of participation in the political process by young people and the decreasing turnout in elections throughout the country; welcomes the work of many charities, political experts, young people and organisations representing them, who have worked together in their belief that lowering the voting age would improve the quality of politics in the United Kingdom; and calls on the Government to legislate to lower the voting age for all public elections to 16 years.

This is an issue whose time has come—the enhancing of the role of young people and democracy. Either we deal with that issue and change the way in which politics works, or we as politicians shall be damned to ever-falling turnouts and rocketing disengagement, especially among the recently enfranchised and society, or even both. That is clearly damaging to democracy, and unsustainable for the legitimate and important work of political parties. Unless we buck up our ideas and respond to the problem, it will be very difficult to fix.

There is a range of general measures that we should support to boost younger people's interest in democracy. I believe that Members in all parts of the House support measures such as enhanced and attractive policies for younger people, improved use of the internet and information technology, and better outreach to schools and colleges by politicians and interest groups.

One recent and overwhelmingly positive development in my constituency has been the establishment of a parliamentary youth internship programme in conjunction with local high schools. A victim of our own success, we now have a considerable backlog of students seeking to gain a few days' or weeks' experience in the holidays of how an MP's office works, and a better understanding of the parliamentary process. I strongly recommend the programme to other Members.

Lembit Öpik (Montgomeryshire) (LD): Does that not show that young people are not necessary uninterested in politics, and that when given the chance and not patronised they are very willing to become involved? Do not the tremendous success and the growth of UK youth parliaments provide further evidence of that?

Angus Robertson: I welcome the hon. Gentleman's supportive comments, and I shall come to that issue a little later.

The general measures that I enunciated a moment ago are no substitute for dealing with the biggest outstanding issue that disconnects younger people from active democracy: the right to vote. In this Chamber in 1947, Winston Churchill famously said:

"No one pretends that democracy is perfect or all-wise. Indeed, it has been said that democracy is the worst form of Government except all those other forms that have been tried from time to time"—[*Official Report*, 11 November 1947; Vol. 444, c. 206–07.]

But what happens when there is a fundamental generational breakdown in democratic participation? That is the challenge we need to address today.

[Angus Robertson]

I want to begin with a perhaps surprising word of congratulation to the Minister for what must go down in parliamentary history as the smallest ever Government amendment to a Scottish National party or Plaid Cymru motion. Some people have uncharitably suggested that if Thomas Edison had been an SNP member, he would have been described by the UK parties as a dangerous anti-candle activist. I am glad that Government Front Benchers have dispelled that myth today, at least for a short while, and I hope that the Minister will use his youthful zeal, as the second youngest Labour Member in the House, to withdraw the amendment—perhaps I am being a bit optimistic—and that he will not be sent over the top to defend the indefensible by the fuddy-duddies, wherever they may be.

The Minister has a tremendous chance to be on the right side of history this evening by helping to lead a change to the inevitable—a lowering of the voting age to 16. Parliament should take a lead on this issue, despite the impending Electoral Commission report, to which the SNP and I have made submissions.

My strong views on this subject have been long held, and the same is true of my party. My maiden speech in this House, in 2001, was on the subject of young people and democracy. Indeed, my predecessor, Dr. Winnie Ewing, the current SNP president, made her maiden speech in this House, in 1967, on the subject of lowering the voting age from 21 to 18. Of course, that came about, thereby allowing 81 current Members of this House to benefit directly from the last lowering of the voting age, which occurred in 1970. They include the Chancellor of the Exchequer; the Liberal Democrat home affairs spokesman, the hon. Member for Southwark, North and Bermondsey (Simon Hughes); and the former shadow Secretary of State for Trade and Industry, the right hon. Member for Wokingham (Mr. Redwood). Who is to say that the next crop of leading politicians are not being turned off such a career path by their inability to have their say? Why should we not enfranchise the 1.5 million 16 and 17-year-olds in the UK?

Rosemary McKenna (Cumbernauld and Kilsyth) (Lab): In the light of the Government's amendment, which makes it clear that all the issues are being addressed, perhaps the hon. Gentleman can explain why he chose this subject for a key Opposition day debate?

Angus Robertson: I am delighted that the hon. Lady raises this issue. The commitment of the SNP and Plaid Cymru to youth issues is demonstrated by the fact that, on the one day available to us to choose the subjects for debate, we have chosen that of young people and democracy. We have done so because it is our keenly held belief that it is an important issue, but I am not claiming that those in other parties do not also consider it important. Indeed, perhaps the hon. Lady will contribute to this debate later on.

The lowering of the voting age has been the subject of much deliberation in the House of Commons. There was a private Member's Bill on the issue, which was sponsored by the hon. Member for Ludlow (Matthew Green), who will be speaking for the Liberal Democrats. There were some early-day motions, including early-day motion 746 from the last Session, entitled "Votes at Sixteen", which I co-sponsored. The wording of that early-day motion and of today's motion is almost exactly the same. That early-day motion had the support of 37 Labour Members, most Liberal Democrats, and almost all SNP and Plaid Cymru Members—as well as Conservative and Ulster Unionist Members. I hope that we can depend on the votes of all those signatories tonight. This is and should be a cross-party, non-partisan subject for agreement.

Mr. Martyn Jones (Clwyd, South) (Lab): Is the hon. Gentleman aware that when the Welsh Affairs Committee reported on children and young people in Wales, one of its recommendations was to lower the voting age to 16? That was by no means supported by 100 per cent. of the evidence that we took, and even some young people said that they did not want it, but, on balance, the Committee decided that we should have it. However, I cannot see the point in going for it now, while the Electoral Commission is preparing its report. Perhaps the hon. Gentleman will say why we have to do it this minute when the commission is to report very shortly.

Angus Robertson: I thank the hon. Gentleman for his interest in the subject and welcome the findings of the Welsh Affairs Committee and those of the Scottish Parliament's Local Government and Transport Committee, which also found that lowering the voting age to 16 would be welcomed. I believe that Parliament should be leading on this issue and I will come to that point later.

This issue should unite hon. and right hon. Members in all parts of the House. Intellectually and ideologically we can all make the case for change. The nationalist perspective recognises the growing independence and self-determination of younger people. The Conservative perspective perhaps recognises initiative and entrepreneurship among younger people. The Labour perspective might recognise social inclusion and justice, whereas the Liberal perspective represents individual freedom of choice and social responsibility.

Government Members, if not persuaded by my arguments, may be convinced by the English Minister for School Standards, the hon. Member for South Shields (Mr. Miliband), who recently told an audience of A-level students that lowering the voting age would be a "logical" reform:

"If it is right that you can get married at 16, pay taxes, join the Army, there is no case for saying you can't vote until you are 18."

If that is good enough for the Minister, it is good enough for me. I certainly hope that it is good enough for Labour Members and that they will choose to support the motion in the Lobby.

Prime Minister Tony Blair has signalled that he no longer opposes the lowering of the voting age to 16, so there is at least—

Mr. Deputy Speaker: Order. The hon. Gentleman may have realised his error. He should refer to hon. and right hon. Members in the normal way.

Angus Robertson: Thank you, Mr. Deputy Speaker, for pointing out my youthful error.

The Prime Minister, the right hon. Member for Sedgefield (Mr. Blair), has signalled that he no longer opposes lowering the voting age to 16, so there is at least some consensus with Ken Livingston, Mayor of London, who strongly supports reform.

Tony Wright (Cannock Chase) (Lab): One of the weaknesses of the hon. Gentleman's motion is that it does

not include the question of candidacy, which is covered by the amendment. The Electoral Commission is studying both issues. Rather than approach the matter piecemeal, would it not be better to examine both aspects by supporting the amendment? What is the hon. Gentleman's position on the age of candidacy?

Angus Robertson: I am entirely open to equalisation of the right to vote and candidacy. It should be for electors to decide whether an individual is mature enough to represent them at any level of government. That does not negate my point that Parliament should take the lead in sending a signal to young people that their role in democracy is as important as that of anyone else.

There is a long list of important organisations outside the House that support the proposed initiative. They include Article 12 in England and Scotland, Barnardo's, the British Youth Council, the Care Leavers Association, the Carnegie Young People Initiative, Charter 88, the Children's Rights Alliance for England and the Electoral Reform Society. The list goes on and on. Before today's debate, the SNP and Plaid Cymru approached several of those organisations. The British Youth Council was specifically mentioned earlier, and I am pleased to say that its vice-chairman, Richard Angell, released a statement in advance of our debate, stating:

"The British Youth Council supports the debate in parliament in trying to enfranchise more young people to vote, reduce the democratic deficit and empower more young people as citizens. The motion that will be debated on Tuesday shows from its sponsors that young people and adults alike, from all parts of the United Kingdom support modernisation of our democracy in this way. We call, as the national youth council in the UK, for the Government and all other Opposition parties to support this call and look to eradicate the inequalities that young people feel when it comes to the political process and let young people vote at 16."

The hon. Member for Cannock Chase (Tony Wright) mentioned some of the reasons why it is right to lower the voting age, but Richard Angell widens the list in his submission by saying:

"Young people have a right to be able to vote from 16; they can get married, have sex, become a parent, smoke, drive and join the army before they can currently vote; this needs to be rectified."

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): The hon. Gentleman has twice repeated the interesting list of things that one can do at 16, but as almost without exception they are all manifestly painful and grave mistakes, why is there any reason to expand the list on that basis?

Angus Robertson: The hon. Lady makes an important point. The most significant reason for having the right to vote—some might say that it is also painful—is the necessity when earning to pay tax to the Government. I have always been brought up to believe in no taxation without representation. Many of the items on the list might be painful or unwelcome to people of any age, but I believe that those who have obligations to society should also have the right, especially in a democracy, to take a decision about who governs. I am sure that the hon. Lady would accept that.

It was not only the British Youth Council that responded with a message in advance of this evening's debate. Penny Hollings, the national secretary of the National Union of Students, said:

"NUS believes that people at 16 should be able to exercise their democratic right to vote. Many decisions that directly affect them are being taken and they have no chance to influence these decisions. This is particularly unfair when we consider these 16-year-olds are allowed to get married, join the armed forces and pay income tax"—

the point I made a few moments ago—

"but not decide whether they agree with where that money is being spent."

Richard Younger-Ross (Teignbridge) (LD): Are not some of the interventions from Labour Members rather curious, coming from a party that prides itself on extending the franchise and the rights of individuals? They seem to question the hon. Gentleman's purpose in seeking to extend the franchise to those who are currently disfranchised, but I cannot think of many issues more important than that.

Angus Robertson: The hon. Gentleman has made his point, but I would rather not go down the partisan route this evening because I am trying to persuade right hon. and hon. Members on both sides of the House to vote with the SNP and Plaid Cymru on this important motion. I will not therefore be diverted down the hon. Gentleman's route.

We should reflect on clear examples of what has happened when the voting age has been lowered, to see what advantages it has brought It applies to several of Germany's Länder, which reduced the voting age for participation in municipal elections. In Hanover, for example, the turnout of 16 and 17-year-olds was higher than that of those aged between 18 and 35. Admittedly with limited evidence, I believe that lowering the voting age can bring about the bonus of dealing with the disconnection that I warned about in my introductory remarks.

Enthusiasm for supporting democracy among 16 and 17-year-olds is evident wherever one chooses to look—from participation in, and support for, single issue campaigns to the recent demonstrations on Iraq. That has been recognised even by Downing street, with the Prime Minister making a special appearance on MTV to justify the decision to go to war with Iraq. I note with interest that the closing date has just passed in the competition by the Electoral Commission and MTV entitled "Votes are Action". The competition was open to people aged between 14 and 24, and it challenged participants to come up with a creative response to the phrase "Turn Opinion into Action". Perhaps MPs should tune into MTV and get inspiration from the competition entries. I suppose that I should declare that that is not a covert attempt to wangle a free ticket to next year's MTV music awards.

My experience in my constituency bears out the theory that 16 and 17-year-olds are interested in democracy. I am sure that hon. Members of all parties have also had that positive experience. I regularly seek the views of modern studies pupils in the senior schools in my constituency—the Buckie, Elgin, Forres, Lossiemouth, Milnes and Spayside high schools, as well as Elgin Academy and Gordonstoun.

[Angus Robertson]

The replies from students are detailed and convincing. On the question of lowering the voting age to 16, the responses have been overwhelming—and overwhelmingly in favour. That is the case elsewhere in the country: 80 per cent. of correspondents on the "Young Scot" website are in favour, and the comments to be found there are also instructive.

Mojo writes:

"I am 16 and think that I should be allowed to vote, because I probably care more about politics than some people that can vote . . . I think that if the law treats you as an adult you, as an adult, should be able to have your say in the country—young people are the future!"

As was noted earlier, that view is not universal. JonnyG writes:

"But do you think that everybody who is 16 is responsible enough to use their vote—I mean—do we really want the monster raving loony party voted into parliament? (or conservatives for that matter)"

There are mixed opinions, but I note with interest the summary of the big conversation forum. Apparently, it is a big conversation on voting age and youth apathy, and the biggest single group among those sampled supports lowering the voting age to 16.

Huw Irranca-Davies (Ogmore) (Lab): I pledge my support to the principle of what the hon. Gentleman is saying. I firmly believe that the voting age should be lowered. People aged between 16 and 18 are often criticised for not being mature enough to vote, yet the same could be said about people who are much older. It is not so much a question of age as of maturity, and whether people look seriously at the political climate.

Angus Robertson: The hon. Gentleman has come as close as he dare to endorsing the views of the Scottish National party and Plaid Cymru without getting into difficulty with his Whips. I welcome wholeheartedly the logic of the case that he makes.

I am not in favour of limiting the franchise to any group above the age of 16, but I certainly do not think that 16 and 17-year-olds should be excluded.

I do not want to leave the big conversation website just yet, as I want to refer to an interesting contribution from a person named Andy Bannister. He writes:

"A better step would be to consider why turnouts are falling—a general lack of respect in politics. When one watches the performance of politicians of all stripes in the House, is there any wonder? You act like a bunch of year-7s, cheering and booing, trying to score cheap points and refusing to accept anybody on the other side of the house might have a valid point. Grow up and act like the elected representatives you are, and respect might begin to return."

With so much consensus so far this evening, I think that we will be able to offer a good example and show that Mr. Bannister's concerns are unfounded. That is the opportunity presented to the House this evening. We must lead the debate about young people and democracy in a consensual way. The Scottish National party and Plaid Cymru strongly support imaginative ways to encourage younger people's interest in democracy.

There is no substitute for addressing the real and substantive issue of the voting age. Scottish National party and Plaid Cymru Members believe, along with many other hon. Members, that the voting age needs to be reformed. Parliament should lead, and it has the chance to do so tonight. I hope that, in the spirit of non-partisanship, hon. Members from all parties will vote with us and send a strong signal to younger citizens that their views really count.

6.14 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): I beg to move, To leave out from "Kingdom" to end and add

"but notes that the independent Electoral Commission's review of voting age and candidacy age is soon to be published and that the Government will carefully consider its conclusions, alongside the work of other organisations".

As the hon. Member for Moray (Angus Robertson) says, the participation of all people in our democracy is one of the most important issues that we can possibly discuss, and the participation of young people is especially important. The debate transcends party politics and crosses the political divide. All hon. Members have a collective responsibility to capture the imagination of our constituents, engage their interest and have an ongoing dialogue with all parts of society, young and old.

The Government, and many other organisations, are working hard in a variety of ways to focus on engaging younger people in our political process. However, there is no quick-fix solution, and that is where we disagree with the approach adopted by the hon. Member for Moray, and in particular with the suggestion that lowering the voting age is the definite solution to low turnout by young people in elections. Our concise but perfectly formed amendment suggests that we should continue to examine the issue while bearing it in mind that the Electoral Commission is studying the impact of any such changes alongside the potential impact of other steps that we could take.

Huw Irranca-Davies: To row back rapidly, although I agree firmly in principle with lowering the voting age, we should not prejudge the issue. Like most hon. Members, I would never want to be accused of premature extrapolation.

Mr. Leslie: I am not sure about the allusion made by my hon. Friend, but I am glad that he has rowed back. The Electoral Commission is examining voting at 16, and it is prudent to wait for its report.

Matthew Green (Ludlow) (LD): The Government amendment mentions the Electoral Commission, but it does not say whether the Government will accept the commission's findings. If it comes out in favour of votes at 16, will the Government implement the policy?

Mr. Leslie: It is probably better not to be premature about the matter and to wait for the Electoral Commission's report to be published. At that point, we can decide whether we accept its advice and recommendation. Ultimately, the commission provides advice, but it is for Ministers, Parliament and the House of Commons to make final decisions, and I am sure that the debate will continue.

We should remember why the issue is important in the first place. This point may be obvious, but good governance and high-quality future decision making

depend on young people participating in elections and taking part in decision making and government. The situation is not a complete disaster. Some younger people are interested and even active in politics. Believe it or not, I was once a young Member of Parliament. In May, I will have been in continuous elected office for 10 years—I was elected as a councillor in Bradford at 21, which was an honour and a privilege. I am glad that younger politicians are entering the political arena in all political parties, but especially in the Labour party.

It is not possible to claim that all young people are apathetic and disengaged. Although we cannot generalise, people aged between 18 and 24 are comparatively less likely to vote than those from older age groups. As MPs, we hear time and again that many younger people are not interested in our political institutions and are not impressed by traditional forms of communication between candidates and electors. What are the solutions to those problems? The hon. Member for Moray and many of my hon. Friends suggest that lowering the voting age to 16 may be one solution. The suggestion is interesting and has been made by individuals in several parties, including the Labour party, over the years. The Lord Chancellor and Secretary of State for Constitutional Affairs said as recently as December that we must be open-minded and listen to the arguments, and we have posed the question in our current big conversation.

Voting at 16 might be an option, but although we are happy to encourage the debate, we must also recognise that there are problems. The House declined to support votes at 16 by 434 votes to 36 when the matter was last debated in 1999. Consequential questions about the wider age of majority might flow from a decision to allow voting at 16. We are open-minded on the issue, and the Electoral Commission will publish its report shortly.

The commission is also looking closely at the age of candidacy, as not just voting but active participation in the political process matters. On candidacy, the minimum age for standing for election to Parliament was fixed—I assure the House that this is true—by the Parliamentary Elections Act 1695, and the age of candidacy for local elections was set in the Local Government Act 1972. They do, therefore, seem overdue for review. In the meantime, the Scottish Parliament is considering the Local Governance (Scotland) Bill, which proposes reducing the age for standing in local elections from 21 to 18. Local elections are devolved matters, but we will follow the passage of that Scottish proposal very closely.

Nevertheless, the Government believe that the challenge of voter engagement and poor turnout requires more than changes to the franchise or the age of candidacy. The key to increasing turnout among younger people is to stimulate their interest in politics and to demonstrate that participation is a worthwhile and effective use of their time. The issues and policy options offered by political parties are therefore crucial, and all Members of Parliament have a responsibility to persuade younger constituents that their voices count. I am pleased that the Labour Government are playing their part in focusing on that issue and taking action in several different ways.

For example, we have the "Yvote?/Ynot?" campaign, under the auspices of the children and young people's unit, which has sought to gauge the views of younger people about the political process and how interest in it could be improved. We have had a tour of regional meetings involving hundreds of young people in discussion with 17 Ministers in total. A website funded by the Department for Education and Skills and the Hansard Society has been designed as an interactive resource for teaching. The UK Youth Parliament, which has already been mentioned and with which many hon. Members will be familiar, has received £165,000 of Government support this year. We have many other initiatives, including the very successful Scottish Youth Parliament, to which I know the First Minister has given his close support. That shows great promise, and we are happy to continue to encourage such projects.

At local government level, in Scotland and in England and Wales, I know that councillors and council officials are working with schools and colleges to bring younger people into the decision-making process. In my own city, the council has supported the Bradford Youth Parliament, which involved elections of non-party candidates in secondary schools across the district. Young people were not only the candidates, but got involved in scrutineering and running the polling stations and the ballot. That was a worthwhile exercise.

The Electoral Commission has also taken a lead in advising on policy. Since its creation in 2000, it has initiated a wide array of policy mechanisms, including the "Votes are Power" campaign, which sent birthday cards to those reaching 18, encouraging them to use their vote. A publication targeted at first-time voters, entitled "An Easy Guide to Voting" has been widely distributed. Another initiative has been a team of outreach workers, which has travelled across the country to raise awareness of the voting process with young people outside the school environment. The Electoral Commission is to be commended for that work.

Perhaps the most significant change is in school education. In England, citizenship education is now part of the curriculum in both primary and secondary schools. Since September 2002, it has been a compulsory subject for 11 to 14-year-olds. Citizenship education has three interrelated elements—community involvement, political literacy, and social and moral responsibilities. We believe that citizenship education in England empowers young people to discuss and debate issues affecting them and helps to stimulate their active participation in society.

In Scotland, while there is no statutory curriculum, I understand that the Scottish Executive have produced guidance that seeks to ensure breadth in the curriculum, so that teaching can touch on the duties and responsibilities of citizenship in a democratic society. In Wales, citizenship education forms part of the personal and social education framework implemented in September 2000. In Northern Ireland, I understand, my ministerial colleagues are considering proposals on citizenship education for school curriculums.

Encouraging participation for all ages is not just about informing the electorate. There are also ways in which we can make voting easier, simpler and more convenient. We should continue to look at new ways of making the process and mechanics of casting a ballot

[Mr. Leslie]

more appropriate to modern lifestyles and try out ideas for taking the vote to the citizen, rather than requiring the citizen to overcome obstacles in order to voice his or her opinion.

We debated all-postal voting pilots only yesterday. We should recognise the beneficial impact that that method may well have on turnout. It is also important to explore the possibilities offered by new technology, whether voting by telephone, internet, e-mail or even digital television, which might reach out to electors who might otherwise not go to the polling station. In short, electors should have as much choice as possible to decide how they cast their vote and which option is the most convenient for them. We aim to provide that greater choice, and piloting is a prelude to that.

Whether in the political or the social realm, active citizenship by all in society is clearly a desirable goal from which we all benefit. Taking an interest in our communities, looking after our neighbours, reporting crimes to the police, volunteering for good causes, and activism in civic affairs and politics, even if it is simply voting or writing to councillors or MPs, or joining political parties, are the glue that helps our society stick together.

Pete Wishart (North Tayside) (SNP): All that is fair enough, but does the hon. Gentleman agree that we need to do more in this debating Chamber to engage young people? We have to start discussing issues that interest and excite them. Can the Minister think of anything that has been brought to the Floor of the House in the past year that has been of great interest to young people and has been a matter that they could positively engage in?

Mr. Leslie: I can think of many examples of such issues. It would be wrong to pigeonhole young people as supposedly interested only in particular niche issues. I think that young people are as interested in the quality of public services, the level of taxation, the nature of the constitution, international poverty and so on as any other member of society. It is how we engage with young people that makes the difference. It is clear that there is widespread support across all parties for engaging younger people in our democratic process, even if there is a slightly different emphasis among the parties on the precise way of doing it.

Angus Robertson: For the record, will the Minister say whether he agrees with his colleague the Minister for School Standards that, if someone can get married at 16, pay taxes and join the Army, there is no case for saying that that person cannot vote until he or she is 18?

Mr. Leslie: My hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody), in effect suggested that one does not have to be married or pay taxes in order to vote. These matters are not all interrelated; thankfully, they are mutually exclusive. We should look simply at the voting age.

We are open-minded about the matter. I have not formed my own conclusions, and nor have the Government. We want to look at the debate that is taking place. In particular, it would be wrong to pre-empt the Electoral Commission's views and study. It would be sensible to proceed by looking at what it says. We shall no doubt return to the matter after that.

With that in mind, I urge the House to decline the motion and support the Government's amendment.

6.28 pm

Charles Hendry (Wealden) (Con): I congratulate the Scottish Nationalists and Plaid Cymru on securing this debate, which is on an extremely important issue. I also congratulate the hon. Member for Moray (Angus Robertson) on the way in which he introduced it, very constructively and eloquently. I think he was genuinely trying to work for a cross-party consensus. Whether he will manage to achieve it is, of course, another matter entirely.

It is, as always, a pleasure to follow the Minister, who, in his normal, charming, Radio 2 easy-listening voice, can talk eloquently about virtually everything. I agreed with a great deal of what he said about the measures the Government have taken. I think there is genuine cross-party consensus that more must be done to address this issue.

I was surprised that the Minister did not have a view on the main issue in the motion. The Electoral Commission asked all parties to submit their views and it is most peculiar that the Government—or the Labour party—do not appear to have submitted an opinion. For the Government not to react until the commission produces its findings seems a peculiar way to proceed.

I have no doubt as to the seriousness of young people's disaffection with politics—or, more accurately their disaffection with the political process. In general, as the Minister said, young people are extraordinarily interested in the issues; their dissatisfaction is with the way in which politicians, and especially the House, deal with many of those issues. Fewer than 40 per cent. of first-time voters voted in the last general election, and turnout is likely to be even lower in the European and local elections later this year. Pensioners are almost twice as likely as first-time voters to vote in a general election.

I believe that, although the nationalists have correctly identified a problem, they have come to the wrong conclusion. Of course, some 16-year-olds are very ready to vote. Many Members—especially the Minister—were probably ready to vote when we were 10, 11 or 12 and we would have been delighted if the voting age had been reduced when we were young, but we had to wait. However, my experience of talking to youth groups and students throughout the country and from the straw polls that I have taken in schools and colleges shows that there is no clear majority in favour of change. Those who are politically involved and aware are certainly keen to see the voting age reduced, but that is not the case for the majority of younger people.

Moreover, a voting age of 16 is not an international symbol of democracy. There are only nine countries where one can vote in general elections at the age of 16 or 17; they include Cuba, North Korea, Iran and Sudan, so the message is that people can vote at 16 as long as they vote for the one candidate on offer.

Angus Robertson: Perhaps the reduction of the voting age in German Länder is a new factor. Is the hon.

Gentleman saying that the democracy of Germany is comparable with dictatorships? Surely, democracies, too, can change and give 16 or 17-year-olds the option to vote.

Charles Hendry: Of the nine countries that allow voting at that age in general elections, four are dictatorships of one type or another and five are democracies. However, no European country allows it in general elections, although Germany allows it in local elections. The hon. Gentleman said in his opening comments that the voting age was the outstanding issue affecting young people, but that is not felt to be the case almost anywhere else in the democratic world.

Matthew Green: When we rightly gave women the vote almost a century ago, we were among the first countries to do so. Following the hon. Gentleman's logic, we should never have given women the vote on the basis that other countries have not done so. Why can we not lead the world on the reduction of the voting age?

Charles Hendry: In a moment, I want to discuss why that is a bogus argument and distracts us from the key issues that lead to young people being disaffected with politics and politicians.

There is no common age of majority. One can do many things at the age of 18; for example, one can buy alcohol and obtain credit. In effect, people cannot drive until they are almost 18: most have almost reached that age before they pass their test. However, I want to take head-on the bogus arguments that have already been mentioned; for example, that one can join the Army at the age of 16. A 16-year-old can join the Army with their parents' permission, but they cannot be put on front-line duty until they are 17, or 18 for international duties. The reality is that most young people cannot freely join the Army until they are 18.

The point has been made that people pay tax at the age of 16. My five-year-old pays VAT on the sweeties he buys with his weekly pocket money—*[Interruption.]* He gets far too much pocket money. However, no one is suggesting that because he and other children pay VAT they should be entitled to vote, although he would probably think it was a good idea.

Adam Price (East Carmarthen and Dinefwr) (PC): European Union visitors to the UK also pay VAT, but that is not an argument for them being given a vote. The distinction relates to income tax, which is based on being domiciled in the UK.

Charles Hendry: I understand the distinction that is being drawn, but the reality is that 90 per cent. of 16-year-olds do not pay income tax—only a small proportion of them do so. Those who have put the case for change to the Electoral Commission may want to consider the argument about no taxation without representation. If people pay tax, they should be entitled to vote, but that does not justify giving the vote to the overwhelming majority of that age group, to whom that does not apply.

Mr. Peter Luff (Mid-Worcestershire) (Con): The historians in the House may correct me, but I believe that the original cry of no taxation without representation was applied to tea duties—an indirect tax, not a direct tax.

Charles Hendry: My hon. Friend is, as ever, wise and well informed, and I am grateful to him for his support in these matters.

Reference has also been made to the age at which people are allowed to get married. The situation is different in Scotland, but certainly in England and Wales, people can marry at the age of 16 only if they have their parents' consent. No one would suggest that people should be allowed to vote at the age of 16 only if they have their parents' consent. Such arguments do not apply generally. One in 500 girls and one in 1,000 boys get married at the age of 16. To trot out such things as though they were the norm is decidedly misleading, but we are finding that they are being used to try to turn our minds away from the real reasons why young people are not getting involved in politics and not taking an interest in what is going on.

My belief is that young people are not voting because they do not see politics as being relevant or addressing the issues that concern them, as the hon. Member for North Tayside (Pete Wishart) was saying just now. Rather than considering an extension of the voting age, our priority should be to motivate the 60 per cent. of those who could vote for the first time but do not bother to do so to get out and use their votes.

Charter 88 and the YMCA found in a survey in 2002 that 90 per cent. of 16 to 22-year-olds would be more likely to vote if the parties addressed the issues that matter most to young people. Even though a survey carried out by the children and young people's unit in 2002 showed that just 40 per cent. of 14 to 19-year-olds had some or a great interest in politics, it also showed that 76 per cent. of that age group thought that they should be taught more about politics while in school. So young people clearly have a great desire to have a better understanding of the way in which such issues are addressed.

Rosemary McKenna: Does the hon. Gentleman agree that the argument that lowering the voting age increases participation is not sustained by the figures for those aged between 18 and 25? Participation is lower in that age group than in any other.

Charles Hendry: I entirely agree with the hon. Lady. No one has ever told me that they did not vote when they were 18 because they were not allowed to do so when they were 16. There is no connection between the two.

We need to consider the issues that are of greatest concern to young people themselves. Many people say that young people are primarily concerned with the environment and international affairs, particularly in developing countries. That is of passionate importance to a few, but not to the majority of young people, who are concerned most about issues that are closer to home, such as their safety on the street. They are profoundly concerned about crime. One of the things that politicians so often get wrong is the language that we use in addressing those issues. Too often, the words that young people hear used in the House or that they read in the newspapers refer to young offenders, as though

[Charles Hendry]

young people are constantly waiting behind the bus shelter for the next elderly lady to come along so that they can hit her over the head and steal her purse while they are waiting to daub the next bit of graffiti on the back of the wall.

The reality is that young people are much more likely to be the victims of crime than any other section of the community, and we need to talk in a way that reflects that problem and their anxieties and that delivers the solutions that they view as realistic. That involves putting more police on the beat and, to an extent, a different attitude to policing, so that, when young people say that they have been attacked or that they have a problem, the response is not, "Well, what were you doing wrong, then?" We must address those issues constructively.

The second issue that comes up consistently is that of facilities and transport. It is no wonder that young people have little faith in politicians when they see the youth clubs and youth organisations that they attend at risk of closing because of a complete lack of funds, when other departments round the corner are awash with funds.

Pete Wishart: I am grateful to the hon. Gentleman for giving way, because he is on to something. Does he agree that we have almost developed an "us and them" culture distinguishing between what we view as general society and young people, who are sometimes identified as a problem that must be dealt with and addressed? Cannot we do more to include them and to ensure that they are part of our political process? If we do not do so, we stand a good chance of alienating more and more people from the political process.

Charles Hendry: I could not agree more. We have to try to challenge the media perception that the majority of young people are inherently bad. The overwhelming majority of young people whom I meet in all places are inherently good and enthusiastic people who work hard for their communities. We have to change the language that we and newspapers use by showing a much more positive approach toward young people. After all, it is hard to understand why they should have much faith in the work that we do if we appear to have little faith in what they do in their lives.

The third issue that comes up time and time again is education, which is not surprising. However, it is also not surprising that the young people who disproportionately voted for the election of a Labour Government in 1997 and 2001 are now disproportionately more disaffected with that Government than other voters as they see the Government breaking their manifesto commitments and wanting to charge students tens of thousands of pounds to go to university. *[Interruption.]* Labour Members may tut-tut, but three years ago the Conservative party was the third largest party on campus. This year, it is bigger than any other party, and probably bigger than the other two major parties combined. That has happened because of the education issue in particular, so for Ministers and Labour Back Benchers to brush it aside shows a lack of understanding about how young people feel.

Matthew Green: The hon. Gentleman talks about support on campuses. I am sure he is aware that the most recent MORI poll on the matter—it conducts a yearly poll—shows that the Conservatives have the third highest support with about 20 per cent of students' support. The Labour party is down at 34 per cent. and the Liberal Democrats have 38 per cent. support among students.

Charles Hendry: That is yet another example of why one should never believe opinion polls, although I understand that the Liberals have been working hard in universities as well.

On education, young people are frustrated that great emphasis is put on universities and that not enough attention is paid to technical and vocational training, which many believe to be a more appropriate route to take. They want politicians to address those issues more seriously than they believe to be the case at present.

We must consider not only those issues, but the way in which we relate to young people. I commend to hon. Members the work of the UK Youth Parliament, of which I am a trustee, as is the hon. Member for Ludlow (Matthew Green). Anyone who attended the meeting that it held here last week will have been immensely impressed by the way in which the young people spoke, the coherence of their arguments and their positive approach to tackling the issues. I urge all hon. Members to engage more closely with the UK Youth Parliament.

I also urge hon. Members to engage more closely with youth forums and councils in their constituencies. However, I emphasise that those forums and councils too often make presentations to local politicians—councillors or otherwise—who listen patiently but go away and do nothing. If we want the bodies to take us seriously, they must see that there is genuine action as a result of such presentations.

Angus Robertson: Bearing in mind the fact that the British Youth Council has issued a call for as many hon. Members as possible to vote in favour of the voting age being lowered, will he and other Conservative Members do that?

Charles Hendry: I have already set out the reasons why it would not be right to lower the voting age at this time. Taking someone seriously does not mean automatically agreeing with everything they say. It means taking part in a constructive dialogue and debate. At the end of the day, young people will be more attracted to people who argue genuinely and sincerely from a given point of view than to those who they think will support them irrespective of what they say in the belief that that will win their votes.

Pete Wishart: We are all aware of the Electoral Commission report that is due to be published soon. If it states clearly that it believes that there is a case for giving the vote to 16 and 17-year-olds, will the Conservative party back that?

Charles Hendry: We will wait to find out the nature of the report. We produced a submission in which we said

we would not reduce the voting age to 16, but that we would support a reduction in the age of candidature to 18. We will want to know about the nature of the report and the submissions that other bodies made before reaching our final conclusion, but at present we are not persuaded of the case for reducing the voting age.

We need to listen constantly to young people if we want to be taken seriously, which is one of the reasons why we have set up a database of 4,000 voluntary organisations that work with young people. We e-mail the organisations every month to consult on matters that the party is considering. We are extending that practice to secondary schools, as it shows a willingness to use the communication methods that young people are using more and more. Most Members, with the possible exception of the Minister, grew up at a time when there were three channels on television. The Minister probably cannot remember the age when it was not possible to watch an evening's television without seeing some current affairs. There was news on every channel and one could not avoid it. Many young people growing up today watch television channels with no current affairs or news content. The most popular channels are E4 and Sky One, which have no current affairs presentation whatsoever, which makes it much more difficult for politicians to reach and communicate with young people. We must therefore make sure that we understand new technology and use it in a way that is not condescending.

Above all, we must have face-to-face contact with young people. People's attitudes to politics and politicians is often changed when they have the chance to come to Westminster, look round Parliament and see how it works. They have a chance to meet their Member of Parliament and talk to them face-to-face about the issues that most concern them.

Mr. Patrick McLoughlin (West Derbyshire) (Con): I agree entirely with my hon. Friend about the importance of members of the public coming here. Does he accept that a downside of the new sitting hours is that they have substantially reduced the opportunities for school parties, certainly from outside London, to come and visit the House of Commons?

Charles Hendry: My hon. Friend makes an extremely important point. From the perspective of my own constituency, we have to wait many months to get people in for school visits, if we can get them in at all, because of the problems caused by the new hours. I hope that the House will address that, but it is obviously a separate issue, so I shall return to the subject of our debate.

I congratulate the nationalists on raising the issue, but lowering the voting age is a sideshow. Young people want politicians to listen to them and act on their concerns. If we can introduce policies that will make our communities safer for young people; provide more facilities for them and improve transport so that they can access those facilities; provide open access to higher education and improved vocational training; and show that young people's views are genuinely important to us and that we will act on them, they will give us an opportunity to be heard and we will find that they are willing to use their vote and express their political views.

6.47 pm

Dr. Richard Taylor (Wyre Forest) (Ind): I am a little hesitant, because according to the latest count I am the 17th oldest Member of Parliament, although I was encouraged when an hon. Member who is considerably older than me made an intervention.

The Minister said that we should stimulate an early interest in politics. I could not agree more, but we are missing the point—that the people who stimulate that interest are parents, relatives and teachers. I should therefore like to spend a few minutes discussing some of the things that put those people off politics, preventing them from transmitting an interest to children.

The first factor—the lack of openness—was discussed at great length in the previous debate and was one of the many things that contributed to my election to Parliament. Yesterday, *The Times* leader advocated "Honest politics" and the front page of *The Independent* said, "Scientist was 'gagged' by No. 10 after warning of global warming threat". Allegations of gagging, if true, work against openness and honesty.

The second factor that puts people off politics was exposed last week in the debate on the Asylum and Immigration (Treatment of Claimants, etc.) Bill. The Government refuse to consider logical or reasonable amendments before a Bill goes to the House of Lords in order to leave themselves bargaining space for Lords amendments. That is like a second-hand car salesman who sets a high asking price that he can later reduce, and Labour Members clearly alluded to such conduct in that debate.

Another example would be that of a debate on a very difficult issue that is derailed by being taken into the fields of party politics, of which the foundation hospitals Bill was an absolute classic. When this House considered Lords amendments to the Bill, we spent little time debating foundation hospitals; instead, it became an issue of party loyalty, and then of the supremacy of the House of Commons over the House of Lords. Politicians find it extremely hard to apologise or to make U-turns. During one of last Saturday's rugby matches, the commentator congratulated a referee on apologising for getting something wrong. It would be good to see politicians apologising sometimes, as we are not always right.

The hon. Member for Moray (Angus Robertson) mentioned the factors that specifically affect and interest the young. In that context, I would stress the importance of schoolteachers. When we visit schools in our constituencies, we encounter staggering differences. In those where the teachers do not take much interest, the kids are apathetic and uninterested. On my first visit, I could not get a spark out of them, and thought that that must be down to me. Then, I went to two more where they had a huge, spontaneous supply of questions on local and national issues, some of which I had to answer afterwards in writing. They ranged from what we actually do, my view of the war in Iraq and, of course, why the voting age is 18.

At the end of the summer recess, the parliamentary education unit made a series of visits to Parliament, two of which I took part in because I was in London. The first involved a livewire group of kids, mainly from Sunderland, who had got up at the crack of dawn and got home late that night. They asked questions that

[Dr. Richard Taylor]

demonstrated their interest in, for example, the involvement of women and ethnic minorities and why MPs have posh accents. Those in the second group were very different. For a start, they all had posh accents and were not interested in anything. The influence of teachers is crucial. If their interest can be rekindled, that will rub off on children. Lowering the voting age would help, because such issues would have relevance sooner in life.

In 1944, Lord Beveridge wrote:

"Ignorance is an evil weed, which dictators may cultivate among their dupes, but which no democracy can afford among its citizens."

I would take that even further. Education in politics and democracy is absolutely essential for the maintenance of democracy.

6.53 pm

Matthew Green (Ludlow) (LD): I, too, congratulate the Scottish and Welsh nationalists on choosing this topic for debate on one of their rare Opposition days. I commend the hon. Member for Moray (Angus Robertson) for his excellent attempt to avoid partisan politics and to win some consensus across the House.

I was slightly bemused by the Minister's response. I am aware that many of his colleagues are firmly in favour of votes at 16, but having become Ministers or Parliamentary Private Secretaries they are forbidden to say so. I will refrain from naming them.

Angus Robertson: Does the hon. Gentleman agree that it is strange that although the Minister for School Standards can enunciate clear support for lowering the voting age to 16 or 17, the Minister cannot?

Matthew Green: I am trying to follow the hon. Gentleman's example and not be cynical, but I am tempted a little down that route. It could be said that the Government have enough voices expressing both opinions and that, therefore, whatever the Electoral Commission's conclusion, they can say that they were of that view, but perhaps that is too cynical.

There have been some welcome signs. The Prime Minister has moved from opposition to agnosticism, and I hope that he takes the next step. However, it was incumbent on the Minister to make it clear that if the Electoral Commission recommends reducing the voting age to 16—I hope it will, because the arguments for so doing are overwhelming—the Government will accept the recommendation. After all, they have asked the Electoral Commission to consider the matter and I presume that they are therefore sufficiently interested to take note of its conclusions. They pray the Electoral Commission in aid so often that I would expect the Minister to accept its recommendations.

There is broad consensus that, whatever our views on voting age, it is logical that someone who is old enough to vote is also old enough to stand as a candidate. The electorate should be able to judge whether a candidate is sufficiently mature to be elected. I am glad that there is consensus on that and that Conservative Members, even if they do not support reducing the voting age to 16, agree that voting age and candidacy age should be the same. The Government did not make even that commitment although I suspect that the Minister probably agrees with the proposition. He has probably made up his mind and simply will not give us his conclusions.

It is worth emphasising some of the reasons that have been expressed for reducing the voting age to 16, the most important of which is fairness. We regard citizens as old enough to pay direct taxation at 16 if they are in work. I would not go as far as Conservative Front Benchers, who suggested that people who pay taxes should have the vote, because the logical conclusion of their argument is that those who do not pay taxes should not have the vote. That would mean that many pensioners were taken off the voting registers.

Sixteen-year-olds who are in work may have left home and may pay council tax. We judge them to be mature enough to play such a part in the state's life, yet we do not appear to believe that they are old enough to decide about the politicians who set their council and income taxes. Those who are old enough to contribute to the state if they are earning sufficient money are old enough to elect the politicians who determine the rates.

Much has been said about turnout. The Electoral Commission's document cites some interesting studies, which show that 16 and 17-year-olds are more likely to use the vote than 18 to 25-year-olds. Evidence shows that those who start to vote continue to do so. There is therefore good evidence that reducing the voting age to 16 would increase the turnout in elections. However, we should not reduce the voting age simply to improve turnout. If we judge people to be old enough to pay taxes, they should have a right to vote.

The Minister rightly mentioned citizenship education, to which several Members referred. It ends at 16 in Scotland and will end at that age in England. It is compulsory up to the age to 14 and can be continued until a person is 16, but a two-year gap follows. The Government should either provide for teaching citizenship until the age of 18 or reduce the voting age to 16. Teaching citizenship until the age of 16 and asking people to forget about it for the next couple of years before they get an opportunity to vote does not make sense. The turnout in general elections is considerably higher than that in local elections. Many people vote in general elections and no other elections. Some people who become 18 just after a general election are 22 before they exercise their vote for the first time. Bringing down the voting age so that it is nearer the age at which young people receive citizenship education would help to encourage people to vote and play an active part in society.

A more philosophical point is that young people tend to behave well if they are given responsibility. If we try to make young people do something by bashing them over the head until they do it, they rebel and recoil against it. When they are given responsibility, however, they generally act very responsibly.

Mr. Leslie: The hon. Gentleman joined the Liberals.

Matthew Green: Actually, I did not join any political party until I was 23, so the Minister was already a councillor at the age at which I entered politics.

Giving young people the vote at 16 would send a strong signal that we regard them as full members of society, and would encourage them to behave more responsibly. It would be a signal, not a panacea, but it would help. That chimes with what the hon. Member for Wealden (Charles Hendry) said—I agree with much that he said, apart from his comments on the voting age—about the "them and us" situation and the language that we use. Reducing the voting age to 16 would be a sign that we respect young people, and we can send that powerful message to help to draw different groups together.

One argument that is used against giving 16 and 17-year-olds the vote is that they are not ready. However, as the hon. Member for Ogmore (Huw Irranca-Davies) suggested in an intervention, it is difficult to argue that someone cannot have the vote because they are not mature enough. That would take us down the dangerous and dodgy road of suggesting that people should take a test before being given the vote. Before the days of universal franchise, which the Conservatives did much to try to prevent, the amount of money people owned, or the value of their property, were used as voting thresholds, and, of course, only men could vote. The argument about not being mature enough was used against giving women the vote—it was said that women could not possibly understand what they were doing. Those who use that argument about young people now would do well to read the *Hansard* report of debates that took place at the time when women were given the vote. They might find an uncanny resemblance between their arguments and those used in opposition to giving women the vote.

Angus Robertson: Were not almost exactly the same arguments used against lowering the voting age from 21 to 18? No one in their right mind would now advocate that people should not have the vote until they are 21.

Matthew Green: I agree with the hon. Gentleman's excellent point.

Mr. Roger Williams (Brecon and Radnorshire) (LD): My hon. Friend might be aware of the work of the Select Committee on Welsh Affairs, which interviewed several young people. Some of them said that they wanted to vote, but some said that they did not feel able to make a judgment. Surely, people who feel that they are confident enough to vote should be allowed to, while the others would not have to do so, because it would not be compulsory for them to vote.

Matthew Green: My hon. Friend makes an excellent and pertinent point.

The Welsh and the Scots have been a little more prepared than the Government to engage in this process, although I shall not detract from what the Government have done. The fact that the Electoral Commission is carrying out its review is a welcome development, especially given the situation 18 months ago. At that time, I received a dismissive answer from the Prime Minister at Prime Minister's questions, suggesting that young people should not even be doing the things that I said they were, and he would not even meet a group of young people to discuss the matter. We must welcome the movement that the Government have made and I, for one, do not want to belittle that.

I have seen another argument against lowering the voting age in—believe it or not—academic submissions to the Electoral Commission, which were also sent to me. It is that 16 and 17-year-olds would automatically copy their parents. Perhaps the way to deal with that argument is to turn it on its head. If we carried out a poll among parents and asked them whether they thought that their 16 and 17-year-olds would automatically copy them, I think that we would be told very firmly that they would be more likely to do exactly the opposite. It is patronising to suggest that young people cannot think for themselves, and that all they can do is what their parents tell them to. Fortunately, no one used that argument in the debate today, probably because even those in the Chamber who oppose the lowering of the voting age to 16 are sensible enough to see the flaws in it.

I am delighted that the Scottish and Welsh nationalists used their Opposition day debate for this subject. It is an important matter, and we have had only a few opportunities to discuss it before. I think that its time is coming, but I am sorry that the Government are still sitting firmly on the fence. I had hoped that the Minister would at least say that, if the Electoral Commission recommended a reduction in the voting age, the Government would pursue the issue. Clearly, however, that would be a step too far for this Minister, even if it is not a step too far for the Minister for schools standards, who has clearly made up his mind on this already—

Mr. Alex Salmond (Banff and Buchan) (SNP): He is leading the debate.

Matthew Green: Indeed, he is leading the debate on this issue in the Government.

This has been a timely debate and, even if the Government numbers win tonight, I suspect that with the publication of the Electoral Commission's report on 26 March we shall see votes at 16 recommended. Such a recommendation is long overdue; it is about time that we began to bring our political system into the 21st century.

7.7 pm

Mr. Wayne David (Caerphilly) (Lab): Before I was elected to the House, I worked for the youth service in Wales, particularly the voluntary youth service. One of the initiatives with which I was involved was the Young Voice/Llais Ifanc initiative, which I helped to establish for the National Assembly for Wales. That initiative has now become Funky Dragon—the Children and Young People's Assembly. It was an important initiative because it was, and still is, peer-led. It is about facilitating the young people of Wales to get together and express their views and priorities to the decision makers in Wales, building on the excellent work that has been done by the local authority youth forums there.

Among the things that impressed me about the initiative was that, contrary to what many people think, young people have plenty of opinions and ideas. What annoys them most is the fact that older people do not credit them with having those views, which are often not taken seriously or acted upon as a result. Those young people wanted not a grandiose debating society, but a facility in which they could express their views and then see action being taken.

[Mr. Wayne David]

One of the consequences of this ongoing initiative is that the National Assembly for Wales now has to consider how it relates to young people when it makes decisions. Its elected Members recognise that it can be counter-productive if young people are provided with a means to express their views and nothing happens as a result. What is required is a change of culture, so that young people's views—along with the views of other people in society—are taken into account and can become part of the policy-making process. That is beginning to happen in the Welsh Assembly.

The same needs to happen in other parts of the United Kingdom and in relation to central Government. Great strides have been made throughout Britain with the UK Youth Parliament, but that is not enough—well financed and well structured though that forum is. We need a mechanism to ensure that when the Government's policy-making structures consider the issues concerned, the views expressed by young people are taken into account.

One surprising discovery that I made in working closely with young people was that many of them did not think it at all important to have the voting age reduced to 16. Some did, of course, but many saw it as irrelevant. Indeed, some young people saw it as some kind of sop and a means to incorporate them into the current political structures. They considered more important the introduction of genuine mechanisms that allowed their views to become part of the broader decision-making process.

Julie Morgan (Cardiff, North) (Lab): Does my hon. Friend agree that one genuine way of involving children and young people related to the appointment of the Children's Commission for Wales, as they took part in the whole of the appointment system and had an equal voice in choosing the person for the job?

Mr. David: Indeed. That is a good practical example of how young people can be genuinely empowered. Young people greatly appreciate the fact that they were part of that process and that their views were taken into account. That is one reason why the Children's Commissioner is proving to be extremely successful. Other parts of the United Kingdom can learn from the example in Wales.

There is a strong case for reducing the voting age to 16. I simply point out, however, that we should not assume that all young people regard that as of central importance. Many young people are concerned about a far broader range of issues and want their views taken into account. Therefore, while it is important that the issue is considered, it is not the be-all and end-all of demands from young people. It must not be used as an easy way out for decision makers. The view that reducing the voting age is the end of the debate, at which point we can go away contented that we have done something to help young people, is very patronising. It could also be counter-productive, as young people will see through it. We need a broader and more fundamental debate on this issue; above all, our starting point must be to respect the views of young people and to ensure that their views are always taken seriously.

7.12 pm

Mr. Peter Luff (Mid-Worcestershire) (Con): I am grateful to the nationalist parties for the opportunity to discuss the important issue of participation in our democracy. We take a large amount for granted in that respect, and I am grateful to my constituent, the Bishop of Worcester, for drawing to my attention the participation of criminals in the democratic process. Perhaps we need to challenge and examine much more carefully the assumption that criminals should be denied the vote.

I am therefore grateful for the opportunity to discuss the involvement of younger people in the democratic process. All Members know that one of the single most dangerous issues facing British democracy is young people's apparently declining enthusiasm—I say "apparently" for good reasons—for the British democratic system. That should worry us all greatly. We must look for ways of re-engaging young people in the process.

I am reluctantly coming to the view that perhaps I am getting old. I watched a Question Time last week with a group of younger British politicians—younger even than the Minister, if such a thing can be imagined—and I was struck by the very different tone of voice that they were using to discuss political issues: a much more relaxed, informal and inclusive style, from which the House could learn something.

To leap from the various views expressed in the Chamber today about the importance of involving younger people to the idea that they must be given the vote is a dangerous conclusion, however, as the hon. Member for Caerphilly (Mr. David) implied in his remarks. Certainly, all the soundings that I have taken in the many schools that I have visited in my constituency do not indicate great enthusiasm for it. The soundings that my district council has taken, probably as part of the response to the Electoral Commission's work at present, suggest no enthusiasm for it either. What people want is to be listened to, engaged and involved, and not necessarily to have the vote, which, as the hon. Member for Caerphilly said, could be seen as a sop or a patronising approach to the problems that we agree exist in relation to engaging people in the process.

My hon. Friend the Member for Wealden (Charles Hendry) rightly drew attention to our problems with the media. Most of the media to which young people now listen tend to ignore us, while the rest trivialise us. The national broadsheets are a scandal in this regard. When I, like my hon. Friend, was an enthusiastic young political anorak aged 12, 13 and 14, I used to buy *The Times* and *The Daily Telegraph* and read a whole page about Parliament on a regular basis. [HON. MEMBERS: "Oh!"] I know, I know; it is sad but true.

There were some interesting and important debates to read about at that time. It was a great period in British politics. It is not possible to read about such things now, because the media either ignore us or, when they do report us, trivialise us. It must be said, though—a number of Members have said it today—that we give the media quite a lot of ammunition with which to trivialise us. My neighbour, the hon. Member for Wyre Forest (Dr. Taylor), made some important remarks about the

seriousness with which we, and the Government, take political debate. If we listened to more of those lessons, young people might take us more seriously.

Pete Wishart: Does the hon. Gentleman agree that when young people look at this place, what they mostly see are middle-aged, middle-class, grey-suited men? I say that as someone who is 42 today.

Mr. Luff: As one who turned 49 a couple of weeks ago, I wish the hon. Gentleman a happy birthday. Even ageing rock stars grow old, as Bill Nighy has reminded us. But enough of this, given the time available. I agree with the hon. Gentleman that the way in which we behave here is often inappropriate.

I deeply regret the fact that Prime Minister's Question Time is the only parliamentary programme that most people watch, because it is the least edifying part of our proceedings. Watching a broadcast of this debate would probably be more edifying for most young people than what will happen here tomorrow, in a few hours' time.

I agree about the importance of youth parliaments, but I must tell the hon. Member for Caerphilly that I do not think they have enough resources. I hope that they will attract more sponsorship. I find engaging with a youth parliament surprisingly difficult in practical terms. I am notified of events much too late, and I do not receive replies to letters. Because of the annual election cycle for young people in my constituency, I find it difficult to establish a relationship with them. Such arrangements need much more support, both financially and from Members of Parliament.

We have a crucial role to play as ambassadors for politics through our involvement with schools. I believe that every Member takes that role very seriously. I can honestly say that some of the challenging questions posed to me by young people aged 15 and 16 are among the best and most perceptive that I am ever asked. They are not tainted by the prejudice and experience of years. This morning, a young man called Tom, from Prince Henry's high school, interviewed me on the telephone for a newspaper competition in which his school is participating. His questions were worthy of Jeremy Paxman. I was subjected to an exceptionally intelligent grilling from someone aged only 15.

The Minister pointed out that there were all sorts of ways for us to engage with young people. He described what I regard as the gimmicks involved in that process: e-mails, text messaging and digital television voting. I do not think that that deals with the fundamental issue, which is what we say to young people and how we say it, rather than the means we use to communicate with them. Although I approve of the fact that, typically, young people are involved with the same issues as the rest of society, inevitably the emphasis is sometimes a bit different. The current debate about university education is one example of something in which young people take an interest; other examples are environmental, third-world and animal-welfare issues. If we could only talk to them about those subjects in language that they understand and in a non-partisan way, we would gain their respect.

I do not believe that it is right to reduce the voting age to 16, but I think that we must engage young people much more in the political process—not just 16-year-olds but those aged 12, 13, 14 and 15. They all have views that are worth listening to. What we must do is make the prospect of voting at 18 exciting. So many good things in this life are worth waiting for; the tragedy is that most young people in Britain today do not think that engagement in the political process is worth waiting for.

7.19 pm

Adam Price (East Carmarthen and Dinefwr) (PC): We have had a thoughtful, considered and mature debate, which is perhaps uncharacteristic of this place, as the hon. Member for Mid-Worcestershire (Mr. Luff) suggests. I am sure that normal service will be resumed in time for Prime Minister's questions tomorrow.

It is 35 years since Parliament last voted to lower the voting age, and as the Minister said, it is more than 300 years since we examined the question of candidacy age. Even at the grindingly slow place of constitutional reform in the United Kingdom, the issue is certainly overdue for revisiting.

It is certainly a pleasure for Plaid Cymru and the Scottish National party to be able to divide the House on this issue for the first time in five years, and it will be interesting to see whether there has been a shift in opinion. Disgracefully, last time, the motion was lost by a ratio of 10 votes to one. We have witnessed a sea change in some quarters, and it will be interesting to see how that is reflected in both the spirit and the letter of tonight's vote. Three independent studies have supported a reduction in the voting age in the past five years: the Kerley report in Scotland; the Sunderland Commission in Wales; and the Local Government Commission for England. Two Select Committees in this place have supported such a reduction, as have subject committees in the Scottish Parliament and the National Assembly for Wales, and the human rights committee of the legislative Assembly in Northern Ireland.

Even Government Members have been falling over themselves to embrace the radical, new and progressive idea of reducing the voting age. Sadly, they do not include the Minister, as we have heard tonight. He seems to be taking his lead from the Prime Minister. In January 2002, the Prime Minister opposed the idea with a characteristic shrug, saying that he was not sure that we would always want 16-year-olds to do all the things that they are capable of doing. However, a few months ago he said that people grow up a lot more quickly now, and that there are many things that 16-year-olds can do, so why should they not be able to vote? The Prime Minister's volte face seems to have led to agnosticism, at least on this issue.

I congratulate my hon. Friend the Member for Moray (Angus Robertson) on introducing the debate with his customary panache and good humour, which was welcomed on both sides of the House, and I thank the Minister for his response. There was certainly consensus on the importance of engaging with young people. The problem with participation in politics is not confined to young people. We accept that there is no panacea or quick-fix solution to the entire problem, but today's debate is an important step in the right direction in terms of re-engaging young people with politics.

The Minister said that it would be prudent to wait for the Electoral Commission report, but we have been waiting for it for some time. The consultation ended in

[Adam Price]

October and the publication date has been moved three times. I should be magnanimous and point out that it was a Labour Government who reduced the voting age the last time, with Plaid Cymru and SNP support. If the Government are to act on the Electoral Commission's recommendations on voting age or on candidacy, will they ensure that such changes are in place in time for the next UK general election? The then Labour Government ensured, through the Representation of the People Act 1969, that such changes were in place for the 1970 general election. We do not want simply a manifesto pledge; we want action, so that the current generation of 16 and 17-year-olds will be able to vote.

Perhaps the natural generosity of spirit of the hon. Member for Wealden (Charles Hendry) was slightly hemmed in by Conservative policy on this issue, but there was some agreement. He was being a little mischievous in pointing out that the voting age is lower in Cuba, North Korea and Iran, where turnout is indeed higher, although perhaps not for reasons that we would like to support. However, there is evidence that the lower voting age of 15 in Brazil—a high proportion of whose population is below the age of 18—has an invigorating effect on that country's democracy.

I thank the hon. Members for Wyre Forest (Dr. Taylor) and for Mid-Worcestershire for turning the question around. Politicians, political parties and the House should address the culture of our democratic institutions. Reducing the voting age is only one step among a panoply of measures to make democratic politics more inclusive. The hon. Member for Ludlow (Matthew Green) has long led the charge for the Liberal Democrats. His point was well made that—without meaning any disrespect to hon. and right hon. Members who take a different view—similar arguments were made against extending the franchise to the working class in the 19th century and to women in the last century: it was doubted whether individuals were mature enough to cast their votes wisely.

The arguments in favour of lowering the voting age, which are supported by many youth organisations and are well understood, include consistency. Many 16-year-olds sleep together, marry without parental consent in Scotland and have children. Sixteen-year-olds can become company directors, be tried by jury in a Crown court and be locked up. They can even change their name by deed poll.

Thirty-two per cent. of 17-year-olds pay income tax—a not insignificant proportion. If it is proper that they should do so, surely they should have a stake in society and the right to decide how their taxes are spent. Some young people may not have wanted their taxes spent on the war in Iraq or for other purposes. The Government should be congratulated on creating so much anger and a new enthusiasm for politics among some young people. There is a broad consensus that we all need to engage and to examine the culture of our political parties. Now is the time to consider reducing the voting age, because we need to crystallise the energy, passion and enthusiasm that young people have for political issues.

7.27 pm

The Parliamentary Under-Secretary of State for Scotland (Mrs. Anne McGuire): As someone who was not allowed to vote until the age of 21—I know that I do not look it—and remembers only one television channel rather than the three mentioned by the hon. Member for Wealden (Charles Hendry), I found this an enjoyable debate in many respects. Contributions from all parts of the House have been thoughtful in addressing an issue that ought to concern us all, regardless of our age or political party.

However, in concentrating on lowering the voting age, perhaps the House has lost focus on an issue that I hoped it would debate—the abysmal turnout by the current cohort of young people between the ages of 18 and 24. I would have welcomed significantly more emphasis on that aspect. The hon. Member for Wealden pointed out that only 39 per cent. of those aged 18 to 24 voted in the 2001 general election, whereas 70 per cent. of 65-year-olds did so.

Other issues were worthy of exploration. Of all age groups, young people are least likely to register to vote. There are a variety of reasons for non-registration. Without being too party political, I think that we are still reaping the legacy of the poll tax and the registration issues that it posed. We have heard about some of the many reasons why people will not register—alienation from the political system, deliberate avoidance and so forth.

Mr. Salmond: I agree with the Minister, but one reason why we lost so many people, particularly young people, from the register stems from the fact that in most Scottish constituencies there is no longer a personal canvass. If the franchise were lowered to 16, when people are mainly still at school and can be readily identified, it would assist in the process of getting people registered.

Mrs. McGuire: I am not sure that that would solve the long-term problem, because people move around and there are all sorts of reasons why people come off the register. There is a danger of those who support the reduction of the voting age to 16 undermining their own case by using such arguments: it must be right because it is right, not because it will increase turnout or make registration easier. Electoral returning officers can canvass personally, and many do. Certainly the Scotland Office, working with the Electoral Commission and electoral registration officers, is examining some of the concerns expressed in the House and elsewhere about the perception of under-registration.

Angus Robertson: Briefly, for the record, we now know that the Prime Minister is agnostic on the issue of lowering the voting age; that the Minister for Schools Standards is in favour; and that the Under-Secretary of State for Constitutional Affairs, the hon. Member for Shipley (Mr. Leslie), who opened the debate for the Government, has not yet made up his mind. May I therefore ask the Minister about her position? Is she in favour of lowering the voting age to 16—yes or no?

Mrs. McGuire: The Labour party has specifically highlighted the reduction of the voting age in the big

conversation: we are a listening party on the issue. My one criticism of today's debate is that it is unfortunate that our discussions are so close to the Electoral Commission's report on its findings and analysis. I look forward to having a full and frank debate on the reduction of the voting age after the Electoral Commission has reported.

I should like to deal with a few of the issues raised in the debate. The hon. Member for Ludlow (Matthew Green), among others, mentioned taxation. I am certainly pleased that, in this country, individuals' right to vote is not determined by whether they are married, sleeping with someone, receiving benefits or paying taxation. I believe that it is an intrinsic right, albeit at a threshold in respect of age, that is unrelated to any other aspect of being citizens of this country. We confuse the issues when we start to make those linkages. It is not about the Boston tea party or whether young people in Scotland—but not in England—can get married at 16 without parental consent. It is all about whether the case for voting at a certain age is worthy in its own right. I hope that we will properly debate that when—

Adam Price *rose—*

Mrs. McGuire: I have only a few minutes left, so it must be a very short intervention, which might be difficult for a Welshman—*[Interruption.]*

Adam Price: When the Minister says that we should have a full debate following the publication of the Electoral Commission report, is she committing the Government to a debate on the Floor of the House?

Mrs. McGuire: The hon. Gentleman, charming though he is—I think that all Welshmen are charming—will not seduce me into predetermining what Government business will be dealt with on the Floor of the House. It was a nice try, nevertheless.

My hon. Friend the Member for Caerphilly (Mr. David) brought the wealth of his own experience in youth work to our debate. Those who have worked with young people—I include myself in that category—know that many issues affect their lives and that they are interested not so much in whether they should be allowed to vote at 16 or 17, but in a whole plethora of issues, which we, as the Government, have addressed.

The hon. Member for Mid-Worcestershire (Mr. Luff) made a thoughtful contribution, although the terrible image of him at the age of six sitting by his fireside and reading *Hansard* does not sit well with his current politics. Generally, though, the House has agreed that we must focus on issues that are important to young people. We must go beyond the mechanics of democracy and deal with the outcomes of the democratic process.

I want to go on record as saying that the Government have dealt with some of the great issues affecting young people. In my experience, one of the most debilitating problems faced by young people was long-term youth unemployment. The new deal and other aspects of the Government's employment policy have almost obliterated youth unemployment, and we have established modern apprenticeships in Scotland. We need to talk about young people's issues, and not just mouth the platitudes for which so many of them criticise us.

I want to comment on some of the initiatives that have been taken in Scotland, some of which my hon. Friend the Under-Secretary of State for Constitutional Affairs mentioned when he opened the debate. Currently, the Local Governance (Scotland) Bill is going through the Scottish Parliament. It will reduce the required age for local government candidates in Scotland. I think that that is a step forward.

Pete Wishart (North Tayside) (SNP) *rose in his place and claimed to move,* That the Question be now put.

Question, That the Question be now put, *put and agreed to.*

Question put accordingly, That the original words stand part of the Question:—

The House divided: Ayes 50, Noes 346.

Division No. 81] **[7:36 pm**

AYES

Allan, Richard
Baker, Norman
Barrett, John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Brake, Tom *(Carshalton)*
Breed, Colin
Brooke, Mrs Annette L.
Bruce, Malcolm
Burstow, Paul
Calton, Mrs Patsy
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cotter, Brian
Davey, Edward *(Kingston)*
Donaldson, Jeffrey M.
Doughty, Sue
Ewing, Annabelle
Foster, Don *(Bath)*
George, Andrew *(St. Ives)*
Gidley, Sandra
Green, Matthew *(Ludlow)*
Harvey, Nick
Holmes, Paul
Jones, Nigel *(Cheltenham)*
Laws, David *(Yeovil)*
Llwyd, Elfyn
Marsden, Paul *(Shrewsbury & Atcham)*
Öpik, Lembit
Price, Adam *(E Carmarthen & Dinefwr)*
Pugh, Dr. John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Stunell, Andrew
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thurso, John
Tyler, Paul *(N Cornwall)*
Webb, Steve *(Northavon)*
Weir, Michael
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Shaun Thomas and Pete Wishart

NOES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Amess, David
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Austin, John
Bailey, Adrian
Barnes, Harry
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Bell, Sir Stuart
Bellingham, Henry
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Best, Harold
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Boateng, rh Paul
Boswell, Tim
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burns, Simon
Burt, Alistair
Byers, rh Stephen
Cabom, rh Richard

Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Chope, Christopher
Clapham, Michael
Clappison, James
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Kenneth *(Rushcliffe)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Collins, Tim
Colman, Tony
Corbyn, Jeremy
Corston, Jean
Cousins, Jim
Cranston, Ross
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Duncan, Peter *(Galloway)*
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Fabricant, Michael
Farrelly, Paul
Fisher, Mark
Flight, Howard
Flint, Caroline
Flook, Adrian
Follett, Barbara
Forth, rh Eric
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Francis, Dr. Hywel
Francois, Mark
Gale, Roger *(N Thanet)*
Gerrard, Neil
Gibson, Dr. Ian
Gillan, Mrs Cheryl
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Gummer, rh John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Hawkins, Nick
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hendry, Charles
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jack, rh Michael
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkin, Bernard
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kemp, Fraser
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, rh Greg *(E Yorkshire)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laing, Mrs Eleanor
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Letwin, rh Oliver
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Lidington, David
Lilley, rh Peter
Linton, Martin
Loughton, Tim
Love, Andrew
Lucas, Ian *(Wrexham)*
Luff, Peter *(M-Worcs)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, John
McGuire, Mrs Anne
McIntosh, Miss Anne
McIsaac, Shona
McKenna, Rosemary
Mackinlay, Andrew
Maclean, rh David
McLoughlin, Patrick
McNamara, Kevin
Mactaggart, Fiona
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Martlew, Eric
Mawhinney, rh Sir Brian
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Mitchell, Andrew *(Sutton Coldfield)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Morley, Elliot
Mountford, Kali
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Brien, Stephen *(Eddisbury)*
Olner, Bill
Organ, Diana
Osborne, Sandra *(Ayr)*
Page, Richard
Paice, James
Paterson, Owen
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purnell, James
Quinn, Lawrie
Randall, John
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Robathan, Andrew
Robertson, John *(Glasgow Anniesland)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Geoffrey *(Coventry NW)*
Rooney, Terry
Rosindell, Andrew
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Ruffley, David
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Savidge, Malcolm
Sawford, Phil
Sayeed, Jonathan
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Spelman, Mrs Caroline
Starkey, Dr. Phyllis
Steen, Anthony
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stoate, Dr. Howard
Stringer, Graham
Stuart, Ms Gisela
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dan *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Andrew *(Isle of Wight)*
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Tyrie, Andrew
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire

Watkinson, Angela
Watson, Tom *(W Bromwich E)*
Watts, David
White, Brian
Whitehead, Dr. Alan
Whittingdale, John
Wicks, Malcolm
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*

Tellers for the Noes:
Charlotte Atkins and Mr. Jim Murphy

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments):—*

The House divided: Ayes 310, Noes 10.

Division No. 82] **[7:49 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allan, Richard
Allen, Graham
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Bailey, Adrian
Baker, Norman
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beith, rh A. J.
Benton, Joe *(Bootle)*
Berry, Roger
Best, Harold
Betts, Clive
Blears, Ms Hazel
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom *(Carshalton)*
Breed, Colin
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burstow, Paul
Byers, rh Stephen
Cabom, rh Richard
Cairns, David
Calton, Mrs Patsy
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Caplin, Ivor
Carmichael, Alistair
Casale, Roger
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Corbyn, Jeremy
Corston, Jean
Cotter, Brian
Cousins, Jim
Cranston, Ross
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donaldson, Jeffrey M.
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Ewing, Annabelle
Farrelly, Paul
Fisher, Mark
Flint, Caroline
Follett, Barbara
Foster, rh Derek
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Francis, Dr. Hywel
George, Andrew *(St. Ives)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Harvey, Nick
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hill, Keith *(Streatham)*
Hinchliffe, David
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Martyn *(Clwyd S)*
Jones, Nigel *(Cheltenham)*
Keeble, Ms Sally
Kemp, Fraser
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laws, David *(Yeovil)*
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Linton, Martin
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, Thomas
McCabe, Stephen
McCafferty, Chris
McDonnell, John
MacDougall, John
McFall, John
McGuire, Mrs Anne
McIsaac, Shona
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
Mactaggart, Fiona
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury & Atcham)*
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Martlew, Eric
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morgan, Julie
Morley, Elliot
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Naysmith, Dr. Doug
Oliner, Bill
Öpik, Lembit
Osborne, Sandra *(Ayr)*
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Price, Adam *(E Carmarthen & Dinefwr)*
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Rooney, Terry
Ross, Ernie *(Dundee W)*

Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salmond, Alex
Sanders, Adrian
Savidge, Malcolm
Sawford, Phil
Sheerman, Barry
Sheridan, Jim
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Llew *(Blaenau Gwent)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stoate, Dr. Howard
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Thurso, John
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Watson, Tom *(W Bromwich E)*
Watts, David
Webb, Steve *(Northavon)*
Weir, Michael
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Willis, Phil
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Younger-Ross, Richard

Tellers for the Ayes:
Charlotte Atkins and
Mr. Jim Murphy

NOES

Clarke, rh Kenneth *(Rushcliffe)*
Flook, Adrian
Gummer, rh John
Lilley, rh Peter
Mawhinney, rh Sir Brian
Robathan, Andrew
Rosindell, Andrew
Steen, Anthony
Taylor, John *(Solihull)*
Winterton, Sir Nicholas *(Macclesfield)*

Tellers for the Noes:
Mr. Eric Forth and
Ann Winterton

Question accordingly agreed to.

MR. DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House notes the concern shared by all political parties at the lack of participation in the political process by young people and the decreasing turnout in elections throughout the country; welcomes the work of many charities, political experts, young people and organisations representing them, who have worked together in their belief that lowering the voting age would improve the quality of politics in the United Kingdom; but notes that the independent Electoral Commission's review of voting age and candidacy age is soon to be published and that the Government will carefully consider its conclusions, alongside the work of other organisations.

DELEGATED LEGISLATION

Mr. Deputy Speaker (Sir Michael Lord): For the convenience of the House, I propose to take together motions 3 to 12.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6)(Standing Committees on Delegated Legislation),

LOCAL GOVERNMENT

That the draft Local Elections (Ordinary Day of Election 2004) Order 2004, which was laid before this House on 29th January, be approved

That the draft Local Authorities (Conduct of Referendums) (England) (Amendment) Regulations 2004, which were laid before this House on 5th February, be approved.

That the draft Local Authorities (Mayoral Elections) (England and Wales) (Amendment) Regulations 2004, which were laid before this House on 5th February, be approved.—*[Vernon Coaker.]*

REPRESENTATION OF THE PEOPLE

That the draft Representation of the People (Combination of Polls) (England and Wales) Regulations 2004, which were laid before this House on 5th February, be approved.

That the draft European Parliamentary Elections Regulations 2004, which were laid before this House on 5th February, be approved.—*[Vernon Coaker.]*

SOCIAL SECURITY

That the draft Pneumoconiosis etc. (Workers' Compensation) (Payment of Claims) (Amendment) Regulations 2004, which were laid before this House on 28th January, be approved.

That the draft Children (Leaving Care) Social Security Benefits (Scotland) Regulations 2004, which were laid before this House on 4th February, be approved.—*[Vernon Coaker.]*

EMPLOYMENT TRIBUNALS

That the draft Employment Act 2002 (Dispute Resolution) Regulations 2004, which were laid before this House on 20th January, be approved.—*[Vernon Coaker.]*

POLICE

That the draft Police (Northern Ireland) Act 2000 (Renewal of Temporary Provisions) Order 2004, which was laid before this House on 12th February, be approved.—*[Vernon Coaker.]*

LEGAL SERVICES COMMISSION

That the draft Community Legal Service (Scope) Regulations 2004, which were laid before this House on 12th February, be approved.—*[Vernon Coaker.]*

Question agreed to.

WELSH GRAND COMMITTEE

Ordered,

That—

(a) the matter of the Budget Statement and its implications for Wales be referred to the Welsh Grand Committee for its consideration;

(b) the Committee shall meet at Westminster on Wednesday 24th March between ten minutes to Nine o'clock and twenty minutes past Eleven o'clock and between Two o'clock and Four o'clock to consider the matter of the Budget Statement and its implications for Wales, under Standing Order No. 107 (Welsh Grand Committee (matters relating exclusively to Wales)).—*[Vernon Coaker.]*

PETITIONS

Streethouse School

8.1 pm

Jon Trickett (Hemsworth) (Lab): I present a petition of almost 400 parents and friends of Streethouse school, the number of pupils at which has grown rapidly over recent years, which has led to concerns over health and safety owing to a lack of space.

The petition states:

The Petitioners therefore request that the House of Commons urge the Department for Education and Skills to consider proposals to either expand the school or build an additional one to cope with rising pupil numbers.

And the Petitioners remain, etc.

To lie upon the Table.

Weymouth Transmitter Upgrade

8.2 pm

Jim Knight (South Dorset) (Lab): I have pleasure in presenting a petition initiated by Mark Probin of Weymouth HiFi and signed by more than 1,100 of my constituents. Indeed, many continue to sign it online by visiting www.wewantdigital.co.uk.

The petition

Declares that access to the licence fee-funded Freeview service is non-existent in the Weymouth area. Constituents are left with no choice but to purchase a Sky box if they want to receive digital channels. Constituents in South Dorset only get four channels for the licence fee, whereas elsewhere they get a myriad of others.

The petitioners therefore request that the House of Commons urge the Secretary of State for Culture, Media and Sport to prioritise getting the Weymouth transmitter upgraded and eliminate the digital divide in this part of Dorset. The petitioners further request that the Government take action to upgrade the transmitter and complete the digital 'switchover' well before its deadline of 2010 and that the Secretary of State, in reviewing the BBC Charter, should stipulate that all services should be made available to all licence payers within a reasonable period.

And the Petitioners remain, etc.

To lie upon the Table.

Rugby Union

Motion made, and Question proposed, That this House do now adjourn.—*[Vernon Coaker.]*

8.4 pm

Mr. John Randall (Uxbridge) (Con): I welcome the opportunity to speak on rugby, although many eminent parliamentarians with rugby careers might be better suited to speak on it. There are internationals in the House, and I believe that there is even a Cambridge blue. I remember my hon. Friend the Member for Woking (Mr. Malins) once telling me how Vaseline saved his ear in a match against the All Blacks, but it would perhaps be wise not to go further down that line.

I am not guilty of opportunism and am not exploiting the popularity and success of the English team in the World cup. In my time, I played rugby, and I reached the pinnacle of my career as captain of the third XV at school, although injury prevented me from playing very much that season. In those days, I was a sleek three-quarter, although I could now be an honorary member of the front row club. Latterly, I have become a keen supporter and spectator of the game, but I try not to be an expert, as many people do when they grow grumpier and older. I am proud to be a vice-president of Uxbridge rugby football club and a member of Saracens rugby football club. I am a keen supporter of Saracens as well and acquired a season ticket as a direct result of the club's involvement in a community programme for schools, including my son's school.

The Minister for Sport and Tourism will be aware that all Zurich Premiership clubs share a strong commitment to community involvement. That involvement is not just domestic, and I pay tribute to John Broadfoot of IRB SOS Kit Aid, which accepts old kit from players of all ages and sends it overseas, originally to Romania, but now to Georgia, Moldova and Bulgaria as well. That project deserves immense support.

A great deal of the English team's success in recent years has been put down to the professional era. Many people regret the passing of the amateur era, but as long as we do not lose the spirit of rugby, I do not share that regret. I pay tribute to all the club owners who have invested in their clubs and poured money into them. They have built up the sport, and deserve a great deal of credit for the national team's current success. I shall concentrate on English rugby, mainly because I have discovered that sport is a devolved matter, but I hope that the Government will do whatever they can to encourage rugby in Scotland and Wales. Rugby is a religion in Wales, and I am sorry that it has not enjoyed the success in the past few years that it once had. I hope that it has more success, but not necessarily in the next fortnight.

There is some regret, as I said, about the transition to the professional era. I am talking about rugby union, but my comments apply equally to rugby league. I have become more interested in rugby league as a result of the association between Brunel university and the London Broncos, and have been impressed by the Broncos' community involvement. In many respects, therefore, my remarks apply to rugby league as well. An essential part of rugby is the spirit in which it is played. At all levels, teams applaud one another off the field, whereas

[Mr. John Randall]

there is less sportsmanlike behaviour in other sports. As a supporter, I appreciate the facts that supporters can mix freely and that alcohol is allowed in the ground. Indeed, one might almost say that it is encouraged, and it does not seem to have an ill effect on people's behaviour. All sport is important for young people. I have become fed up hearing about Government initiatives on obesity, for obvious reasons, but when I was young I did not have the problem that I have now—I blame that on sitting in this place for long hours.

The great thing about rugby, or any team game, is the team spirit. When watching my son play, I have noted the amazing amount of energy that can be burned up. He is thereby reduced to an almost passive state by the end of the afternoon, which is important for young people, particularly in our household.

As we continue to bathe in the glow of the recent wonderful victory, now is the time to tap into renewed enthusiasm for the game. Much must be generated by the sport itself, but there is a role for the Government, and I want to outline some ways in which they could help. On Friday, my hon. Friend the Member for Canterbury (Mr. Brazier) had the Second Reading of his Promotion of Volunteering Bill. I listened avidly to his excellent speech and discovered that the Bill contains measures that would help many sports and activities. Principally, it might ease the litigation culture by introducing a statement of inherent risk. Without repeating the arguments—I am sure that the Minister will have a look at them if he has not yet had time to do so—I urge the Government seriously to consider that. It is about time that we as a society recognised that accidents can and do happen, and that if we constantly try to get rid of them we will have a bad effect on some of our sports and outdoor activities.

The Government can play a role in encouraging schools to take up rugby instead of giving it up, as some have for the reasons that I mentioned. All sports should be encouraged, and, without making a party political point, we know that facilities and playing fields are a key theme in that. Those facilities are as important for the top-flight clubs as they are for schools. That is why I commend the concept of a rugby trust, which is being modelled on the very successful Football Trust—now known as the Football Foundation.

Premier Rugby Ltd., the umbrella organisation for 12 professional clubs, is seeking funding over the next 10 years to build rugby stadiums and improve facilities at existing professional clubs. That funding would create a virtuous circle whereby better stadiums would encourage more spectators, derive more promotional revenue from sponsorship and hospitality, create improved community sporting facilities and infrastructure, encourage bigger and better community programmes, increase participation, and further enhance the professional playing and coaching pool that underpins England's future international success. It would also allow clubs to expand their existing facilities and commitments to community sports and to health and social inclusion programmes.

Over the past seven years, Premier Rugby has privately invested £120 million in developing and growing the sport, and it is prepared to invest the equivalent investment that is being sought by the Government if the Government are prepared to support the launch of a trust or an alternative funding solution. Premier Rugby has spoken to all the game's stakeholders who are keen to work together on the proposed trust, including the Rugby Football League.

In recent years, rugby union has not had its fair share of the funding cake, although I certainly do not begrudge other sports the funding that they have received. The following figures cover the period 1995 to 2003: football—I had better say association football in this context—received well over £230 million, athletics more than £190 million, hockey £109 million, and basketball more than £50 million. Rugby union has received only £46 million.

The Government have been helping. Only today, I received news of Sport England's £1 million boost for the "Sweet Chariot" programme. I do not want to give the Minister a hospital pass by asking him to have a chat with his right hon. Friend the Chancellor, but the Rugby Football Union has raised with me a taxation issue that applies to governing bodies generally. The RFU feels that it is penalised in two areas: first, costs relating to supporting community clubs, either directly or via the resources of community rugby facilities, are not wholly tax deductible; and secondly, the majority of costs relating to the construction of, and structural modifications to, the stadium are not eligible for capital allowances. The RFU therefore believes that it pays disproportionately high tax, and that that is especially absurd, given the benefits of the game to the community. It believes that there is an overwhelming argument for allowing national governing bodies in general, and especially the RFU, to be fully exempt from taxation. I expect that to go down as well at the Treasury as a Jonny Wilkinson drop goal in certain bars in Earl's Court.

The top clubs have financed most of the great steps forward in the game and the high-quality community programmes. Now is the time to capitalise on the game's success. The premiership clubs alone cannot meet the costs; they need and deserve Government support.

8.15 pm

The Minister for Sport and Tourism (Mr. Richard Caborn): I congratulate the hon. Member for Uxbridge (Mr. Randall) on securing the debate. He has shown that he is no Johnny-come-lately on the subject of rugby. He has graced many a park with his rugby union skills. Although my rugby career is not as illustrious as his, I played a little rugby at scrum half for Hurlfield comprehensive school and had a few trials with a Sheffield club, but soccer took over and I went on to play the beautiful game.

The hon. Gentleman's support for rugby is welcome. I know that he is a keen Saracens supporter. I go to see Rotherham play occasionally. Both our teams languish in the bottom half of the league—indeed, my team is probably a little below Saracens. We need a few points to stay there, but we must wait and see what the rest of the season brings.

The hon. Gentleman widened the debate to include participation in sport. Any opportunity for the House to debate sport is welcome.

There have been a few upsets. I believe that Ryanair's latest marketing ploy is to run a trip to Dublin for £19.13. The mighty fell but I have no doubt that they will

come back. I hope that that will happen in Paris when I shall watch the match with the French Minister for Sport.

Let us consider the world cup. It is interesting to reflect that we last believed that there would be a great renaissance in rugby union in 1991 when Will Carling's team showed what England could do and dominated world rugby. It was arguably one of the best sides around at the time. Unfortunately, we did not beat the Australians in 1991 and we were therefore unable to capitalise on that fantastic side. We beat the Australians in the final in 2003, and that has done a considerable amount for rugby.

The hon. Gentleman said that he also liked rugby league. I believe that the oval ball generally gained from the tremendous win in Australia. My hon. Friend the Member for Wakefield (Mr. Hinchliffe) is a great rugby league fan and he told me that participation has increased in rugby league on the back of events in Australia. It was the first English win in a world championship of a major team sport since 1966, when we won the World cup. We can capitalise on that.

Rugby union became a professional game in 1995 and there is no doubt that that has enabled us to take on the southern hemisphere in a way that we could not have done without professionalising the game. The Rugby Football Union was mindful of the probable surge of interest in the game and it knew that it had to be prepared. Nearly 18 months or two years ago, representatives of Zurich, which sponsors rugby union, sat down with the RFU to consider what to do in the event of an enormous increase in interest in the game and how to capitalise on that to strengthen it from the grass roots. I compliment Zurich on the way in which it has supported rugby union and been proactive in ensuring that the game is sustainable from the grass roots upwards.

Zurich, the RFU and MORI came together to produce a document, "Rugby—Making an Impact", a MORI research report. It did not tell us anything that we did not know—it definitely did not tell the RFU anything it did not know—but it quantified various matters. One of its most disappointing findings was that, even though we had such a fantastic win in Australia and the England team had been developed over the years before that, during the late 1990s and early 21st century, the number of clubs had declined. In 1998, there were 1,537 clubs, but by last year there were only 1,480. It was also disappointing to learn that the number of sides per club went down from 2.9 to 2.7 between the 1997–98 season and last year. While the game was flourishing at international level, there was a deterioration in the club structure and in the number of young people coming into the game.

The RFU, Zurich and others, including Terry Burwell, the RFU's director of community rugby—who has played a central part in putting the RFU back on the map at the grass roots, through his work with my Department and Sport England—have been able to analyse the problem and are now investing in rugby in a very focused way. That is to be welcomed.

Participation in rugby union involves about 500,000 regular players across the nation. There are also about 8,000 registered women and girls playing at 420 clubs, compared with only five clubs in 1983. So, while numbers have declined in the men's game, the women's and girls' game has developed. The premiership's development scheme, to which the hon. Gentleman referred, has reached 2,500 schools in the last couple of years, which is quite remarkable. The premiership could perhaps be described as limited, but it does commit itself to the development of the game through the schools sports co-ordinators and the specialist sports colleges linked to primary and secondary schools. That provides a structure whereby sports such as rugby union can plug into the school structure. I hope that we shall be able to respond to what the hon. Gentleman has said by continuing to get that development into schools. It is crucial, if rugby is to flourish, to get it right into the school structure.

The hon. Gentleman's point about volunteering, litigation and insurance is an important one not just for rugby but across the whole spectrum of sport. If anything now acts as an impediment against volunteering and against new people coming into the sport, it is the issue of insurance—so much so that I had a number of insurance companies in to meet me a couple of weeks ago. We are working with them—work is also being done in the Home Office—to see how we can get insurance to amateur sports clubs, and a number of ideas are now being explored. That issue is an impediment to the continued development of some of our sports, which is very disappointing. I said to the representatives of the insurance companies that if we continue to make it difficult for young people to come into sport, and if we are not prepared to insure them, they will get into worse and probably more dangerous activities such as drugs and related issues. We are taking up that important issue, and I can assure the hon. Gentleman that we will pursue it.

In terms of capitalising on what the RFU has done, and on what the team did in Australia, the hon. Gentleman referred to the £1 million for the "Sweet Chariot" tour linking the world cup with national and local development initiatives. I was present when 2,000 school kids in Rotherham had their photographs taken with the cup. The two Members representing the Rotherham area and I also had our photographs taken with the cup. As someone who had to return early from Australia, I did not get the opportunity to have my photograph taken with the cup down under—*[Laughter.]* Duty called, and I had to return. Seriously, however, I understand that the tour will arrive in the hon. Gentleman's constituency on 27 May, so he will be able to have his photograph taken in Middlesex.

The RFU has also held more than 90 sessions of "Come and Try It", which is another taster for young people between the ages of 13 and 16. Each of those sessions has introduced 40 youngsters to rugby, which is another means of development. It is paying off, because most of the sport's 1,480 amateur clubs have reported an upsurge in interest from new players. Pleasingly, 2,870 new coaches have obtained the tag rugby certificate in the last six months, and 2,270 new referees have been trained since last summer. That infrastructure is necessary to respond to the upsurge in interest, which we want to be sustainable—we do not want it just to last a year or two. That is why coaching, development and linking the club structure to schools are so important.

On the hon. Gentleman's points about the professional game, my hon. Friend the Member for Sittingbourne and Sheppey (Mr. Wyatt) had a meeting

[Mr. Richard Caborn]

in the House only yesterday with the premiership clubs to discuss how we could assist them in taking forward their role. I hope that the RFU and the premiership will work together. We do not want divisions in the game, which we have seen in some other games. I hope that they can work together, and if they can do so I am sure that it will be for the betterment of the game in the round.

In terms of stadiums, the premiership clubs have made strong representations, particularly since the world cup. While it is accepted that there was investment in football stadiums, which to some extent was a result of the tragedy at Hillsborough, I have said clearly to rugby union clubs that developing their stadiums is a matter for them. If such development can extend into the community so that they become multi-sports clubs, for example, whereby the amateur game can also be developed, the Government will give serious consideration to helping them. The straight commercial aspects are for the clubs to develop, but we will try to help them with the community side. In terms of community work, I am sure that the game will benefit from players going into schools, in which the hon. Gentleman said that all premiership clubs are involved. All premiership players are contracted to work with local schools and clubs for a minimum of 35 hours a month, which is to be welcomed, and I am sure that there will be some spin-off from that.

Nothing is stopping the RFU or the premiership coming together to create a rugby foundation. The moneys that go into the Football Foundation from the football premiership are ostensibly from television rights—5 per cent. of the television money goes into it. That is roughly £20 million a year, which is matched by the FA, and we then match it through Sport England, so there is a three-way partnership. If rugby union wants to develop a foundation, there is nothing to stop it doing so.

The hon. Gentleman raised tax issues. At the request of those representing a number of sports, we have introduced community amateur sports clubs, which can claim a number of breaks, including gift aid. That has been very useful to many clubs. Woodford rugby football club, for instance, had a major debt to finance a new clubhouse in 1994, and was in financial trouble by 2002. This year SportsAid raised £200,000, and a crucial £45,000 was claimed back in gift aid by means of the CASC package introduced in 2002. Moreover—I think that rugby, tennis and cricket will gain from this considerably—there is the monetary rate relief that we shall introduce this April, having announced it at the end of last year.

Amateur clubs now get pretty well what any club would get with charitable status. There are about 110,000 sports clubs in this country, of which an estimated 40,000 could gain by registering as CASCs and gaining monetary rate relief. At the last count, towards the end of last month, only 2,300 had applied. The information takes a little time to filter through, but I know that the RFU, along with other governing bodies, wants to ensure that the message is sent to clubs. We have now established a one-stop shop in every region, organised by Sport England. Anyone who telephones the Sport England office will be given the information, and every effort will be made to make the process as simple as possible. Last week, a group addressed by a Treasury colleague and me complimented us on the simplicity of the forms—not something for which the Treasury is usually commended.

Rugby union is experiencing a renaissance in this country, and is pulling rugby league in its wake. As a sports Minister, I welcome that. I want us to do all that we can to capitalise on it, which is why we have been engaged in discussions with the RFU. We want to ensure that the club structure is linked with schools, and we are using the wider development of rugby for the benefit of other sports. As the hon. Gentleman pointed out, obesity and the health of the nation are probably the subject of more reports than they have been for many years. The role of sport and other physical activity now features much more on the political agenda. If sport does not capitalise on that, it will miss a golden opportunity. The way in which the RFU—along with Zurich and, indeed, MORI—have approached this is commendable, and I am sure it will pay dividends in the future. I hope we shall see many more clubs, much more participation in the playing of the game, and many more spectators. I think—

The motion having been made after Seven o'clock, and the debate having continued for half an hour, MR. DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at twenty-six minutes to Nine o'clock.

House of Commons

Wednesday 10 March 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

Housing (Dorset)

1. **Jim Knight** (South Dorset) (Lab): What measures he is taking to increase the supply of affordable housing in Dorset. [159902]

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Yvette Cooper): The Department has allocated £188 million to be invested in the south-west region over the next two financial years to provide over 6,000 new affordable homes in line with the recommendations of the South West regional housing board.

Jim Knight: I thank the Minister for her reply, and very much welcome that new investment in housing in my region. I look forward to learning what proportion is to be spent in Dorset, particularly as it has the highest ratio of wages to average house prices anywhere outside London. I should like to know how negotiations are going with the Department of Health over extra care housing in my constituency, particularly the Westhaven development, as it is important to provide affordable housing to rent, with extra care for elderly and vulnerable people.

Yvette Cooper: My hon. Friend is right, and I am aware of the pressures that his constituency faces. The need for affordable housing covers a wide range of supported housing needs. The amount of supported housing across the country has increased from 100,000 to 250,000 units in the past three years, and I shall certainly look closely at the proposals for his constituency.

Mr. David Curry (Skipton and Ripon) (Con): In her research into the housing situation in Dorset has the Minister studied the report of the Halifax building society on first-time buyers? Does she agree that eight out of 10 towns are now unaffordable for first-time buyers?

Yvette Cooper: There are certainly housing market pressures across the country. However, the right hon. Gentleman's party wants to cut housing investment by £400 million and extend the right to buy to housing associations, although they do not want it. His proposals would therefore cut the supply of affordable housing and would not assist in reducing the pressures on the housing market.

Mr. Curry: So what are the Government going to do about the crisis of affordability that is spreading out from London like a stain and has resulted in fewer first-time buyers than ever before? In the south-west, for example, the average house price for first-time buyers is £123,000, and the problem is compounded by the perversity of stamp duty. Are the Government going to face up to their responsibilities or will they simply ignore the growing crisis?

Yvette Cooper: The right hon. Gentleman should face up to the failure of his sums. He is quite right that we need more access to affordable housing. We are increasing investment in affordable housing, and have doubled the levels that we inherited from the Conservatives. We have also increased investment to deal with the backlog of repairs that we inherited from the Conservatives, and commissioned the Barker review to look at the long-term issues surrounding housing supply. We have set out a series of proposals to address the problem, but the right hon. Gentleman's proposals involve cut after cut in the housing supply and affordable housing. Has he talked to the shadow Chancellor about any of that?

Mrs. Annette L. Brooke (Mid-Dorset and North Poole) (LD): What advice would the Minister give a couple in my Dorset constituency who live in unsuitable social housing? The husband earns £18,000 as a qualified social worker and they have no hope of a transfer for at least five years. What can they do?

Yvette Cooper: I obviously cannot comment on the individual case raised by the hon. Lady, but we recognise that there are specific problems facing key workers, which is why we are investing £1 billion in support for them and why the South West regional housing board has prioritised such support. We need to improve the standard of existing social housing, which is why we have made 1 million more homes decent since 1997. We must look at the supply of existing homes as well as the need for new housing.

Water Supplies (Sussex and Kent)

2. **Norman Baker** (Lewes) (LD): What recent assessment he has made for planning purposes of the adequacy of water supplies in Sussex and Kent. [159903]

The Deputy Prime Minister (Mr. John Prescott): We are working with the water industry and the Environment Agency both to ensure that growth areas have the necessary water infrastructure and to improve the management and conservation of existing water resources. In addition, the Environment Agency is undertaking work for the South East England regional assembly on water resources across the south-east

region that will inform the review of regional planning guidance currently being considered by the regional assembly.

Norman Baker: When the Deputy Prime Minister announced £22 million of pump-priming for 2,000 new houses in the south-east yesterday, was he aware that pressure on water resources there is so enormous that South East Water, my local water company, is applying for a desalination plant in my constituency? Is he also aware that his regional policies have led to thousands of houses being earmarked for demolition in the north while more housing is being built on scarce greenfield sites in the south-east?

The Deputy Prime Minister: The whole House is aware of the difficulties involving water shortages in the south-east. It is often said that extra housing will increase those difficulties. We have spent a considerable amount of time on the problem. In 1997, I set up the water conference, which reduced leakages by 20 per cent., saving as much water as that of 6 million households. That was a considerable saving, but we had to go further. Initially, we called on the Environment Agency and the regional council to consider shortages and deficits over a 25-year period to ensure that the regional spatial plans take account of the availability of water in view of the new developments in housing. We expect that report shortly.

Social Housing

3. **Mr. John Denham** (Southampton, Itchen) (Lab): What plans he has to allow tenants of social housing to share in the capital value of their homes. [159904]

The Minister for Housing and Planning (Keith Hill): As my right hon. Friend will be aware, the Government asked the home ownership taskforce to consider ways of helping social tenants into home ownership. The taskforce's recommendations include introducing a form of equity loans or bonds as an alternative to the right to buy and the right to acquire and allowing all social tenants to buy their rented home on a shared ownership basis. The Government are considering the taskforce's report and will respond shortly.

Mr. Denham: I welcome my right hon. Friend's reply. Does he share my concern at the division that is opening up, which is particularly marked in the south-east of England, between families who now own considerable assets because of the rise in the price of their homes and those in social rented housing who do not have any share in the increased value of their homes? May I urge my right hon. Friend to complete his consideration of the proposals as swiftly as possible in order to introduce practical legislation to address the issue?

Keith Hill: I entirely agree with my right hon. Friend. As 70 per cent. of our population enjoy home ownership, it is perfectly reasonable to aspire to that. We recognise, however, that total home ownership is likely to be out of the reach of many social tenants. That is why we are examining with a due sense of urgency several options that will enable tenants and public landlords to share in property values, thereby giving people a stake in their own homes and contributing to the creation of mixed-tenure sustainable communities.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Given today's earnings, what is the Government's definition of affordable housing?

Keith Hill: The Government's definition of affordable housing is housing that becomes available on a large scale to those who are in need of it. That is why, in the period since 1997, we have assisted in the provision of nearly 250,000 affordable homes.

Geraldine Smith (Morecambe and Lunesdale) (Lab): I welcome my right hon. Friend's comments on shared ownership, because it is important for people to have a stake in the ownership of their homes. Will he ensure that English Partnerships, which, along with Lancashire city council, has put a great deal of money into Morecambe, seriously considers the possibility of shared ownership schemes that will help a large number of my constituents get on to the housing ladder?

Keith Hill: I am delighted with the progress that English Partnerships is making in my hon. Friend's constituency. English Partnerships is working with the Housing Corporation to evolve programmes for effective social housing in all its projects.

Regional Government

4. **Joyce Quin** (Gateshead, East and Washington, West) (Lab): If he will make a further statement on his Department's work on preparing for the referendum on regional government in the north-east. [159905]

The Minister for Local and Regional Government (Mr. Nick Raynsford): We are very conscious of the importance of providing information to the public on the implications of our regional government proposals. To that end, we are holding hearings throughout the three northern regions, including the north-east, to explain the role and responsibilities of elected regional assemblies and to listen to views from the public about the powers of the assemblies. We are committed to providing further information, including an explanatory leaflet that will be sent to every household before the referendums in the autumn.

Our current plans, which are dependent on receipt of reports from the boundary committee, are to lay orders before Parliament before the summer recess to enable referendums to be held this autumn. We also aim to publish a draft regional assemblies Bill this July.

Joyce Quin: I welcome my right hon. Friend's remarks about the public hearings that are taking place. He will have seen surveys by the BBC and others that show increased public awareness of regional government, and, indeed, increased support for it. Following my right hon. Friend's meetings with representatives of the business community, can he tell us which of the issues they raised most need to be addressed in order to reassure them that regional government will be good for business and for regional economies?

Mr. Raynsford: I am conscious that, as my right hon. Friend says, there is growing awareness of the issue. In

particular, I have noticed the considerable coverage in *The Journal* in her region. That rightly highlights the importance of this historic decision, which will be vital to the future of the north-east. Last week, I attended a successful hearing in Berwick-upon-Tweed, which was attended by the right hon. Member for Berwick-upon-Tweed (Mr. Beith); my right hon. Friend the Deputy Prime Minister held a similar hearing in Blackburn on the same evening.

For business, it is essential that regional assemblies provide an effective means of enhancing economic development by improving the joining up of services to link economic development with housing and transport planning, and that they do so in the most cost-effective way without creating new bureaucracy. That is exactly what the Government's plans provide for.

Mr. Edward Davey (Kingston and Surbiton) (LD): In the draft Bill that the Minister just mentioned, will he consider including the functions of the Highways Agency among those to be devolved to a future north-east regional assembly? Does he realise that that would massively increase the chance of a strong turnout and a yes vote in a referendum in the north-east?

Mr. Raynsford: The issues that will influence turnout are more important than just the role of the Highways Agency. However, the way in which the work of the Highways Agency would relate to the work of elected regional assemblies was debated in the hearing that I held in Berwick, where there is particular interest in the dualling of the A1. That is one relevant issue, but there are many others. People will come out to vote and decide on the basis of whether they believe that decisions are better taken in their region or in London.

Mr. Gordon Prentice (Pendle) (Lab): Are there any circumstances in which the referendums would not take place in October?

Mr. Raynsford: I have already made it clear that the referendums are dependent on receipt of the reports from the boundary committee for England, which has been invited to come forward with proposals for the best form of unitary local government. We will consider those reports when we receive them and, providing that we receive them in time, orders will be laid before Parliament to allow referendums to be held in October. That, however, is conditional on those earlier steps being taken in that time scale.

Mr. Bernard Jenkin (North Essex) (Con): May I make it clear to the Minister that we have no objection in principle to the use of all-postal ballots for the referendums, although we would have no objection to conventional ballot-box voting if it seemed that postal voting would not be a sound election system? Why the rush to postal voting, unless it is to avoid the embarrassment—the result of apathy towards the Government's proposals—of what the Minister has called a derisory turnout? He has admitted that such a turnout would invalidate the results. What can have provoked the extraordinary letter from the Electoral Commission of 4 March except, possibly, the wholly improper pressure that Government Ministers are putting on it to rush in postal balloting, because they think that that is in their political interests?

Mr. Raynsford: The hon. Gentleman is wrong on every single count. There has been no rush to all-postal voting. We have conducted pilots during the past four years that have led the Electoral Commission to conclude and recommend that all-postal voting should in future be the norm for all local authority elections. That is the background, and we have taken into account the commission's advice, which is clearly that all-postal voting hugely increases turnout. If the hon. Gentleman were more concerned about turnout than scoring party political points, he would welcome the move. There is no substance whatever to his entirely unworthy allegation of pressure being exercised on the Electoral Commission.

Sir Patrick Cormack (South Staffordshire) (Con): Is the Minister aware that my party has grave reservations about the wisdom of all-postal ballots in a referendum or in any other election? Bearing in mind that there is to be an all-postal ballot, will the Minister tell the House what he regards as a satisfactory turnout?

Mr. Raynsford: Turnout at the local authority elections that had all-postal ballots last May was almost 50 per cent., compared with an average turnout of just over 30 per cent. in local authority elections that use conventional voting, which is a huge difference. If it is possible in practice to achieve a huge increase in turnout and voter participation with no evidence—the Electoral Commission has made this point—of any increase in fraud or personation problems, there is a convincing case for making greater use of all-postal voting.

House Building (Essex)

5. **Mr. Simon Burns** (West Chelmsford) (Con): If he will make a statement on house building targets in Essex. [159906]

The Deputy Prime Minister (Mr. John Prescott): Current regional planning guidance provides for just over 5,000 new homes a year in Essex. We are on course to meet the target, and we are doing that at higher densities—the figure increased from 21 dwellings per hectare in 1997 to 26 dwellings per hectare in 2002.

The East of England regional assembly is currently preparing new regional planning guidance to meet future housing needs across the region under the sustainable communities plan.

Mr. Burns: Will the Deputy Prime Minister acknowledge the genuine anger in Essex at the prospect of 131,000 extra houses being built in the county by central Government diktat? That will lead to whole areas of Essex being concreted. Instead of a top-down policy of diktat, why will not the Deputy Prime Minister consider a bottom-up method, thereby leaving it to local, elected planning authorities, which are familiar with their areas and needs, to determine the best number of houses to meet demand?

The Deputy Prime Minister: The hon. Gentleman should have a talk with his Front-Bench team. On the

one hand, there are complaints about houses being built and on the other, that not enough houses are being built. The undoubted shortage of houses in the south-east has affected house prices and it is therefore right for us to increase that number. The hon. Gentleman is right to point out that we are doing that. Indeed, the East of England regional assembly is taking that into account and will make recommendations to an independent review, which will present recommendations to me about numbers.

I emphasise that the East of England regional assembly is dominated by the Tories, who have a majority of elected members, including a Tory chairman. Does the hon. Gentleman have no faith in the decisions made for that region by the East of England regional assembly?

Andrew Mackinlay (Thurrock) (Lab): May I tell the Deputy Prime Minister that the area where the 131,000 houses referred to by the hon. Member for West Chelmsford (Mr. Burns) are to be built includes the borough of Thurrock, which welcomes them? Every week at my surgery, there are people who are looking for low-cost accommodation in and around the areas where their families live and where they have been brought up. We welcome the additional houses; that also applies to the local authority. I applaud the Government for establishing the urban development corporation in Thurrock—I give them a good mark.

The Deputy Prime Minister: I thank my hon. Friend for his supporting remarks. I simply point out that the previous Tory Administration cut the housing development budget from £4 billion to £2 billion between 1993 and 1997. My hon. Friend is well aware of that because he was a Member of Parliament at the time. We have increased that budget from £2 billion to £4 billion. Those are the right priorities.

Bob Russell (Colchester) (LD): How many of the new houses that the Deputy Prime Minister has announced today will be council houses? If the answer is none, why is new Labour so opposed to building council houses?

The Deputy Prime Minister: As I said earlier, our priority is to improve what the hon. Gentleman calls council houses. We have improved nearly 1 million and brought them up to decent standards. They suffered under the previous Administration, who put great emphasis on the right to sell such houses but did not use any resources to improve standards in the remaining stock. We believe that such improvement is the right priority and that is why we are doubling the amount of money for housing and taking action to make houses more affordable.

Housing (Overcrowding)

6. **Ms Oona King** (Bethnal Green and Bow) (Lab): What steps the Department is taking to reduce overcrowding in housing. [159907]

The Minister for Housing and Planning (Keith Hill): My hon. Friend will agree that the basic answer to the problem of overcrowding is to increase the supply of affordable housing. That is why the Government are investing in that twice the amount that we inherited from the Tories in 1997. Meanwhile, I look forward to sharing with my hon. Friend and other hon. Members who have a specific concern about overcrowding the results of the reviews on the subject carried out by and for the Department. My hon. Friend will also know about the commitment that I made in the Committee that considered the Housing Bill to examine what might be done to improve the statutory overcrowding standards incrementally. I shall follow up that commitment on Report.

Ms King: I agree that the answer is to increase the supply of affordable housing. I thank the Minister for initiating research following my comments, and those of others, about the negative impact of overcrowding on my constituents and many others; but what further steps will the Government take to tackle the problem? The current subsidy encourages housing associations to build one and two-bedroom properties, and discourages them from building three and four-bedroom family-size accommodation. What can the Minister do to increase the amount of such accommodation?

Keith Hill: My hon. Friend is absolutely right, but we are making significant progress on overcrowding. I am sure that she and others with an interest in the subject will welcome that. I take her point about the nature of the accommodation. We are anxious to ensure that new housing development features appropriately sized accommodation, and we are working to that end.

Mr. Henry Bellingham (North-West Norfolk) (Con): Is the Minister aware that last summer there was a near-tragic fire in a private two-bedroom flat in my constituency occupied by 22 illegal Chinese immigrants, victims of people-trafficking? What can be done to prevent such incidents?

Keith Hill: One obvious solution is for us all to support the excellent Gangmasters (Licensing) Bill, which is currently proceeding through the House.

Dr. Nick Palmer (Broxtowe) (Lab): Broxtowe council is trying to reduce the shortage of affordable housing by insisting that 25 per cent. of every new development must consist of such housing, but it would be helpful if deals could be done to enable affordable housing to be developed in other locations in return for luxury housing at the main sites. My constituents in Stapleford would really benefit from that. Will the Minister consider giving councils more flexibility in this regard? *[Interruption.]*

Keith Hill *rose—*

Mr. Speaker: Order. Before the Minister replies, let me say that the Chamber is far too noisy.

Keith Hill: I can reassure my hon. Friend by telling him that such flexibility already exists. We are eager to enable local planning authorities to make decisions that fit local circumstances.

Council Tax

7. **John Barrett** (Edinburgh, West) (LD): What work his Department has undertaken with the Department for Work and Pensions to help those on low incomes to pay their council tax bills. [159908]

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Phil Hope): The Department for Work and Pensions is primarily responsible for the benefit system and for encouraging council tax benefit take-up. The Office of the Deputy Prime Minister and the DWP work closely together on those issues. A campaign launched last week called "Cut your council tax" is aimed at increasing the take up of council tax benefit.

John Barrett: Council tax payers on low incomes, who include many pensioners, will always be the hardest hit. How long must such people suffer under the present council tax? When will the Government get rid of it and replace it with a tax based on income and ability to pay?

Phil Hope: We want to see council tax benefit take-up. We discussed the complexities and the costs of a local income tax last week during the balance of funding review. I must tell the hon. Gentleman that the Liberal Democrat proposal would cost some £2.4 billion, which would impose a massive burden on employers. We are carefully considering all the options, but unlike the Liberal Democrats of today, and the Tories of yesterday with their poll tax, we will not introduce uncosted, unworkable taxes that would affect local government and damage local people.

Mr. Peter Pike (Burnley) (Lab): Does my hon. Friend agree that many pensioners do not know about the improved council tax benefit that is now available? What can we do to make more of them aware of it, so that they can claim the amount to which they are entitled to help them pay their bills?

Phil Hope: My hon. Friend is right. Some £800 million in council tax benefit is unclaimed each year; 35 per cent. of pensioners do not claim the benefit to which they are entitled. That is why we have launched the take-up campaign. Rather than whingeing about all the problems, perhaps Opposition Members could join us in urging councils to encourage people—including pensioners on fixed incomes—to claim the benefits to which they are entitled.

Richard Younger-Ross (Teignbridge) (LD): Will the Minister read his own reports? The report by the Chartered Institute of Public Finance and Accountancy estimated that a local income tax would save £350 million. Does the Minister not accept that such a system would be fair, better funded and more equitable?

Phil Hope: It is regrettable that, while they may read other people's reports, the Liberal Democrats do not examine their own proposals. Their proposals, including an increase in the tax threshold to £5,000, would cost £2.4 billion. Where will the money come from? It will come from the taxpayer—and the taxpayer will not support uncosted, unworkable Liberal Democrat proposals.

Local Authority Employees (Political Restrictions)

8. **Dr. Doug Naysmith** (Bristol, North-West) (Lab/Co-op): When he expects to publish the results of his Department's review of political restrictions on local authority employees. [159909]

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Phil Hope): The Office of the Deputy Prime Minister intends shortly to begin a review of the ethical framework relating to local authority employees, which will include a review of political restrictions on employees. We are issuing a consultation paper to local authorities and will publish our conclusions arising from that review later in the year.

Dr. Naysmith: If my hon. Friend goes through his Department's files, he will find that I have been raising this matter on and off since 1997. One statement suggested that the matter would be sorted out by Easter 1998, so he will understand why I am pleased by his reply. My constituent, Mr. Ian Scott of Filton, will also be pleased because he was denied the chance to stand for South Gloucestershire council this year and was even asked to resign his parish council position. Can the Minister assure me that the matter will be sorted out before the council elections in 2005?

Phil Hope: I recognise and understand my hon. Friend's concerns. The review will begin in April-May this year and will completed by August-September. The Conservative Government introduced the restrictions in an act of political vindictiveness after the Labour party put them under pressure to provide a fair deal. We will proceed on a consensual basis, examine the scope of the restrictions and develop a rational outcome that has the widest possible support.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [159921] **Miss Ann Widdecombe** (Maidstone and The Weald) (Con): If he will list his official engagements for Wednesday 10 March.

The Prime Minister (Mr. Tony Blair): This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I shall have further such meetings later today.

Miss Widdecombe: Does the Prime Minister still consider that most people in this country think that he is a pretty straight kind of guy?

The Prime Minister: I hope that most people recognise that the Government have delivered record levels of employment—*[Interruption.]* It is the Government's record that should matter in the end: a huge cut in

unemployment, the lowest mortgages and inflation for 30 years, improvements in the national health service and the best school results ever—*[Interruption.]*

Mr. Speaker: Order. Miss Widdecombe, when you ask a question it is polite to wait for the answer—even if you consider it not to be an answer.

The Prime Minister: There is one other thing: the British crime survey shows lower crime than when the right hon. Lady was a Home Office Minister—a pretty good sort of record.

Q2. [159917] **Helen Jackson** (Sheffield, Hillsborough) (Lab): I was going to congratulate my right hon. Friend warmly on last week's launch of his Commission for Africa, until I realised that gender equity has not been mentioned and that only one of the 10 commissioners is a woman. Does he acknowledge the widespread evidence that shows that development aid is most effective when it has a strong focus on women, and will he adjust the commission accordingly?

The Prime Minister: I have no doubt that other women will join the commission. My hon. Friend is right to say that some of the issues have a strong gender focus, but I point out that we will increase bilateral aid from this country to Africa over the next couple of years to £1 billion a year, which will mean that we have literally trebled aid to Africa since we came to power. That is in stark contrast not only to the record of the previous Administration, but to the Conservative party's current proposal to cut overseas aid in real terms.

Mr. Michael Howard (Folkestone and Hythe) (Con): Who authorised the change of policy towards migrants from eastern Europe who say that they want to set up businesses in Britain?

The Prime Minister: It was, so I understand, authorised by managers in the Sheffield office.

Mr. Howard: I understand that an inquiry is taking place into the matter. Meanwhile, Mr. Moxon, the man who told the public the truth, is suspended, and the managers to whom the Prime Minister refers, who introduced the secret policy, and the Minister for Citizenship and Immigration, who did not have a clue what was going on, are still in place. Why is that fair?

The Prime Minister: It is for the Department to decide its own personnel procedures in respect of each individual. That is right, and as it should be. However, as the right hon. and learned Gentleman has raised the issue, let me deal with one or two of the facts. There have been statements in various quarters that the matter involves some 11,000 people a week. It actually involves specifically people from the accession countries that are about to join the European Union. The total number of applications in the last year was under 40,000 and the vast majority were already here legally. Of course it is important to establish exactly what happened, and that is why my right hon. Friend the Minister for Citizenship and Immigration has announced the inquiry. No doubt any disciplinary procedures will follow the outcome of that.

Mr. Howard: Let me see if I can help the Prime Minister. He is obviously rather uncomfortable about the matter and he is, after all, Minister for the Civil Service. Mr. Moxon, the whistleblower, is here this afternoon. He is willing to meet the Prime Minister and me to tell us what happened. Will the Prime Minister meet us this afternoon?

The Prime Minister: No, I will not. The right hon. and learned Gentleman, when he was Home Secretary for several years under the last Conservative Government, would never have tolerated such a thing. Surely the issue is simple: a practice developed in that office that should not have developed. The Minister has already made that clear and she has also made it clear that she was not aware of it. I am trying to put the matter in context, because it is not the case that it involves hundreds of thousands of people a year. It almost certainly involves only a very small number of people—[HON. MEMBERS: "Forty thousand?"] No. The vast majority even of the 40,000 were already here legally. Therefore, the number of people claiming entry into this country would have been much smaller than that. Nor is there any reason to believe, because they come principally from countries such as Poland, that they were here for any bad purpose.

Mr. Howard: I thought that the Prime Minister, just for once, might be interested in finding out what is going on in his Government. Under this Government, Ministers do not know what is happening in their Departments; Departments deny the truth and then have it dragged out of them; people are allowed to stay in the country without any proper checks being made; and the only person who suffers is the whistleblower who tells the truth. Does not that say everything about the way in which this Government works, and does not the Minister for the Civil Service think that he should speak to the civil servant to find out what is going on?

The Prime Minister: No, it should be left to the Department to conduct its disciplinary inquiries in the proper way. I have no doubt that that is what the right hon. and learned Gentleman would have done when he was Home Secretary. The fact that he is now saying that I should personally take charge of this matter is utterly ludicrous. An inquiry is under way in the Department because of a practice that should not have developed. Instead of exploiting the issue—as he does every one of these issues—he should try to ensure that we have a measured, sensible debate about migration, not one that takes place on the basis of scary headlines that turn out to be wrong.

Mark Tami (Alyn and Deeside) (Lab): My right hon. Friend recently visited the Airbus factory at Broughton. I am sure that he will be as concerned as I am at the decision of the Environment Agency to prevent dredging of the Dee at Mostyn dock, which will effectively stop the export of the A380 wings. Can he assure me that that £30 billion project will not be endangered and that the decision will be reversed in the

public interest? Can he further tell us when he expects the Environment Agency to join the rest of us in the real world?

The Prime Minister: I know from my visit to the plant what a tremendous project it is, and how vital it is to the local economy with its thousands of highly skilled jobs. I know that my right hon. Friend the Secretary of State for Wales has discussed the issue already with my hon. Friend, and he would be pleased to do so again. I hope that we can resolve the matter satisfactorily in the coming period of time, because obviously it is important for the work force and the future of an important industry.

Mr. Charles Kennedy (Ross, Skye and Inverness, West) (LD): Does the Prime Minister agree with Lord Penrose's report into Equitable Life, which concluded that it was not merely reckless company management that led to the scandal, but negligent regulation by the Government?

The Prime Minister: I agree with Lord Penrose's report. In fact, it put the majority of the blame on the society itself, but of course the regulatory issues going back many years are among the things that it investigated, and we stand by the conclusions that were drawn.

Mr. Kennedy: Does the Prime Minister accept, however, that the Government's complacent and misleading response to the report will come as a serious disappointment to the million people who have lost so much, and undermine the faith of millions of others? Will he give an undertaking to ask the parliamentary ombudsman to establish once and for all whether there was Government maladministration?

The Prime Minister: I understand that there has already been a finding that there was not maladministration with respect to one of the cases brought, but of course the Parliamentary Commissioner for Administration has the full powers that have been conferred. I have to say, however, that there was nothing complacent about our response. We commissioned the report and made a statement to the House about it and its implications. The plain and simple question is whether the Government can commit themselves to paying compensation that would run into billions of pounds—

Mr. Kennedy: I did not ask about compensation.

The Prime Minister: I know that the right hon. Gentleman did not ask about that, but a casual observer might have thought that he was implying it. All parties in the House recognise that it would not be possible to do that, so of course we will carry on doing whatever we possibly can, including implementing the Penrose recommendations. Any other investigations involving outside bodies are obviously a matter for them.

Q3. [159918] **Mr. Graham Stringer** (Manchester, Blackley) (Lab): My right hon. Friend will be fully aware that the level of public resources going into public services is heavily dependent on the number of people living in an area, and he will be further aware that that is particularly true for the health service. I am sure that he knows that Mr. Cook, the Registrar General at the Office for National Statistics, botched the census so badly that he miscounted by 25,000 people. Can he therefore assure the people of Manchester who use the health service that the funding that they would have got if Mr. Cook could count will be provided, and that Mr. Cook will soon become an unemployment statistic?

The Prime Minister: I know that this is a matter of great concern to my hon. Friend and to people in Manchester. It is part of the discussion that we are having about the census, and once that is resolved we will see what implications there are. However, it is fair to say that it is always difficult to perform these censuses, which are usually a matter of controversy; they are often hotly contested. I hope that he understands that what was done was done in good faith, and we obviously await the outcome of the current discussions.

Mr. Michael Howard (Folkestone and Hythe) (Con): Last week, I asked the Prime Minister about treatment for some 2,800 people who are going blind unnecessarily as a result of wet age-related macular degeneration. He said that he would look into it and write to me, but I have yet to hear from him. I know that some NHS patients are now being treated, but many more could be. As the Royal National Institute of the Blind told the Prime Minister last week, there are nearly 50 centres with the necessary specialist equipment and support staff, who could be treating many more NHS patients today. Will—*[Interruption.]* Will the Secretary of State for Health contain himself and stop chuntering, and will the Prime Minister now act to deal with the situation?

The Prime Minister: We are acting to deal with it. I have indeed looked into it, and the reason why there was a delay of nine months instead of the normal three is that we had to build up the proper capacity in order to deal with this properly. The nine-month extension was agreed with the National Institute for Clinical Excellence, which made the recommendation in the first place.

In respect of the other centres, my right hon. Friend the Health Secretary was saying that he thinks that the right hon. and learned Gentleman was citing an estimate given to him by a private firm. I do not know. I have not looked into that myself, but I will do so. When I examined the facts on the basis of what he put to me last week, they turned out not to be correct. This was not a matter of the Government refusing to act when the capacity was there. The reason for the delay was that we had to build the capacity in order to treat people properly.

Mr. Howard: I have not been relying on any information from a private firm; I have been relying on information from the Royal National Institute of the Blind, which is not at all convinced by what the Prime Minister says. It wrote to him and told him about this matter last week. It said:

"The Government are dragging their feet . . . There is no shortage of doctors . . . We know of 50 centres around the country that can provide people with treatment who otherwise may go blind. The situation as it now stands is a sham and it has effectively denied people treatment for far too long."

The truth is that patients need this treatment to stop them going blind, and doctors want to treat them to stop them going blind, so why will the Prime Minister not intervene to sort out this mess?

The Prime Minister: We have made it absolutely clear that we will use whatever capacity is available. *[Interruption.]* If the right hon. and learned Gentleman would listen for a moment, we have made it clear that we will use whatever capacity is available. The reason why we have not dealt with the situation in the normal three-month period is that the advice that we have is that the capacity is not available to deal with people at the moment. We are using whatever capacity we can, and using the additional six months to build up extra capacity.

We are aware of the RNIB's making these claims, but they are disputed, I am afraid, by those who actually have to implement this policy. That is why I said at the outset that this extension of time was agreed with NICE, whose recommendation we are implementing.

Mrs. Helen Liddell (Airdrie and Shotts) (Lab): The Prime Minister will be aware of today's sensationalist stories about the security of electricity supply. Will he ensure that the Government, in putting the record straight about these scare stories, do not lose sight of the fact that future electricity generation is indeed an issue, largely because of increased demand, the run-down of coal and nuclear stations, and our very relaxed attitude to energy efficiency? Would it not be a tragedy if the nation's economic ambitions were held back by failings in energy policy?

The Prime Minister: What my right hon. Friend says is absolutely right. That is why it is important that we carry on pursuing a balanced energy policy, and that we make sure that we use a number of different sources of energy. It is one of the reasons why, over the past few years, we have sought to make sure that, as well as maintaining a coal industry, we are also maintaining the nuclear industry and importing energy, where we can, from secure sources. That is why it is important that people's beliefs about the electricity supply are not ruined by programmes that, let us say, are being a little speculative about what might happen over the next few years.

Q4. [159919] **Mr. David Rendel** (Newbury) (LD): My constituent, Miss Caroline Cocker, wants to buy a home of her own. She has been to see her building society mortgage adviser, who told her that because of her student debt of £12,000, the building society cannot lend her enough. The Minister for Lifelong Learning, Further and Higher Education recently admitted that top-up fees are likely to push student debt up to some £20,000. What does the Prime Minister think that that will do to the housing market?

The Prime Minister: Let us first look at the issue of debt. It is correct that students can already take out a £12,000 maintenance loan. Under our proposals, they will be charged and will pay back, once they graduate, up to £3,000 a year for a three-year course, so that is another £9,000. But this is not a debt like an ordinary mortgage debt. Nothing is to be paid back until people have the means to pay, and it is linked to their ability to pay and carries no real rate of interest. That is surely better than doing what the hon. Gentleman is suggesting, which is to raise the top rate of tax to 50 per cent., or what the Conservative party would do, which is to cut the number of students going to university.

Mr. Kevan Jones (North Durham) (Lab): Does my right hon. Friend agree that many of his Sedgefield constituents and many of my North Durham constituents have benefited greatly from the scheme, introduced by a Labour Government, through which miners and former miners who were exposed to coal dust are compensated? That is a real achievement that is of benefit to those communities. Will he join me in condemning the small minority of claim handlers and solicitors who are plundering victims' compensation for costs, despite the fact that those costs are covered by the Department of Trade and Industry under the scheme?

The Prime Minister: My hon. Friend is of course absolutely right to say that the compensation paid to former coal miners has been of enormous benefit to those who suffered greatly as a result of the work that they did, and a substantial amount of money has been paid out. He is right, too, to say that there are worries about the way that some cases have been handled, and each case had to have legal representation. I understand that the Law Society is investigating some of the complaints and that the Department of Trade and Industry has written to the solicitors concerned. I hope that we can make sure that, if any money is unfairly taken from clients, it is returned to them.

Q5. [159920] **Hugh Robertson** (Faversham and Mid-Kent) (Con): The Strategic Rail Authority has proposed to cut completely the rail service on the Maidstone to Ashford line outside peak periods. Given that this is a vital transport facility for many local communities, and that the proposal breaks specific undertakings given by the Government at the time of the channel tunnel rail link, will the Prime Minister act to prevent those proposals?

The Prime Minister: I will certainly look into the point that the hon. Gentleman makes. Everything has to be done within the transport budget—that is clear and that is right. However, it is obviously important that we maintain the services. I shall look into the hon. Gentleman's point, but I cannot give him any undertaking until I have done so.

Mrs. Irene Adams (Paisley, North) (Lab): Will my right hon. Friend give an assurance that he has no plans to alter the gun laws, and in particular that he will never countenance the use of guns by children? Does he not find it rather worrying that one Conservative Member does not seem to know the primary difference between the use of a car and the use of a gun?

The Prime Minister: It is extremely important that we maintain the ban on handguns. Introducing that ban was one of the first things this Government did. We did it with a great deal of opposition from the Opposition

Benches. I hope that everyone now understands that it was the right measure and a good measure, and we will maintain it.

Q6. [159922] **Mr. Nick Hawkins** (Surrey Heath) (Con): The Prime Minister is aware of the thorough report last week by Surrey police on the tragic deaths of four young soldiers at Deepcut barracks in my constituency. I know that he will want to join me in sending condolences again to the families of those soldiers and in paying tribute to the police and to the Army for its constructive response to the recommendations by the police. However, the Prime Minister may not be aware of the huge concern felt in that small village in my constituency about subsequent reports that the barracks site may soon be sold for a second huge housing development on a barracks site in that same small village. Will he agree to meet me and local campaigners, county councillor John Phillips and Mrs. Shirley Coveney, because there is huge concern that the Deputy Prime Minister's plans to concrete over further parts of Surrey will be hugely damaging?

The Prime Minister: I reiterate my sympathy for the families who are concerned in the Deepcut affair in the hon. Gentleman's constituency. I thank the hon. Gentleman for his words about the Army.

In respect of any new housing development, the hon. Gentleman will know that it is obviously for the Ministry of Defence to decide what land it can sell. Housing development is important in the south of England. I do not think that that is concreting over—it is making sure that people have homes that they can live in. The hon. Gentleman will also know of the tremendous concern that people have that the shortage of housing in the south-east is putting up prices, especially for first-time buyers. Every Government must keep a balance in these matters, and we try to do so by making sure that 60 per cent. of the development is on brownfield sites. I think that that figure is being met and even exceeded.

Q7. [159923] **Phil Sawford** (Kettering) (Lab): I welcome the news of additional funding for the police to include targets for CCTV cameras, crime hotspots, community wardens, anti-drugs work and reducing crime. However, may I draw to my right hon. Friend's attention a recent article in the Kettering *Evening Telegraph*, which suggests that the right hon. and learned Member for Folkestone and Hythe (Mr. Howard) has promised to provide 180 more police officers for the north of Northamptonshire? Will my right hon. Friend ensure that Northamptonshire receives its fair share of resources? Does he think that anyone in Kettering, Corby and Wellingborough will be fooled by the promises of the Conservative party?

The Prime Minister: My hon. Friend is right that we have record numbers of police officers—more than 138,000, the highest number ever. I can assure my hon. Friend that I will not be going down the route proposed by the Conservative party, which is a freeze on the Home Office budget. That would mean a cut of up to £1 billion in that budget, which would mean fewer police officers, fewer CCTV cameras and fewer opportunities to cut crime. There is a very stark choice in my hon. Friend's constituency.

Mr. Alex Salmond (Banff and Buchan) (SNP): Is the Prime Minister aware that members of all political parties on the Scottish Select Committee found the evidence of Customs and Excise yesterday in favour of strip stamps on whisky bottles deeply unconvincing? Therefore, with a week to go before the Budget, will he call a halt to those daft, damaging, job-destroying plans, and instead give proper consideration to the industry and union-backed proposals both to combat fraud and to safeguard vital jobs in a vital industry?

The Prime Minister: I am sure that my right hon. Friend the Chancellor will be notified of the hon. Gentleman's comments.

Q8. [159924] **Liz Blackman** (Erewash) (Lab): Many young people in Erewash have no earnings protection and are open to exploitation by unscrupulous bosses who pay them a pitiful wage for often quite responsible jobs. Can the Prime Minister tell the House what progress he is making on delivering the minimum wage for our young people?

The Prime Minister: The minimum wage is not benefiting simply young people alone—about 1 million people benefit from it. From October this year it will be raised to £4.85 an hour and by that time more than 1.5 million will benefit from it. Some people said that unemployment would go up as a result of the minimum wage, but there are now 1.75 million more jobs in our economy. I hope that next week we will be in a position to say more about the national minimum wage and its impact on young people, which will no doubt find support—at least on this side of the House.

Q9. [159925] **Mr. Desmond Swayne** (New Forest, West) (Con): Why are the Government seeking to reverse the long-standing ban on the export of live horses, which will result in many of our ponies facing a miserable journey to southern Europe to be turned into salami.

The Leader of the House (Mr. Peter Hain): Animal welfare!

The Prime Minister: My right hon. Friend has said, not entirely helpfully, that animal welfare is the key to all of this. I will have to write to the hon. Gentleman about this matter; I cannot give him an off-the-cuff answer.

Mr. Parmjit Dhanda (Gloucester) (Lab): Is my right hon. Friend the Prime Minister aware of the decision by Tesco to purchase local corner shops and close their post offices without any prior consultation with Members of Parliament, the Post Office or indeed members of our local communities, including those present today from Longlevens in my constituency? Does my right hon. Friend agree that Tesco should work with, not against, local communities on this particular issue?

The Prime Minister: I know that my hon. Friend has campaigned strongly on the matter, which is an issue of

concern in his constituency. I also know that Tesco has said that it will work closely with post offices in respect of this matter, and I would be pleased to know the outcome of the discussions. It is important that when post offices are reviewed, and if they are within the Tesco framework, account should be taken of local views.

Q10. [159926] **Sir John Butterfill** (Bournemouth, West) (Con): If the Prime Minister is determined to ignore the plight of Equitable Life pensioners, will he at least listen to Alan Pickering, whose report he commissioned? Having ignored him in the Pensions Bill so far, will he listen more carefully in Committee? Will he also take note of what Alan Pickering said today, when he called for the Government to abandon the present system of means-testing and move to a pension as of right for all citizens, paid for eventually by an increase in the pensionable age?

The Prime Minister: There are a number of points there. First, let me tell the hon. Gentleman that we are not ignoring the plight of Equitable Life pensioners. Their plight is serious and difficult, but let us be absolutely honest with each other in the House. It is a matter of whether or not we pay compensation to those people. I have studied carefully the comments of Conservative Front Benchers, and they have not committed themselves to compensation. A few moments ago I had an exchange with the right hon. Member for Ross, Skye and Inverness, West (Mr. Kennedy), the leader of the Liberal Democrats, who is not committing his party to compensation. These people need not sympathy, but help, and we are looking into what help we can properly give them. However, it would not be responsible of me or anyone else to say that we could underwrite the entirety of the losses stemming from Equitable Life. I hope that the hon. Gentleman understands that.

As to the Conservative party's proposal to get rid of pension credit and bring in the basic state pension at a higher level, the reason behind the pension credit—which is now benefiting millions of pensioners in this country—is that we believe that it is important to direct the most help to the poorest pensioners. That is why, in comparison with what we inherited in 1997, we are spending an extra £9 billion a year on pensions. We are determined to ensure—it is why we have lifted so many pensioners out of poverty—that the help goes to those who need it most.

Q11. [159927] **Mr. Ronnie Campbell** (Blyth Valley) (Lab): The Prime Minister talks about pension credit and he is obviously aware that there are millions and billions of pounds in the Chancellor's coffers that have not been taken up. Will he and his Ministers look into finding other ways of getting pensioners to take up entitlements that they have not taken up? Also, why can they not have free travel in the regions of England, as happens in Scotland and London?

The Prime Minister: I will take up that last point. My hon. Friend is right to say that free travel is a tremendous thing for a lot of pensioners, and I know that there is a desire to extend it to England. As for pension credit, we are doing our very best to improve take-up, but my hon. Friend will know from his constituency that thanks to the pension credit and the minimum income guarantee, literally millions of pensioners have seen their incomes rise substantially. Surely that is a better way to go than the Conservative party's proposal to raise the basic state pension by a smaller amount—and they have still not said how on earth that could possibly be funded or costed.

Q12. [159928] **Mr. Andrew Rosindell** (Romford) (Con): Will the Prime Minister join the people of Gibraltar in celebrating 300 years of Britain's sovereignty this year, and will he take this opportunity to reassure the people of the Rock that his Government will never again enter into shameful discussions with Spain over the sovereignty of British Gibraltar?

The Prime Minister: I am happy to join the celebrations of the people of Gibraltar, and to say to them yet again that there will be no change in their constitutional position without their consent. However, let me tell the hon. Gentleman that the discussions that took place were initiated under what was called the Brussels process, which was started by the Conservative Government. *[Interruption.]* Oh yes they were—and it is perfectly sensible that we continue those discussions. I also want to say that, yes, it is important that we protect people in Gibraltar, and we have given them that constitutional guarantee, but our relationship with Spain is also important to this country in the modern world. In the early 21st century, Spain is one of our key partners in the European Union. That does not mean that we alter our commitment to the people in Gibraltar, but it does mean that we regard Spain as a friendly ally, not some hostile foreign power.

Points of Order

12.31 pm

Miss Ann Widdecombe (Maidstone and The Weald) (Con): On a point of order, Mr. Speaker. I am aware that you are not responsible for the contents of ministerial answers, or for the contents of any answer that the Prime Minister gives this House, but you do preside over a House whose duty is to hold the Executive to account. When a Member of this House asks the Prime Minister a straight question, and the answer is about as related to that question as to the habitats of African elephants, how are we supposed to hold the Executive to account?

Mr. Speaker: As the right hon. Lady says—she is so right—I am not responsible for the content of the replies, but I am responsible for good order in the Chamber, and she was very noisy indeed today; she was noisier than usual, if I may put it that way. Reluctantly, I had to tell her off, and I hope that I will not need to do that again. *[Interruption.]* I do not need to tell the Prime Minister off; whatever answers he gives, they have nothing to do with the Chair. I have enough responsibilities.

Mr. David Cameron (Witney) (Con): On a point of order, Mr. Speaker. On behalf of Back Benchers who listened to the exchange between my right hon. and learned Friend the Leader of the Opposition and the Prime Minister, may I ask whether you will entertain any request from the Secretary of State for Health to come to the House and explain what has been happening about the degenerative eye disease that they were speaking about? I have a constituent, Mr. Newman of Carterton, whose surgeon has told him that he is suitable for treatment on the NHS. The consultant would like to give him treatment on the NHS, but the money is not there. We need a statement from the Secretary of State for Health to explain why people such as my constituent, who will go blind if they do not get that treatment, cannot get it on the NHS now. This is not an issue of capacity; the Government are not being straight with us.

Mr. Speaker: I sympathise with the difficulties of the hon. Gentleman's constituent—I genuinely do—but the hon. Gentleman should go to the Table Office and table questions to the Secretary of State for Health on the subject. That is the way to do it.

Rights of Way (Amendment) Bill

12.33 pm

Janet Anderson (Rossendale and Darwen) (Lab): I beg to move,

That leave be given to bring in a Bill to amend the law relating to public rights of way for vehicles.

The Government are currently consulting on the problems caused by the use of unsurfaced byways open to all traffic by mechanically propelled vehicles. Indeed, an early-day motion in the name of my hon. Friend the Member for Bassetlaw (John Mann) on the subject has attracted a great deal of support.

It states:

"That this House welcomes the Government's proposal to close the legal loophole whereby historical evidence of use by horse and cart, or dedication as a carriageway prior to the invention of the internal combustion engine, can give rise to a claim for a byway open to all traffic which, if successful, allows for use by modern recreational motor vehicles of green lanes and other unsurfaced routes in the countryside; notes existing byways open to all traffic will still be subject to inappropriate and unsustainable use by recreational motor vehicles; is concerned that our precious countryside in the national parks and areas of outstanding beauty . . . continue to suffer appalling damage and urges the Government to take action forthwith to protect these areas by reclassifying existing unsurfaced byways open to all traffic as restricted byways and issuing better guidance on enforcement to enable the relevant authorities to take swift and effective action where recreational vehicles are being driven illegally."

We should not be surprised at the support in this House and elsewhere for action. In my own constituency of Rossendale and Darwen, an area of breathtakingly beautiful countryside and moorland, those of us who are walkers, hikers or horse riders are continually horrified at the desecration and damage caused to some of our byways by the inappropriate and unsustainable use of those byways by recreational motor vehicles. We particularly suffer from this in areas of Darwen, such as Sunnyhurst woods, Bailey's Field and the route to Darwen Tower, not to mention Cranberry Moss, the use of which continues to attract much local debate. In the valley of Rossendale, the problem similarly abounds, particularly on Whitworth common and the countryside around Rossendale general hospital.

All this is of particular concern to horse riders. It is often claimed that there are more horse riders in my constituency than in any other in the country. The British Horse Society has recognised that riders who have to dice with death on the roads feel strongly that they should not have to worry about encountering motor vehicles on public rights of way.

For most riders, the issue is more about damage to the surface than the surprise of the occasional danger of meeting a motor vehicle. Walkers and ramblers take a similar view. Only last week, I received a letter from a resident of the Rossendale valley. It was headed

"Environmental damage to open moorland close to Rossendale General Hospital".

The resident said:

"I was dismayed to observe the tyre damage to my regular walk over this area of moorland. Yesterday I decided to retreat from the moor on noting two bikers with two other adults accompanying them. I am not a wimp, but decided that a confrontation was not in order. Why should I feel intimidated? This area is used by many walkers. It is an area of tranquillity and peace. It is

[Janet Anderson]

environmentally sensitive. Some years ago, the Council spent time and money on planting heathers etc and on improving the pathways. I would ask what legality bikers have in riding over this moorland?"

Mr. Alan Johnson, the countryside officer for the north-east Lancashire area, sent me a supportive e-mail. He wrote:

"Good news that you are introducing a Private Members' Bill to ban quad bikes etc from bridleways and public footpaths. This is a very important issue for Rossendale's countryside."

My good friend Inspector Roger Ravenscroft from Rawtenstall was also supportive. He said:

"I fully support you on this one. As a keen mountain biker in the Ribble Valley and the Lakes, I am only too well aware of the damage some off road motorcyclists and 4x4 drivers do to tracks making them virtually unusable by other countryside users."

In conclusion, I can do no better than to quote the Ramblers Association. It points out that the term "green lane" has no legal meaning, but is symbolic of many unsurfaced tracks that form part of the rights of way network and are often ancient in origin. In law, many are classed as

"byways open to all traffic".

Although legally open to motor vehicles, these ways are defined by Parliament as carriageways used mainly for the purposes for which footpaths and bridleways are used.

Yet the growing pastime of recreational off-road driving on green lanes is of increasing concern to walkers, cyclists, horse riders, land managers and all those concerned with the conservation and protection of the countryside. The Ramblers Association view is that motorised use of rights of way, for sport, is rarely appropriate and that vulnerable pedestrians, cyclists, horse riders and horse and carriage drivers should be able to enjoy the rights of way free and safe from as much motor traffic as possible.

The Bill aims to balance the interests of individuals and organisations with appropriate protection for the tranquillity and conservation value of our countryside. The way in which we use our public rights of way has changed dramatically over the past 100 years, and the Bill will provide greater certainty about existing public vehicular rights. It will also provide my constituents with the reassurance that they seek, and I commend it to the House.

12.40 pm

Lembit Öpik (Montgomeryshire) (LD): I rise to oppose the Bill, although it would not be a good use of the House's time to divide on it, so I do not intend to push it to a vote.

I am chair of the all-party motorcycling group and have previously spoken to the hon. Member for Rossendale and Darwen (Janet Anderson) about the measure and understand her concerns. I have been riding motor cycles since 1982 when I owned a Yamaha YB100—a bike so tatty that my friends knew it as the "Why bother"—and I am persuaded, as are the Government, that bikes and motor bikes have an important role to play, not only for transport but also for recreation. Used responsibly, motor cycles present no problem; used irresponsibly, they are both irritating and dangerous.

I accept that there is a problem in the countryside. A small number of individuals, especially those who use byways, can cause a great deal of trouble by acting irresponsibly, but—as ever—I question whether we should punish the majority simply because a few cause a nuisance. Is that response in proportion to their number?

One in nine people in Britain have ridden a motor bike, or hold a full bike licence, and, apart from the ecological benefits to which I referred, motor cycling can be a pleasant activity. Motor cyclists and pedestrians can coexist comfortably in rural, recreational areas as long as there is mutual respect. It is only a small minority who seem to feel that they have the right to tear up the countryside, make noise and cause danger, and it is those people about whom the hon. Member for Rossendale and Darwen is most concerned.

A ban affects everybody, so I suggest that, if the hon. Lady is willing, we should try to hold a dialogue with interested parties, including representatives from the motor-cycling unions—the Auto-Cycle Union, the Motorcycle Action Group and the British Motorcyclists Federation. They are acutely aware that, ultimately, if there is no proactive solution that involves either self-regulation or some degree of understanding in relation to those public areas, the hon. Lady's proposal for a ban or a restriction may be the only way forward.

Given the comments that the hon. Lady made in her speech, I should like to highlight a few of my concerns about the assumptions that are made about motor cyclists. Appalling damage can be done, but much of the time the majority of those individuals create no damage at all. Indeed, there is no point in their causing damage, as they want to enjoy the countryside that they ride through. The use of recreational motor vehicles is inappropriate and unsustainable only if it is taken to excess or carried on without consideration for the countryside.

The British Horse Society has legitimate concerns, but as the hon. Lady pointed out, the use of horses and carts on many byways in the past provided the precedent for riders nowadays. They benefited from a precedent established in former times, when pedestrians might have had issues about the presence of horses.

I propose that dialogue offers a way forward, if the hon. Lady and other Members, such as the hon. Member for Ogmore (Huw Irranca-Davies), are willing to pursue that path. The Department for Environment, Food and Rural Affairs has held consultations and the Minister for Rural Affairs and Local Environmental Quality has taken an active interest. In addition, park-keepers and the police should be involved in the dialogue.

Options could include designating some paths as pedestrian-only and ensuring that their status is adhered to through voluntary agreement or the specific measures that local authorities can already enforce. In the medium term, we could ensure the enforcement of sanctions on individuals who mess things up for everybody else.

I absolutely agree that this is a serious concern, and the all-party motorcycling group takes the two-wheeled element of it very seriously. I hope, nevertheless, that we can work at least to explore whether there is a less dramatic solution than what could amount to a motor-

cycle ban on some of those byways. If the motor cyclists cannot fix things for themselves, I understand that Parliament may have to do so with some mandatory enforcements, but we are not yet there. It is easy to ban things; it is perhaps harder to educate people to be responsible. On that basis, I hope that the hon. Lady and other hon. Members who have taken great interest in this matter are willing to pursue dialogue before proceeding with legislation.

Question put, pursuant to Standing Order No. 23 (Motions for leave to bring in Bills and nomination of Select Committees at commencement of public business), and agreed to.

Bill ordered to be brought in by Janet Anderson, Andy Burnham, Chris Bryant, Paddy Tipping, Mr. Kevin Barron, Mrs. Anne Campbell, Mr. George Howarth, Mr. Kevan Jones, Mr. Greg Pope and John Mann.

RIGHTS OF WAY (AMENDMENT)

Janet Anderson accordingly presented a Bill to amend the law relating to public rights of way for vehicles: And the same was read the First time; and ordered to be read a Second time on Friday 21 May, and to be printed [Bill 70].

Mr. Patrick McLoughlin (West Derbyshire) (Con): On a point of order, Mr. Speaker. A ten-minute Bill has just been introduced that is of very great concern to a number of hon. Members who represent large country constituencies. I congratulate the hon. Member for Rossendale and Darwen (Janet Anderson) on her success, but is it not the practice, first and foremost, that if an hon. Member opposes a Bill, he or she should at least follow that through with a shout of no, which the hon. Member for Montgomeryshire (Lembit Öpik) failed to do; and, secondly, that at least one Minister from the relevant Department should attend in the Chamber when such a Bill is debated? I very much regret that, on such an important issue, no Minister is present from the Department for Environment, Food and Rural Affairs, which is currently consulting on this matter.

Lembit Öpik: Further to that point of order, Mr. Speaker. Just to clarify, you may not have heard me but I did say no—but not very loudly. As you are aware and as I made clear to your office, I felt that it would be an inappropriate use of parliamentary time to divide the House, when we are looking for a consultative solution, rather than simply trying to make a point on the Floor of the House.

Mr. Dennis Skinner (Bolsover) (Lab): Further to that point of order, Mr. Speaker. If you check the records, you will find that there were many occasions when previous Speakers used to tell people that they had to oppose a motion. Indeed, when I first came here, they had to shout and divide the House. Why? Simply because not doing so is an abuse of parliamentary time. The Order Paper says that 10 minutes will be allowed for the Member to move the motion and 10 minutes for someone to oppose it. In this case, that individual—a typical Liberal, who does not know whether he is on this earth or fuller's—said that he would not oppose the motion and wanted to get together with my hon. Friend the Member for Rossendale and Darwen (Janet Anderson). Ten minutes for, 10 minutes against—that is the principle. You wasted time, you tin-pot Liberal—shut your gob.

Janet Anderson *rose—*

Mr. Speaker: Let me deal with the three points of order, and then I will call the hon. Lady.

I am sure that the hon. Member for Bolsover (Mr. Skinner) was not referring to me when he mentioned wasting time.

On the point of order that the hon. Member for West Derbyshire (Mr. McLoughlin) raised, I have been chairing proceedings for quite a long time, as he knows, both in Committee and in the Scottish Grand Committee, and then in the Chamber. When I am in the Chair, I am entitled to express an opinion when hon. Members shout from one side of the House or the other, and I often say that I think that the ayes have it. It is at that stage that an hon. Member can disagree with that opinion. There was a shout—it was a very quiet shout—and I only wish that that was the case at Prime Minister's Question Time. To reply to the point raised by the hon. Member for West Derbyshire: there was a shout. I heard it because I have good hearing.

There is no absolute rule about the appropriate Minister sitting on the Treasury Bench, but it is a courtesy for them to do so. I would expect that courtesy to continue, and I hope that Ministers from the Department for Environment, Food and Rural Affairs will take note of what I have said.

Janet Anderson: Further to that point of order, Mr. Speaker. I wish to respond to the point raised by the hon. Member for West Derbyshire (Mr. McLoughlin) and to what you have said by pointing out that the Minister for Rural Affairs and Local Environmental Quality has been very supportive of my introducing the Bill. In fact, he left a message with me this morning to say that he was very sorry that he could not be present in the House because he had another engagement. I assure the hon. Gentleman that DEFRA is very much taking an interest in the matter, and the Minister did not intend any discourtesy to the House.

Mr. Speaker: I thank the hon. Lady for making that clear.

Orders of the Day

Justice (Northern Ireland) Bill *[Lords]*

[Relevant document: The Second Report from the Northern Ireland Affairs Committee, Session 2003–04, HC 302-I, on the Separation of Paramilitary Prisoners at HMP Maghaberry, is relevant to Clause 12 of the Bill (Transfer of prisoners).

Order for Second Reading read.

Mr. Speaker: I should inform the House that I have selected the amendment in the name of the Leader of the Opposition.

12.51 pm

The Secretary of State for Northern Ireland (Mr. Paul Murphy): I beg to move, That the Bill be now read a Second time.

The Bill represents another step forward on Northern Ireland's path to peace, stability and justice. At the heart of the agreement was a commitment to build a police service and a criminal justice system that would enjoy the support of all sections of Northern Ireland society. It is our view that the Bill is proof that the Government are still completely committed to achieving that end—and to completing the implementation of the Good Friday agreement.

Today is also an opportunity for us to judge just how much has been already been achieved in that task. It is an opportunity for us to look beyond the difficulties that currently confront us and to remind ourselves, and the people of Northern Ireland, of how much has changed and how much has improved since the signing of the agreement almost six years ago.

The political and peace process in Northern Ireland has reached a defining moment, however. Paramilitarism survives in Northern Ireland, and its survival, in defiance of the agreement and the wishes of the people of Northern Ireland, is what we must now tackle. The attempted abduction of a man last month, in broad daylight and cold blood, was but the latest example of the paramilitary activity that has undermined the Good Friday agreement in some respects and, in its indirect impact, has denied the people of Northern Ireland the chance to run their own affairs.

Those who were party to the 1998 agreement acknowledged—some explicitly, some implicitly—that paramilitary activity would not disappear overnight. But six years on, there can be no justification for continuing paramilitary violence. Each corrosive act of crime or violence eats into the hope to which the agreement gave rise.

Mr. David Trimble (Upper Bann) (UUP): The Secretary of State referred to the attempted abduction and who knows what else recently. Will he join me and, I am sure, other Members of the House in welcoming what appears to be the initiative of the Independent Monitoring Commission in starting an investigation into that incident and perhaps other cases as well? Perhaps he would now like to revise the date by which he would ask it to bring in the report that it appears to have started work on.

Mr. Murphy: The right hon. Gentleman is aware that, during the press conference held by the Independent Monitoring Commission yesterday, it did not actually say that it would look specifically at this issue; it said that it might. However, he and I agree on the fact that the commission has an extremely important role to play not just in this particular incident—very difficult though it was—but in the overall assessment of paramilitary activity. My right hon. Friend the Prime Minister and the Taoiseach meet tomorrow in Dublin, and I know that they will be discussing the implications of what the right hon. Gentleman and others have said, together with what the IMC said yesterday.

Mr. Frank Field (Birkenhead) (Lab): Does my right hon. Friend accept that there is a growing feeling in the House that the punishment beatings and exclusions are now a far greater impediment to progress in Northern Ireland than the surrender of arms by the paramilitaries. We know that they have the resources to buy new supplies of arms, should they surrender them. However, ceasing the punishment beatings would show a real change in the character of the people wishing to participate in the public affairs of Northern Ireland.

Mr. Murphy: My right hon. Friend is right on both counts, in that both issues are important. He emphasises the so-called punishment beatings and I agree that that is an area of paramilitary activity in Northern Ireland that is absolutely unforgivable. It erodes the peace process and the political process, and it is wicked in itself. Where I am not quite sure that I agree with him is to dismiss the idea of decommissioning. That is an important part of the Good Friday agreement, but I very much agree with him about so-called punishment beatings.

Mr. Peter Robinson (Belfast, East) (DUP): Following the intervention of the right hon. Member for Upper Bann (Mr. Trimble), may I point out that the Government do not need to ask for an earlier report from the Independent Monitoring Commission? It has the power to bring about an earlier report. Perhaps the Secretary of State could advise the right hon. Member for Upper Bann that, if he finds himself with more time on his hands in the coming weeks and months, he could go to the IMC, like my party has already done, and ask it to bring in an earlier report.

Mr. Murphy: The hon. Gentleman is right, in that the commission has the ability to instigate and initiate investigations on its own account.

Mr. Seamus Mallon (Newry and Armagh) (SDLP): The Secretary of State's point is very interesting. Can he inform the House of where the Independent Monitoring Commission will get its intelligence or evidence from? Will it be from the Police Service of Northern Ireland, the Garda Siochana in the south of Ireland or its own efforts on the ground in the north of Ireland? That is a crucial question that we must consider to realise the difficulties that will face the commission, just as it has faced both police services.

Mr. Murphy: I think that my hon. Friend has answered his own question. The commission may gather evidence from all the organisations and agencies to which he has referred. It can also come to the Governments to examine certain items of intelligence.

On the issue that we were discussing, clearly the evidence that the Police Service of Northern Ireland gives is critically important.

I am confident that hope was not misplaced and I am confident that the agreement will survive. That confidence stems from my personal memory of what was intended in 1998, and what was so fervently wished for by the people of Ireland and of Northern Ireland. A new beginning was envisaged, and all the parties who signed up to that vision were entrusted with bringing it about. I challenge anyone to show that, for the Government's part, we have not made huge efforts and great strides to realise that vision.

In criminal justice, the Bill before us is just the latest in a series of reforms inspired by the criminal justice review. The review itself was probably the most comprehensive of its kind anywhere in the world, and its 300 recommendations are resulting in a wholly transparent and equitable system in which rights and justice go hand in hand. In January, in his first report, the new criminal justice oversight commissioner stated that there had already been "significant and impressive progress". Of course, Lord Clyde's office itself, and that of the new chief inspector of criminal justice, are innovations that we have delivered and which are helping us bring about further reforms.

Lady Hermon (North Down) (UUP): Will the Secretary of State enlighten the House as to the resources that have been made available to the new chief inspector of criminal justice, and tell us just how large his inspectorate is at the moment?

Mr. Murphy: If the hon. Lady will allow me, I shall ask the Minister of State, my right hon. Friend the Member for Warley (Mr. Spellar) to give her the details at the conclusion of the debate.

I have told the House on other occasions that it is in policing that the most striking—and perhaps the most important—reforms have been undertaken. However, that bears repeating, because the quiet dedication and professionalism with which the police implemented the change from the Royal Ulster Constabulary to the Police Service of Northern Ireland has sometimes obscured the magnitude and difficulty of what they have achieved. Almost 10,000 officers played a part in what was a change not only of name, badge and uniform but of culture. Northern Ireland now has a force that is answerable to a cross-community Policing Board and to the 500 men and women—nationalists and Unionists; Catholics and Protestants—who sit side by side on district policing partnerships.

Helen Jackson (Sheffield, Hillsborough) (Lab): I agree with my right hon. Friend that one of the major reforms since the Good Friday agreement has been the reform of the police service. Does he agree that one of the greatest issues that dogs the community in Northern Ireland—it is connected to paramilitary violence—is the failure of one of the parties that claims to be a political party to accept the validity of the Police Service of Northern Ireland, despite the reforms and despite its superb record under its new Chief Constable?

Mr. Murphy: That is why it is important to put on record the Government's gratitude to the Social Democratic and Labour party, the Catholic Church and others for ensuring that the new policing arrangements have been as successful as they have been.

Lembit Öpik (Montgomeryshire) (LD): I do not want to deviate too far from what we are discussing today, but does the Secretary of State accept that the biggest single thing that could reduce the paramilitary beatings in Northern Ireland and improve the rule of law in areas that are not traditionally supportive of the police would be a clear expression of intent by Sinn Fein, saying that it will no longer intimidate Catholics who wish to join the Police Service of Northern Ireland?

Mr. Murphy: I was about to refer to intimidation. I am sure the whole House will join me in condemning the cowardly attacks that have again this week been aimed at some of the brave men and women who serve on district policing partnerships, including the latest incident regarding Mr. Tom McBride, the chair of Strabane DPP. More than 1,000 new policemen and women—half of them Catholics—have been recruited, which has changed the face of a force that enjoys support throughout Northern Ireland.

Northern Ireland's troubles were born among feelings of inequality and injustice, but the paramilitaries who prosecuted the war—on both sides—merely served to deepen such divisions. That is why, when the ceasefires and the Good Friday agreement marked the closure of the troubles, we were determined to eradicate inequality and enshrine human rights. On that, too, we have seen great success in six short years. Northern Ireland is no longer a place of chronic unemployment. Just 4 per cent. of the work force are currently unemployed, compared with over 7 per cent. in 1998. The differential between Catholic and Protestant employment has been dramatically reduced. Northern Ireland has by far the most comprehensive equality legislation in Europe. We have greatly strengthened fair employment and anti-discrimination laws and ensured that public bodies in Northern Ireland are obliged to promote fairness and equality of opportunity. On health, housing and education, we have delivered programmes to tackle inequality, and we are determined to succeed.

David Burnside (South Antrim) (UUP): How can the Secretary of State stand before the House and talk about equality of employment in Northern Ireland when the Government have institutionalised discrimination in recruitment to the Police Service of Northern Ireland?

Mr. Murphy: The hon. Gentleman and I will simply have to disagree about that. We believe that the procedure is an important part of the process and, indeed, it flowed from the Patten report and the agreement itself.

Human rights in Northern Ireland have also been strengthened. In areas of traditional concern, there is now a powerful set of organisations to ensure that rights are protected. The police ombudsman, the children's commissioner and the chief inspector of criminal justice ensure that rights are at the heart of policy and practice. The Northern Ireland Human Rights Commission, despite the problems that it now has, has also played a vital role, especially in relation to old age and mental health.

[Mr. Murphy]

In all those areas, we are striving to make Northern Ireland a normal society, and we recognise that the security forces in Northern Ireland also have an important role to play in that. That is why, for example, we have overseen the departure of more than 2,000 troops, which has taken numbers down to their lowest level since 1970. Of course, those changes are a direct result of the dramatically reduced level of threat in Northern Ireland. I will never tire of pointing out to the House and others that violent deaths per year in Northern Ireland are now counted in single figures. We must remember that it was not so long ago that that tragic tally was measured in hundreds.

That fact tops a list of achievements since 1998 of which the people of Northern Ireland can be proud. Although the current talks face considerable difficulties, which I do not underestimate, the successes that we have already achieved bear testament to a determination to overcome all obstacles and build a peaceful and stable future for all people of Northern Ireland. The Bill must be seen in that context, which is why I have taken a few moments to remind the House that the Bill and the efforts made by the Governments and parties are integral parts of the progress made since 1998. The Bill is another brick in the new inclusive edifice of a better Northern Ireland.

The Bill provides, first, for the establishment of a judicial appointments commission in advance of the devolution of criminal justice matters to the Assembly. The criminal justice review recommended that the commission be established after devolution of justice and policing functions, and the Justice (Northern Ireland) Act 2002 provided for that. However, we see merit in bringing forward the establishment of the commission. We believe that it will make the appointment processes for the judiciary more transparent and encourage a wider range of applicants than ever before. That will be an important contribution toward enhancing public confidence in the Northern Ireland justice system.

Mr. Trimble: The Secretary of State refers to the fact that the Bill brings forward the creation of a judicial appointments commission from the time originally intended. I am sure that he followed with interest proceedings in another place earlier this week when their lordships decided to refer to a Select Committee the Bill containing equivalent provisions for England and Wales. I am sure that he will want to follow that Committee's consideration, and when that Bill comes forward from their lordships—no doubt considerably improved—I hope he will be willing to take on board the improvements made.

Mr. Murphy: The right hon. Gentleman and I will await with interest the deliberations of the other place on the judicial appointments commission. He is of course aware that a judicial appointments commission exists in Scotland, that the concept of a judicial appointments commission has existed in Northern Ireland since the Good Friday agreement, and that the principle of such a commission was enshrined in the Justice (Northern Ireland) Act 2002. However, we will naturally follow with great interest the deliberations in the other place.

Mr. Trimble: The Secretary of State mentions the judicial appointments commission in Scotland. That operates on a non-statutory basis, so it is rather difficult to get a clear impression of how it is working from this distance. In looking forward to the subsequent proceedings on the Bill—should it receive its Second Reading—will he try to make available to hon. Members details of how that commission operates, what its structure is and what the experience has been in Scotland, because that might be illuminating?

Mr. Murphy: Indeed, it might well be. I cannot give the right hon. Gentleman the details of the Scottish experience off the top of my head, but I can say that the principle of commissions for judicial appointments is not novel.

I emphasise that the continued independence of the judiciary is absolutely integral to the system. The Justice (Northern Ireland) Act 2002 enshrined the principle of judicial independence to which the Government remain fully committed. Indeed, the principle was also highlighted in the part of the Good Friday agreement that dealt with criminal justice.

Turning to the other judicial appointment provisions, the 2002 Act stipulates that lay members of the commission should be representative of the community. The Bill provides that the composition of the commission taken as a whole will, as far as possible, be reflective of the community in Northern Ireland. We think that it is right in principle to make that change in the interest of enhancing public confidence in the justice system.

David Wright (Telford) (Lab): Can my right hon. Friend assure us that the commission will consider not just religious communities but issues relating to women's rights and black and ethnic minority communities? We need to increase their representation through such processes.

Mr. Murphy: My hon. Friend is right, but the commission must reflect society as a whole in Northern Ireland, not just the groups to which he referred.

The 2002 Act placed time limits on lay membership of the commission. It is right that judicial members of the commission should have the same time limits applied to their membership as those that currently apply to non-judicial members, and the Bill provides for that. Merit has been, and will continue to be, the sole basis for judicial appointments. That is non-negotiable. Subject to the principle of merit, a key objective of the commission will be to engage in a programme of action to secure a judiciary that is reflective of Northern Ireland society. I want to make it clear that no one is in the business of appointing applicants on the basis of political opinion, gender or religion. It is important to stress that reflectiveness, as my hon. Friend the Member for Telford (David Wright) said, does not apply just to religious background. There is, in fact, a more obvious and pressing need for more applications from women and people from an ethnic minority background.

Mr. Andrew Hunter (Basingstoke) (Ind Con): Is the Secretary of State thinking about a pool of merit—a pool of people who reach an approved standard from which appointments can be made according to a 50–50 formula or some other criteria?

Mr. Murphy: No, I am not thinking of that. As I said, individual appointments will be made on the basis of merit, but there is nothing wrong in the commission considering whether the judiciary in Northern Ireland and everyone involved in the judicial process reflects Northern Ireland society.

Mr. Jeffrey M. Donaldson (Lagan Valley) (DUP): The Secretary of State mentioned the need to recruit more female police officers in Northern Ireland. However, many young female constituents in Lagan Valley who have applied to join the new police service have successfully passed all the tests and entered the merit pool, but in the end they have not been appointed because they are Protestant—because of the church they attend on Sundays. Female applicants are successful in reaching the merit pool, so why on earth can they not be recruited and their religious affiliation be disregarded?

Mr. Murphy: The hon. Gentleman has made his point forcefully, but I said earlier that the arrangements in place for the Police Service of Northern Ireland resulted from the Patten report and the agreement. In the case of the judiciary, it is important that we try to ensure that we encourage more women and people from ethnic minorities to apply to become members.

Clauses 4 and 5 look forward to the day when justice and policing functions are devolved to the Northern Ireland Assembly. Under that further stage of devolution, when appointing the Lord Chief Justice and Lords Justices of Appeal the First Minister and Deputy First Minister, acting jointly, will make recommendations to the Prime Minister. The Lord Chief Justice, as the head of the judiciary in Northern Ireland, will be consulted by the First Minister and Deputy First Minister, and his views will be made known to the Prime Minister, who will then make a recommendation to the Queen. That builds on the formulation in the 2002 Act, bringing it closer to the original recommendation of the criminal justice review and enshrining the fundamental role of the First Minister and Deputy First Minister in the process.

The House will be aware that on introduction in another place the Bill included a provision dealing with the removal or suspension of judges. That clause was lost, and I would like to signal my intention to reintroduce it as a Government amendment at an appropriate time so that Members of this House will be able to debate the issue. Another provision in the Bill builds on the 2002 Act by placing a duty on the Director of Public Prosecutions for Northern Ireland to refer to the police ombudsman all cases of suspected police malpractice that he comes across in his role as prosecutor. The duty will ensure that the police ombudsman is made aware of allegations of police misconduct which she may not otherwise know of. The duty concerns the transfer of relevant information, and does not change in any way either the DPP's role in reaching decisions about prosecution or the police ombudsman's role in investigating allegations of police misconduct. That, too, more closely reflects the original review recommendation.

Mr. Kevin McNamara (Hull, North) (Lab): That is not an absolute duty on the DPP, as he has discretion. That was not recognised in the agreement between the two Governments, when there was a compulsory duty on him. The Bill says that he should refer any matter that "appears" to indicate certain things, not that he must do so.

Mr. Murphy: I believe that there will be debates about those issues in Committee.

Mr. Eddie McGrady (South Down) (SDLP): The Minister has not satisfactorily addressed the question. The criminal justice review clearly stated that when an allegation is made it should be referred to the ombudsman. The Bill proposes that matters should be referred if, in the DPP's opinion, there appears to be wrongdoing. Those are two entirely different things, and I believe that the review's proposal should be included in the Bill.

Mr. Murphy: As I said, there are different views and various interpretations of the clause, but I repeat my belief that that will be debated in Committee. My right hon. Friend the Minister of State will return to the issue at the end of this afternoon's debate.

Mr. McNamara: When my right hon. Friend made his original statement, he said that the duty was absolute, so I challenged it. He has now provided a different interpretation in the clause. He will remember that in the Northern Ireland Act 1998 there was an interpretation of such provisions to which, under the rules of interpretation, judges were supposed to pay attention. In fact, judges in the Irish courts refuse to accept his interpretation, so the matter has had to go to the House of Lords.

Mr. Murphy: That is why I have twice stressed that because of the complicated nature of the clause it is best addressed in Committee, when it will be debated in detail. For the sake of accuracy in reports of our proceedings, if anyone wishes for further clarification they will have to wait until my right hon. Friend the Minister of State refers to the matter in detail.

The 2002 Act confirmed the independence of the Director of Public Prosecutions for Northern Ireland. That is another non-negotiable principle. The creation of an offence of seeking to influence the prosecution decision-making process will ensure that those who seek to impinge on the independence of the prosecution will be brought to book.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): Can the Secretary of State explain how the provision will differ from the operation of the existing offence of attempting to pervert the course of justice?

Mr. Murphy: I hope to do so in a few seconds. My explanation may not satisfy the hon. Gentleman, but I hope that it will satisfy others.

[Mr. Murphy]

As I said, by creating an offence of seeking to influence the prosecution decision-making process, we will make sure that those who seek to impinge on the independence of the prosecution will be brought to book. The offence is deliberately linked to the well-understood idea of perverting the course of justice. We want to ensure that innocent approaches, such as a doctor passing medical information to the DPP, or a person writing in defence of a relative, are not criminalised. We want to ensure that it is understood by people who seek to raise such issues that those approaches are not criminal. The offence targets activities with malicious intent.

The criminal justice review concluded that human rights and dignity should be a core value of the criminal justice system in all its aspects, and the Government fully endorse that view. To integrate human rights awareness into the criminal justice system still further, a requirement will be placed on criminal justice organisations to have proper regard to guidance on relevant international human rights standards in carrying out their functions. That guidance will be issued by the Attorney-General.

Lady Hermon: Would the Secretary of State elaborate on which international human rights conventions or declarations the Government have in mind in clause 7?

Mr. Murphy: The hon. Lady will have to wait until later this afternoon for a detailed answer to that, but it will be provided. I am conscious that many Members want to speak in the debate, and I am sure that she is one of them. We will be able to give her a full and proper answer later.

The Bill introduces a right of appeal for the prosecution against the grant of bail by a magistrate's court. We believe that that is appropriate in terms of bringing Northern Ireland into line with Great Britain. That provision is supported by the police and by the Director of Public Prosecutions.

The Bill brings arrangements for breach of bail in scheduled cases into line with current practice in non-scheduled cases and makes some minor amendments in relation to the treatment of those on bail in non-scheduled cases.

The independent review of security in Maghaberry prison that was conducted by John Steele and others concluded that republican and loyalist paramilitary prisoners should, on a voluntary basis, be accommodated separately from each other and from other prisoners. That recommendation has been accepted, and work to implement it is ongoing. The review also recommended that those new separated arrangements should be backed by a range of measures to prevent deterioration into segregation as it operated in the past in HMP Maze. The Bill introduces, as one such measure, a new power allowing the transfer of a prisoner from Northern Ireland to another prison in England or Wales in the interests of maintaining security and good order in prisons. Northern Ireland has only one high-security prison, and the dispersal of troublesome prisoners within the Northern Ireland Prison Service estate is not therefore possible.

David Burnside: Further to the separation of prisoners in Maghaberry for understandable prison security reasons, can the Secretary of State confirm whether prison governors are negotiating directly with the Provisional IRA and the loyalist paramilitary leadership in those prisons?

Mr. Murphy: I understand that the prison management in those prisons are dealing with the organisations to which the hon. Gentleman refers in the sense of a compact. The word "negotiation" would perhaps be inappropriate in such cases. In terms of considering what is best done in those prisons, all prisoners were asked their views on the Steele recommendations when they were put forward. Beyond that, the prison governors have been talking to the Prison Officers Association and dealing with the political parties.

Very wide consultation has taken place on the proposals. That is important, because we want them to work. I know that the hon. Gentleman wants them to work, too, which is why he said that separation is important for safety's sake. Under the proposal, in the event of a situation involving an exceptionally troublesome prisoner that disrupts the only high-security prison in Northern Ireland, provision is made for transfer to Great Britain.

Mr. Iain Luke (Dundee, East) (Lab): On the transfer of prisoners, is my right hon. Friend aware of the great concern that is felt by many who serve on the Select Committee on Northern Ireland Affairs, and who reviewed the issue of separation in Maghaberry prison, as well as by many on the mainland? They fear that if this proposal is implemented, it may be used as a tool or a weapon by the paramilitaries to seek further political gain to the detriment of the prison authorities in Northern Ireland or, indeed, to impede the peace process.

Mr. Murphy: We agreed with the Steele tribunal's recommendation that it is important to deal with safety problems both inside and outside prisons. It was, after all, an independent tribunal, which, incidentally, had the support of the Churches and of those right across the political spectrum in Northern Ireland. Obviously, I hope that the provision does not have to be used, but as the tribunal made the recommendation and we considered it sensible, we have to legislate for it. We added these measures to the Bill because they are good common sense and the Bill is an appropriate vehicle.

Rev. Martin Smyth (Belfast, South) (UUP): May I press the Secretary of State on this issue? Is he aware that, although he used the term "independent" in reference to the committee, concern has been expressed that interference from a higher authority was involved in its setting up?

Will the Secretary of State give a guarantee on behalf of the Government that there will be no outside interference with the internal discipline of the prison when those in the Prison Service seek to hold the line in protecting the safety of prisoners?

Mr. Murphy: There was certainly no interference from on high, from outside, or whatever phrase one might want to use. I wholly reject that. It was my decision to institute the independent tribunal, two of the

three members of which are former clergymen who were prison chaplains. They, and John Steele himself, are people of the highest integrity, and I accepted their recommendations in their entirety. They were sensible recommendations that will ensure that we deal properly with the safety of prisoners inside the prison and prison officers outside the prison. That is an important issue for all the people of Northern Ireland.

On the hon. Gentleman's point about prison safety, we must not return to what happened at the Maze over all those years, when the prison—or part of it—was controlled by paramilitary groups. That is certainly not my intention or that of the Government. We are considering the safety of people in those prisons—officers and prisoners—and we thought that separation was the best way forward.

Mr. Harry Barnes (North-East Derbyshire) (Lab): My right hon. Friend is talking about the transfer of prisoners from Northern Ireland. Why is that to apply both to paramilitaries and to ordinary prisoners? It is argued that paramilitary prisoners may apply pressure to try to turn separation into segregation, so the provision goes too far. Would it not have been a good idea to have engaged in separation in the first place?

Mr. Murphy: As I said, it is not the Government's view that separation means segregation—we are opposed to that. However, the provision has to be put on the statute book in case it is ever needed. As my hon. Friends know, the difficulty is that prison resources in Northern Ireland are limited—there is effectively only one high-security prison. That means that from time to time we need to call on the Prison Service elsewhere in order to deal with troublesome prisoners.

The Bill will amend section 103(2)(e) of the Terrorism Act 2000. The Northern Ireland (Emergency Provisions) (Amendment) Act 1975 criminalised intelligence gathering against those working in the Prison Service in Northern Ireland. The Terrorism Act 2000 makes it an offence to collect information relating to a

"full-time employee of the prison service".

That does not offer the same degree of protection to all classes of prison staff. The Bill will ensure that part-time workers will also be protected. That is in line with Lord Carlile's recommendation in his independent review of part 7 of the Terrorism Act 2000.

The Chief Constable of the Police Service of Northern Ireland is anxious to have the power of arrest without warrant for the offence of driving while disqualified. That power exists in the rest of the United Kingdom. I hope that hon. Members on both sides of the House will be able fully to support the taking of firmer action against the serious problem of disqualified driving.

The powers of court security officers, as set out in the Justice (Northern Ireland) Act 2002, are built on to ensure that all relevant buildings have adequate protection.

The Bill deals with the fact that barristers in Northern Ireland cannot enter into contracts for the provision of their services, whereas those in England and Wales can. It brings the situation in Northern Ireland into line with that in England and Wales.

I have to disagree with the reasoned amendment tabled by the Opposition. The Bill does not weaken the criminal justice system in Northern Ireland. Its purpose is twofold. First, we are continuing to build a criminal justice system that has the confidence of the whole community. Secondly, we are increasing the powers that are available to the criminal justice system, especially to the police and the courts, so that they are able to do their job more effectively. The Bill does not in any way weaken the criminal justice system—rather, it strengthens it on two counts.

Nor does the Bill undermine the judiciary. The Government are wholly committed to judicial independence, and that fundamental principle is asserted clearly and unambiguously in the Bill. All measures in the Bill relating to the judiciary meet that standard. Likewise, the principle of appointment solely on the basis of merit is asserted in the text of the Bill. Contrary to the Opposition's insinuation, appointment on merit alone is not incompatible with efforts to ensure that the widest pool of talent is available from which to make such appointments.

Furthermore, there is no reason to suppose that the procedures set out in the Bill politicise the judiciary. The 2002 Act makes it clear that

"those with responsibility for the administration of justice must uphold the continued independence of the judiciary".

The process for appointing senior judges, after the devolution of responsibility for criminal justice, is guided by the principle of judicial independence, which is itself enshrined in the terms of the Good Friday agreement.

The Government look forward to the day when decisions on local justice will be placed in the hands of local Ministers. We are confident that that devolution will happen when the time is right: when we have a stable Assembly and Executive; when there is an enabling security environment; and when the local parties are ready to make the devolution of justice and policing a reality. In the meantime, we have a responsibility to set the pace by continuing to improve the criminal justice system in Northern Ireland in a way that maximises public confidence and political support.

The Bill's provisions mark an important step in the reform and development of the justice system in Northern Ireland. The Bill will help to provide for an even fairer, more efficient and more effective justice system. It will provide for a justice system that is more transparent, open and accountable, and that will instil even greater levels of confidence in all parts of the community. The Bill is another milestone on Northern Ireland's journey to a just, stable and peaceful future, and I commend it to the House.

1.31 pm

Mr. David Lidington (Aylesbury) (Con): I beg to move,

That this House declines to give a Second Reading to the Justice (Northern Ireland) Bill because the Bill will weaken rather than strengthen the criminal justice system in Northern Ireland; will undermine the independence of the judiciary in Northern Ireland; will lead to the greater politicisation of the criminal justice system in Northern Ireland; and will weaken the principle of appointment to the judiciary solely on merit.

I start on a bipartisan note by associating myself and my right hon. and hon. Friends with the deserved tribute that the Secretary of State paid to the members of the

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district policing partnerships and the Northern Ireland Policing Board, who are having to withstand all manner of intimidation, threats and outright violence as they go about their duties. All democratic politicians owe those men and women a debt of gratitude for what they are doing. I also ally the Opposition with the Secretary of State's commitment to continuing the search for a means of restoring to Northern Ireland effective devolved institutions that command the necessary support from all parts of the community there. However, the Opposition doubt that the Bill will help that search for an enduring peace in Northern Ireland.

Judicial appointments are at the core of the Bill, and the provisions that relate to them are at the core of our reservations. I shall devote most of my speech to them, but I shall first refer to other provisions that the Secretary of State mentioned. Clause 12 deals with the transfer of prisoners. I understand the reasons behind that clause and I do not quarrel with it as a matter of principle, although I question whether, in the light of the Home Secretary's catastrophic mismanagement of the Prison Service in England, there are any spare cells on this side of the water in which to accommodate prisoners sent over from Northern Ireland. I hope that when the Minister of State, Northern Ireland Office, the right hon. Member for Warley (Mr. Spellar) replies, he will be able to confirm whether the Government will later introduce amendments to extend the Bill's scope to include Scotland, as has been reported in parts of the Scottish press.

Lady Hermon: Does the hon. Gentleman also support the making of reciprocal arrangements with the Republic of Ireland to allow disruptive republican prisoners in Maghaberry prison to be transferred to Portlaoise in the Republic?

Mr. Lidington: I should be prepared to look at that proposal with an open mind, although I do not know whether the hon. Lady is suggesting a reciprocal arrangement that would allow the United Kingdom to take prisoners from the Republic. That idea is well worth serious consideration.

It is the Government's foolish and, I regret to say, disgraceful decision to concede the principle of the separation of paramilitary prisoners at Maghaberry that has given rise to clause 12. I visited Maghaberry two weeks ago, and I want to put on record my admiration for the bravery and professionalism of the prison governors and officers working there. As the Secretary of State knows, he has some brave men and women working for him in the Northern Ireland Prison Service and I know that, whatever their personal feelings, they will do their utmost to implement the policy on which Ministers have decided, and attempt to prevent separation from deteriorating into outright segregation.

I notice that the Secretary of State made no reference in his speech to the trenchant conclusion of the Select Committee on Northern Ireland Affairs—which has a majority of Labour Members—that

"the separation of paramilitary prisoners . . . was demanded by dissidents for political reasons and acceded to by the Government for (other) political reasons."

David Burnside: Does the hon. Gentleman share my concern at the Secretary of State's response to my earlier intervention, in which he confirmed that the prison governors and management at Maghaberry were in negotiations with the Provisional IRA and the leadership of loyalist paramilitaries? That means that, in reality, a political status was involved in the negotiations. That is very serious.

Mr. Lidington: I completely agree with the hon. Gentleman. If that is happening, it suggests that the boundary between separation and segregation has already been crossed, which would be to the disadvantage of us all.

Mr. Paul Murphy: The hon. Member for South Antrim (David Burnside) cannot have heard my clarification of my point. I said that "negotiations" was not the appropriate word, and that, although discussions might be taking place, those are not the same as the sort of negotiations to which I assume that he is referring, such as those that might have taken place when segregation was operating at the Maze prison. That is not the case in this instance. Hon. Members must be aware that when the Steele recommendations came out, people across the board in Northern Ireland—including the Churches, the political parties and the community in Northern Ireland—agreed with separation but not with segregation.

Mr. Lidington: I am grateful to the Secretary of State for his reassurance, but that exchange shows how difficult it will be for the Government or for the officers and prison governors at the front line to ensure that the distinction between separation and segregation is maintained in practice. The Select Committee stated that it was

"doubtful that the Government's decision to separate was wholly and simply about safety."

The Committee concluded that that decision was taken

"contrary to the balance of the facts and arguments presented to us".

Mr. Mallon: May I take the opportunity of agreeing with the Secretary of State on this issue? One cannot expect absolute purity of position on this matter, given the experience of what the prisons, and what happened in them, in the north of Ireland did to the community there for almost 30 years, and the contribution that that in itself made to paramilitarism. God knows how many people would be alive today, and whether the political face of the north of Ireland might have been completely different, had there been a Secretary of State then, and a John Steele then, who took the decision that has now been rightly taken on Maghaberry.

Mr. Lidington: No one—least of all me—is going to impugn the hon. Gentleman's commitment over many years to democratic and inclusive politics in Northern Ireland, but on this issue we have to disagree. The risk that we now run is that we might, over time, concede control of those wings of Maghaberry prison to the paramilitary organisations, and that we will once again repeat the mistakes that were made at the Maze.

Lembit Öpik: I am listening to the hon. Gentleman's strongly held views with interest. If the Conservatives feel so strongly about this issue now, and are so

confident that they could do a different job if they were in government, why did they not do so in the 1980s and 1990s?

Mr. Lidington: If the hon. Gentleman looks back at the history of the period before either of us was a Member of this place, he will find that, during the 1980s and 1990s, the then Conservative Government had recognised the mistakes that had been made in relation to the original decision to permit segregation, and were working to phase it out—as eventually happened. I remind him that the criticisms that I have quoted from the Select Committee report were agreed unanimously by every member of that Committee, regardless of party.

Mr. McNamara: I cannot comprehend the hon. Gentleman's understanding of the situation at the end of the last Conservative Government, when the Maze—formerly Long Kesh—was completely segregated and no moves were being made to stop that. Also, it was his former right hon. Friend the late Viscount Whitelaw who, as Secretary of State for Northern Ireland, was the first to grant concessions on political status.

Mr. Lidington: There are few people in any political party who, looking back on the decisions taken in the 1970s, would believe that they helped the cause of peace and democratic politics in Northern Ireland. I am anxious that we should learn from that experience and not repeat those mistakes now or in future.

Lembit Öpik: Will the hon. Gentleman give way?

Mr. Lidington: No, the hon. Gentleman has already made one intervention, and I want to make some progress.

The problems that will face the Prison Service and Ministers are highlighted by the reports in the Northern Ireland media in the last few days. They involve threats of new dirty protests and hunger strikes, and tensions between Provisional IRA suspects and members of other republican terror groups being held on remand at Maghaberry.

Mr. Luke: Like the hon. Gentleman, I visited the prison and viewed the different accommodation improvements involved in the move to separation. Does he accept that the concern of the Select Committee's investigation was that the line now conceded should be held, and that the Government have given verbal guarantees that the line will be held? That is vital for the situation there.

Mr. Lidington: I agree that, Ministers having made that decision, it is vital to make every effort to maintain that line, as the hon. Gentleman urges. However, I fear that it will be difficult to maintain the line in practice, in the face of determined efforts by terrorist groups in the prison to test that boundary at every opportunity. The Select Committee, on which he sits, was right to conclude that the Government's decision was dangerous, especially for the public servants who will have to implement it and live with its consequences.

Rev. Martin Smyth: Does the hon. Gentleman acknowledge that the former Secretary of State for Northern Ireland and subsequent Home Secretary, Mr. Whitelaw, apologised publicly to the nation through the media for the mistake that he had made? One of the first victims of that tragedy was a prison officer—a member of my congregation—who spoke out on behalf of the brave prison officers, and who was murdered coming out of the civil service headquarters.

Mr. Lidington: The hon. Gentleman makes his point well. His constituent was, sadly, one of far too many prison officers and governors who were murdered or maimed by terrorists in Northern Ireland.

I am glad to tell the House that we can fully support two clauses in the Bill. Clause 9 will give the prosecution the right of appeal against a decision by magistrates to grant bail, and clause 14 will make driving while disqualified an arrestable offence. We have no problem in supporting those proposals. They are welcome crumbs from the Government's table, but their inclusion highlights the missed opportunity that the Bill embodies. The people of Northern Ireland, whether they are nationalist or Unionist, want to be protected against crime and antisocial behaviour. For the most part, they want that task to be carried out by the lawfully constituted police force, prosecution service and courts, rather than by the freelance activity of terrorist groups, whether loyalist or republican. Surely it is our job as legislators to give priority to whatever measures will be effective in enabling decent citizens in Northern Ireland to live their lives in safety.

The Chief Constable of the Police Service of Northern Ireland has made it clear that he wants to see changes in the law to strengthen his hand against criminals. The police would like antisocial behaviour orders and parenting orders to be made available in Northern Ireland, along with local curfew schemes, powers to remove truants to designated places and the extension to Northern Ireland of the special provisions in the law relating to racially aggravated offences. I would have thought that that last proposal deserved particular priority, given the appalling attacks on members of the ethnic minorities in Belfast in recent weeks. The figures that I have seen suggest that there has been a 30 per cent. rise in reported racial attacks in Northern Ireland over the last year. However, not one of the measures that I have just listed has been included in the Bill. What is more, the Government have drafted the long title in such a way as to make it very difficult to table amendments to include them.

The Minister of State, Northern Ireland Office (Mr. John Spellar): While I fully accept that consultation can sometimes be lengthy and tedious, is the hon. Gentleman suggesting that I should truncate the consultation and introduce the legislation before we have gone through that process and allowed the various groups and individuals in Northern Ireland to comment on our proposals?

Mr. Lidington: What I am saying is that, given that the Northern Ireland Office has only this single opportunity to introduce primary legislation in this parliamentary year, it would have been better off getting the results of its consultation and then introducing a Northern Ireland criminal justice Bill that would tackle the genuine difficulties faced by law-abiding citizens and

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seek to add to their protection, rather than introducing this legislation, which I do not believe will serve that purpose.

Mr. Trimble: I am sure that the hon. Gentleman would agree that, given the tremendous delay in starting to advance some of the measures that he mentioned—some of which have been on the statute book this side of the water for years—it is highly reprehensible of the Northern Ireland Office that it should now start this leisurely, elongated procedure. In view of that delay, it would have been more reasonable to proceed with greater expedition.

Mr. Lidington: The right hon. Gentleman's description and assessment are correct. The Government's priorities are simply misplaced.

Mr. Nigel Dodds (Belfast, North) (DUP): The hon. Gentleman is right to emphasise the opportunity that the Government have missed to introduce legislation. The vast majority of people in Northern Ireland support the introduction of the necessary provisions and are therefore mystified about why consultation should take so long.

Mr. Lidington: The hon. Gentleman is right. People throughout Northern Ireland, whether Unionist or nationalist, would welcome the package of criminal justice measures that the police have sought and that I have described. Instead, the Bill tampers with the judicial appointments system in a needless and possibly harmful way. Fewer than two years—595 days—have passed since the Justice (Northern Ireland) Act 2002 received Royal Assent. Yet the Government today propose significant changes to a law that they believed was just right for Northern Ireland only two years ago.

Unsurprisingly for a Conservative, I should prefer to leave judicial appointments to the Lord Chancellor, perhaps with an appointments commission to advise and assist him. Matters were conducted in that way under devolved Administrations between 1921 and 1972 and subsequently during periods of direct rule. No Minister has suggested that the current judicial appointments system has produced a partial or incompetent bench. I am sure that the Secretary of State recalls that, for example, the late Lord Lowry, at the height of the troubles, ruled that a conviction could not be founded on the evidence of a supergrass alone. He made that judgment because he believed that it was right in law, even though he must have known that it was bound to lead to several dangerous terrorists being able to walk free. One could point to Lord Hutton's decision in 1994 to dismiss the appeal against the murder conviction of Private Clegg. That decision caused some difficulty for Ministers and other politicians.

Mr. Mallon: The hon. Gentleman appears to suggest that the system worked well from the 1920s until things started to happen in the 1990s. Does he agree that that was not a golden age for justice in Northern Ireland? I put it no more strongly than that. Does he agree that no one would look back on that period with great sentiment?

Mr. Lidington: I am an enough of a sceptic not to believe in golden ages. I do not argue that we should go back to the political arrangements that existed in Northern Ireland between 1921 and 1972. We want to move forward, but the examples that I cited refer to important judicial decisions in much more recent history. My point stands that I have heard no persuasive criticism of the current judicial appointments system, on the grounds that judges are either incompetent or partial. The only arguments to that effect that I have heard were made by people who have a considerable vested interest in undermining the judicial and criminal justice system.

Mr. Stephen Pound (Ealing, North) (Lab): The hon. Gentleman impresses greatly with the breadth of his knowledge and the depth of his research and I am therefore sure that he knows the answer to my question. Roughly how many Roman Catholic judges were appointed during that period?

Mr. Lidington: I am not sure to which period the hon. Gentleman refers. If he examines the figures for the current senior judiciary in Northern Ireland, he will see that people from Protestant and Roman Catholic traditions serve on the bench. Judges and magistrates have been murdered and intimidated by terrorists during the 40 years of the troubles. All holders of judicial office, at whatever level, have had to live in peril of their lives and have known that their families were also under threat.

Mr. Paul Murphy: The hon. Gentleman and I agree that many Catholic as well as Protestant judges lost their lives through the troubles. I am following carefully the drift of his speech. He appears not to take into account the fact that the Good Friday agreement specifically wanted the criminal justice system to be reviewed. That led to last June's criminal justice review implementation plan, which clearly emphasises the need for a judicial appointments commission. Does not he understand that we have had to go through that process?

Mr. Lidington: The Government made the changes in the Justice (Northern Ireland) Act 2002. I do not understand the need, let alone the urgency, for the Government to introduce yet further changes before the 2002 legislation has had time even remotely to bed in.

Mr. John Gummer (Suffolk, Coastal) (Con): Does my hon. Friend accept that, although all that he says is true and many examples exist of stalwart upholders of the law making inconvenient decisions for the Government, a problem of perception lies behind the review? Would he leave matters as they are or make other changes, different from those that the Government propose?

Mr. Lidington: I would try to make the 2002 Act work and let us see how we progressed from there. The biggest change for the better that we need in Northern Ireland is for all political parties to be prepared to endorse the work of the police, the courts and the prosecution service. Sinn Fein's insistence that it does not have confidence in those institutions, its desire to deter people from participating in them and its attempts to undermine them as biased and partial helps to create the difficulty of perception that my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) described.

As the Secretary of State said, the basis of the judicial appointments commission is the criminal justice review that the Government commissioned. Surely the review crafted its recommendations in the expectation that responsibility for criminal justice and policing would be transferred to the Assembly and Executive. It argued in its report that a new appointments system would be needed as devolution took place. The key paragraph is 6.102, which states that

"the factor which, above all, sways us in favour of recommending such a body is the imperative that if political responsibility for judicial appointments is to be devolved, the appointments process . . . must be clearly seen to be insulated from political influence."

The report continues:

"We do not believe that it would be feasible, particularly from the perspective of judicial independence, to leave significant discretion on appointments matters in the hands of Ministers on the Executive Committee."

That approach of the review report was incorporated in the terms of the 2002 Act.

However, if we are honest, we would admit that there is little or no prospect in the near future for the devolution of criminal justice in Northern Ireland. Although I regret it, there appears to be a diminishing prospect of any early return to devolved institutions. Following the Government's logic, I see no urgent need for a Bill allowing the establishment of a new system for judicial appointments ahead of devolution.

Lembit Öpik: I am slightly concerned about what the hon. Gentleman just said. Does he accept that strategic decisions about the legal system should not be made on the grounds that we currently have a tactical difficulty in regard to devolution? That would set a precedent that would unquestionably be used by opponents of devolution in Northern Ireland.

Mr. Lidington: Strategic decisions on criminal justice were established by the Criminal Justice Review and the 2002 Act that followed it. The Bill's proposals are being produced with very little notice, apparently as a consequence of the joint declaration of 2003. It is those proposals, in my view, that fail the test of a strategic analysis of the criminal justice system that the hon. Gentleman wants to be applied.

Clause 2 goes to the heart of the Bill. It requires those responsible for appointing lay members of the commission to try to ensure that membership is

"reflective of the community in Northern Ireland."

It could be argued, and was I think implicit in the Secretary of State's remarks, that the word "reflective" is an improvement on the term "representative", which was used in the 2002 Act; but we must see that change alongside the new duty in clause 1 that will rest with those appointing not just lay but judicial and professional members to ensure that the membership overall is reflective of the community. Nowhere in the Act was that duty laid in such a way on those responsible for judicial and professional appointments. Moreover, for the first time we see the imposition of term limits on not just lay but judicial members.

The Government have, of course, been full of reassuring words. They say that this is all about putting more women and members of ethnic communities on to the bench. I have no quarrel with that aspiration, provided that appointments are made strictly on merit. I should like more women and members of ethnic minorities to seek successful careers in the law in Northern Ireland, and to gain places on the bench in due course. I fear, however, that no matter what the Secretary of State may intend, the Bill's wording may result in every appointment being pored over in an attempt to access its impact on the overall political and sectarian balance of the commission's membership.

Mr. Roy Beggs (East Antrim) (UUP): Surely it would be impossible to achieve such a balance if those to whom positions were offered did not accept them.

Mr. Lidington: The hon. Gentleman is probably right, but there are other problems too. If the commission's membership must indeed be reflective of the community, a number of its members will presumably have to come from a certain political tradition—that of Sinn Fein, which currently remains, in the Government's own words, "inextricably linked" to an illegal terrorist organisation, and which the Irish Republic's Minister of Justice has publicly accused of making money from organised crime. Worse, a similar kind of political analysis is likely to be applied to the commission's recommendations for the appointment of new judges. The duty to produce a judiciary that is reflective of the community in Northern Ireland surely contradicts the Government's declared commitment, which it continues to make, to the principle that judges should be appointed solely on merit. If the Bill is passed unamended, two contradictory principles will govern judicial appointments.

Lest the Secretary of State think that this is just a complaint from a political opponent, let me refer him to the comments of one whose views I know the Government respect. On Second Reading of the Bill that became the 2002 Act, Lord Hutton said:

"It is clearly vital that a judge should be appointed on merit alone and that appointments should not be influenced by political considerations. That is all the more important in the highly charged political atmosphere of Northern Ireland. If judges are not appointed on merit the administration of justice will suffer, as will public confidence in that administration."—[*Official Report, House of Lords*, 3 May 2002; Vol. 634, c. 969.]

Let us consider the possible reasons for this Bill. It is, apparently, nothing to do with a problem over the quality of the judiciary in Northern Ireland; nor do the Government consider their 2002 Act to be in any way defective. The only reason for the Bill seems to be that the joint declaration of 2003 provided for it, but that declaration mentioned many other things. It spoke of the need for Sinn Fein to support the police. It said that all paramilitary groups should put their arms beyond use. Above all it said, in paragraph 13, that

"paramilitarism and sectarian violence must be brought to an end, from whichever part of the community they come."

That has not happened. Provisional Sinn Fein continues to boycott the Police Service. Guns and explosives remain in store. The Secretary of State himself has said in the last fortnight that the Provisional IRA has committed a "serious breach" of paragraph 13. Yet the Government's response has not been to impose sanctions against those who are allegedly responsible for kidnappings, for beatings or for sending fellow citizens

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into exile; rather it has been, through the Bill, to press ahead with changes to the criminal justice system that the republicans themselves have been active in demanding.

Mr. Paul Murphy: It would be inaccurate to describe the Bill as in any way a concession as far as Sinn Fein, or indeed any party, is concerned. As the hon. Gentleman said, it arose from the joint declaration; but it also arose from a commitment made before that, at the time of the Good Friday agreement. We are moving ahead in terms of criminal justice, which I think is something that everyone wants. It is not a concession to anyone; it is part of an agreement. I know that my hon. Friends in the SDLP, for example, would take exception to the hon. Gentleman's views.

Mr. Lidington: I am perfectly willing to concede that SDLP Members will take a principled position of support for the reforms being incorporated in the Bill.

David Burnside: I am sure that, on reflection, my hon. Friend will agree that this would be better described as an SDLP Bill. The joint declaration did not, of course, have the consent of the Unionist population.

Mr. Lidington: In pressing ahead with the Bill and giving it such high priority, the Government are making the mistake of letting themselves be seen to be making yet another one-sided concession in Northern Ireland, at a time when the major problem with the political process is the near despair of so many members of the Unionist community about the progress so far towards ending paramilitary activity. I think that the Bill will do nothing to reassure the thousands of decent people who desperately wanted the Good Friday agreement to succeed, and who believed the Prime Minister's handwritten pledges that it and all that followed would bring about a final end to terrorism—the acts of completion of which the joint declaration speaks.

We need more from the Government than the words of condemnation at the beginning of the Secretary of State's speech. In the light of events of recent weeks, it is not enough to carry on as if nothing at all has changed and to conduct business as normal with militant republicans. A clear message must be sent to paramilitary groups, republican and loyalist, that they cannot expect to be treated as full democratic partners in Northern Ireland if they persist with paramilitary activity, which they agreed to forswear at the time of the Good Friday agreement.

The Government should put the Bill on ice and replace it with a criminal justice Bill that deals with the immediate problems of crime and disorder in Northern Ireland. Their failure to address the priorities of the people of Northern Ireland is the reason why we intend to press our amendment tonight.

2.11 pm

Mr. Seamus Mallon (Newry and Armagh) (SDLP): I shall refer to two points that struck me forcibly in case I forget them.

First, the hon. Member for Aylesbury (Mr. Lidington) referred to racially motivated attacks, and he was right to do so because they are increasing. One of the difficulties is that people who are in or on the fringes of paramilitary groups carry out those attacks in such a way that many of those who suffer cannot receive compensation because the Chief Constable cannot give them Chief Constable certificates, which means that they cannot be recompensed through the Compensation Agency. The issue is serious, and I am glad that the hon. Member for Aylesbury raises it.

Secondly, it is ironic that the Ulster Unionist party has remarkable confidence in the international monitoring commission and lacks confidence in a judicial appointments commission made up of people from the north of Ireland—indeed, it opposes such a commission. Perhaps we should examine that irony in the context of this debate.

I have advocated devolution of the powers of policing and criminal justice for a long time. In the 1970s, devolution—even administrative devolution—was a pipe dream, and to think about devolution of policing powers and criminal justice was a mild form of insanity. When I raised the issue in my party in the middle to late '70s, I was reminded that we were a sensible party that did and said sensible things, and that we hoped to remain that way. It shows how far we have come that we are once again legislating on such matters on the Floor of this House.

I assure the House and the Secretary of State that I welcome the Bill, because some of the points that I make later may not indicate that. I support the concepts behind the Bill and want to support devolution, which is one of the key elements that we must address.

What type of being is the body politic in Northern Ireland? It has administrative devolution for what are known as the normal Government Departments, a system of north-south arrangements and arrangements between Ireland north, Ireland south and Britain, but it does not have responsibility for the most important issues in its own life—sustaining the police service and the criminal justice system. It is an unfortunate orphan. Such devolution cannot survive because the body politic refuses to take the important issues and say, "Yes, we have confidence in devolution. We will take the good bits along with the bad bits because we have confidence in what is known as devolution and in the need for us to deal with policing and criminal justice."

For too long, we have all, whatever our political point of view, had the luxury of criticising those who are responsible for such matters—those who have sat on these Benches down the years, those within the police and those within the judicial system. That we can take responsibility is a sign that devolution is a maturing political process. We should proceed with the Bill and with the devolution of powers.

Mr. Dodds: What does the hon. Gentleman say to the many people in Northern Ireland who are concerned that if devolution were to proceed under the Belfast agreement arrangements the person in charge of policing and justice could be inextricably linked to a

terrorist paramilitary organisation? How does that bolster confidence in justice and policing in Northern Ireland?

Mr. Mallon: I thank the hon. Gentleman for making that point, which brings me to my second broad point. Believe it or not, people within what would widely be called "the nationalist community" express concern that somebody from the Democratic Unionist party might end up as Minister for Justice. Believe it or not, some people who are on the DUP side of thinking express concern that one of the "others"—the "others" being the Ulster Unionist party—might end up in that post. One thing is sure; it will be one of us, and that person will have a more immediate relationship with the needs of the north of Ireland.

I know that the Secretary of State will forgive me for saying this, and it applies to any Secretary of State for Northern Ireland or, indeed, any Lord Chancellor: if we are ever to make a success of devolution, which means making a success of Northern Ireland, we must overcome these problems. The hon. Gentleman's point is valid: how does one hand over power in a devolutionary situation in which some participants are involved in paramilitarism? I honestly believe that one cannot hand over power in those circumstances.

Power must be handed over in a situation in which paramilitarism has ended and people have worked together for a period of time through devolution in other areas. In that case, devolution would be tried and tested and it would have been shown that, in the absence of paramilitarism and violence, the system—whatever it is—is workable and can be sustained. That is one of the harsh points that we must examine, because power cannot be handed over until that happens. That is all the more reason why I say to those who are involved in paramilitary activity—those in the republican movement and those in the loyalist organisations—that they are preventing the people of the north of Ireland from exercising the responsibility that they should be able to exercise in those crucially important roles. With their adherence to violence, they are standing in the way of the type of development that we are very capable of sustaining, whoever happens to be chosen to be the Minister responsible.

Those people who say that they are in the political process but who are at the same time connected to violence and paramilitarism should hang their heads in shame. The unfortunate people who are kneecapped or shot dead, or treated as many people have been treated, are not the only victims; one of the other victims is the political process that many of us have spent a long time creating. When I look—from the perspective of many years of involvement—at what those organisations have done to what was painstakingly created over 35 years, I question their alleged patriotism, their alleged interest in the country in which we live and their commitment to a purely political way forward.

I put those comments on record because it is incompatible to suggest that people can take responsibility for a justice and policing system at the same time as they have any relationship, contact or dealings with those who enforce their own strange form of policing. We talk about victims and I am glad the Secretary of State mentioned those people who serve on the policing partnership boards and who have been attacked. Seven have been attacked recently, some of them members of my party. Tom McBride, for example, yesterday suffered a pipe bomb attack on his house. Two members of my party who are councillors in my constituency were actually threatened across the floor of the council chamber, in the presence of the media and officials. It was not a mild threat: it was a threat of violence towards them and their families. I am not going to take that from such people, and nobody should have to take that from them. Our system should not have to take that from them either. Whatever we—I mean all of us here—disagree about, we should agree that we cannot allow a system in which good people are daily and weekly sacrificed on the altar of the atavism of what is called—it is a misnomer—republicanism. In the same way, good people in the Unionist community have been sacrificed by loyalist paramilitaries. They killed 13 people last year and were involved in 145 shootings. Like the republican movement, the loyalist paramilitaries are involved in racketeering and they actually put a lady who was over 100 years old out of her house. The mind boggles when one considers the sum total of their acts, but that is what we have to deal with.

We cannot deal with those problems from the security of the Benches here. If they are to be dealt with successfully, it will be when the political process reaches a point at which devolution is possible. I make a request of the Government—seriously and without a hint of cynicism—that they should not make this issue a bargaining point somewhere down the line. They should not allow the political process to reach a point at which the devolution of powers in the Bill becomes a price demanded by those who will not, at this stage, abide by the rules of democracy. I make that point because I have seen that happen too often, and anybody who values the political process cannot tolerate it.

We use the term "peace process" glibly these days, but as Spinoza reminds us, peace is not just an absence of war but an attitude of mind—a disposition towards benevolence, confidence and justice. It is that justice that must be part of peace, part of this Bill and part of devolution, in a way that proves and sustains the integrity of what the Bill will do.

I make those broad points because we must put the Bill in context. However, I shall move on to the Bill itself. This is the fifth time in five years that we have considered primary legislation on policing and justice.

Lady Hermon: I am sorry to interrupt the hon. Gentleman, who is making a compelling speech, but would he reflect on the happy hours that we spent in Committee on the Justice (Northern Ireland) Act 2002? He tabled amendments, which the Government accepted, to the effect that the First Minister and the Deputy First Minister should act jointly. Bearing in mind what the hon. Gentleman has just said about the difficulty and the slow pace of the devolution of justice and policing, does he now regret that that phrase was written into that Act so often? It will put off the devolution of justice and policing for a long time to come.

Mr. Mallon: I thank that hon. Lady for that point, but I do not regret my actions. Indeed, one of the criticisms I shall make later is that the commitment on the roles of the First Minister and Deputy First Minister—whoever

[Mr. Mallon]

they may be—has been diluted from what was agreed at Hillsborough. It is essential that the requirement for the First Minister and the Deputy First Minister to act jointly should be in pole position, because without it there would be no devolution—only the giving of some powers by the Government here to an Administration in the north of Ireland, and that could appear disparaging.

As I was saying, the Bill is the fifth piece of legislation on policing and justice—we have had three on policing and two on criminal justice issues.

Mr. Donaldson: Could the hon. Gentleman elaborate on the agreement at Hillsborough? I am not clear to which agreement he refers. Who agreed to the proposal that he mentions?

Mr. Mallon: It was agreed between the two Governments and subsequently became known as the joint declaration. Like the hon. Gentleman, I was not present at Hillsborough, so I cannot say in what context it was agreed, but when two sovereign Governments write such an agreement in a joint declaration that they will use as a cornerstone for future legislation, one expects that they will tell the truth. I am prepared to accept that—and I would recommend it to the hon. Gentleman, too.

I fully accept that most of these points derive from what was not dealt with in the previous primary legislation and had to be squeezed out of the Government at Hillsborough. The Secretary of State put it more gently, but that is the reality. I was concerned about the reference to Sinn Fein, because its reasons were nothing to do with the quality of legislation. Our reason was to get the legislation in accord with the recommendations of the review. There is a huge difference, and that is why we are considering this legislation, just as we had to consider policing, because an untold mess was made of it for the wrong reasons. Patten was diluted, and we had to come again to the issue. The criminal justice review was diluted, and we have had to come again today to the issue.

Mr. Donaldson: The hon. Gentleman will be familiar with the concept of nothing is agreed until everything is agreed. Since when was it agreed that the joint declaration would be the cornerstone of any legislation in this House?

Mr. Mallon: It was agreed by the representatives of the British Government at Hillsborough. It is in the joint declaration. I recommend to the hon. Gentleman that he reads the declaration made by the two Governments.

Mr. Donaldson: We were not a party to that.

Mr. Mallon: I was not there. I cannot say whether your party agreed to it. *[Interruption.]* I beg your pardon—your ex-party.

The reality is that the two Governments made an agreement that brought what was previously legislated into line with the criminal justice review. Now let us get on with it and get it right. I welcome the legislation, which is very important for a number of reasons.

Mr. Trimble: The hon. Gentleman says that the Bill is to bring the Justice (Northern Ireland) Act 2002 into line with the criminal justice review. Will he consider the question of the judicial appointments commission, and in particular the provision in paragraph 6.102 of the review, which makes it absolutely clear that the overriding reason for having the commission is the prospect of devolution, so the 2002 Act is on this point entirely in accordance with the review, but the Bill is not?

Mr. Mallon: I take the right hon. Gentleman's point, and of course he can stress that when he makes his contribution, but now I want to describe three broad areas in which I am very much in favour of the Bill.

The Bill imposes a duty to ensure that the judiciary reflects the community. I am not talking about good judges or bad judges. There is no implication that, because a person is a Catholic, a Protestant, a Unionist, a nationalist, DUP, SDLP or whatever, they are any better or worse as a judge. I am saying that it is essential, especially in a divided community, that the whole business of criminal justice is not the preserve of the lawyers—it is much too serious to leave it simply to the lawyers, much as I respect them.

Some of the people I knew over the years who became judges—people I was very friendly with—were killed, by the same organisation that I was talking about earlier. I can think of four. Some who became judges were previously Unionist Ministers and Attorneys-General, and were excellent judges, so I make no point about that, but I do want to see a judiciary that reflects the wider society and does not come from a religious, academic or social stratum that excludes others. How many judges came from outside the grammar school system in Northern Ireland? I bet if we looked it up—I confess immediately that I have not—we would not find one. Nor would we find representatives of the ethnic communities. Nor are there any ladies—there are no women, I believe, and if there are they are certainly hiding their light under a bushel. There is a whole wide concept of making the judiciary reflective of the community that is not tied into political or religious views. It is much wider and more important than that.

The Bill imposes a duty on criminal justice agencies to have regard to international human rights standards. I think that the hon. Member for North Down (Lady Hermon) will want to come in on that point—no, thankfully, she has not made the point that she was about to make, because I do not have the answer, but I will have it at a certain point. Perhaps I could do a Secretary of State for now.

The third area to which I draw attention is the position of the Director of Public Prosecutions. The fact that the Bill deals with that, too, is welcome. All three matters should have been dealt with in the original legislation, as the criminal justice review required, but for long-standing reasons they were not.

Lady Hermon: The hon. Gentleman will remember that the code for prosecutors is already legislated for in the 2002 Act. The international guidance is already on the statute book, so I am intrigued as to what further international guidance would be relevant to the criminal justice system.

Mr. Mallon: The hon. Lady will have to wait for the Minister's winding-up speech or the Committee stage to get a definitive reply to that.

I want to cover two further crucial points. The commitment made by the two Governments at Hillsborough, in line with the review, is that there would be "a requirement" on the DPP

"to refer to the Police Ombudsman cases of alleged police misconduct discovered in his casework"

That is a simple commitment: any time the DPP comes across an allegation, he has to refer it to the ombudsman, but the Bill, like its predecessor, does not do that, and instead the DPP has to refer cases only when it appears to him that there might have been some wrongdoing. He can decide not to refer allegations simply because he does not believe them, even though it is the police ombudsman's job, not his, to investigate such matters.

Why does this matter? It is crucial, so I will give an example, because it is a vital protection for the process of law and for the community. In 1991, William Stobie was charged with the possession of weapons. On being charged, he threatened to reveal that he had warned the police that the UDA was going to murder someone, and had told them where the weapon that was to be used was. The police made no move. Pat Finucane was shot dead with that weapon in his own house, on a Sunday, in front of his family. Once Stobie had threatened to reveal all, what happened? Charges against him were dropped by the then DPP. Of course, there was no police ombudsman at the time, but no explanation was ever given, and a cloud has hung over the DPP's office ever since. Had the law then been as we want it to be, and as it should have been, the DPP would have had to refer Stobie's allegation for independent investigation—by whomsoever. That is why this issue matters, and it could not matter more. Indeed, had that law been in place, we might—might—have saved lives and avoided some of the issues referred to in Judge Cory's report.

The Government gave another simple commitment: that in the respect of the appointment of senior judges, the First Minister and Deputy First Minister

"will make recommendations to the Prime Minister, who in turn will recommend appointments on this basis."

But of course, the Bill does not say that; it leaves out the phrase "on this basis". Because of the way in which the provision is phrased, the Prime Minister can consult the First Minister and Deputy First Minister and proceed to ignore their recommendations. As an ex-Deputy First Minister—I will never be one again—I do not want any First Minister or Deputy First Minister in the north of Ireland to be treated in that way. When they make recommendations, and when they jointly agree that it will not be the right of a Prime Minister to act otherwise, I want those recommendations to stick. In that regard, the Bill needs to be put right. Intriguingly, such a provision is included in the explanatory notes but excluded from the Bill. I want it to be included.

I finish with a broad point about the Cory report. As my hon. Friend the Member for Hull, North (Mr. McNamara) and I have said in the House on a number of occasions, how can we expect and demand of others that they live up to what is required of them in the agreement—requirements to which they are committed—when, in effect, the Government have yet to fulfil their responsibilities as outlined at Weston Park? I was there, and I have the piece of paper on which the Prime Minister gave the following absolute commitment:

"In the event that a public inquiry is recommended in any case, the Government will implement that recommendation."

I have listened to various explanations from Government sources, but why has that not happened? Why are the Government not honouring their commitment in respect of this crucial matter? How can we point the finger at others for not honouring their commitments when, in effect, one of the agreement's guarantors is not honouring theirs? I do not want to labour the point, which I make in a broad context. There is no chance whatsoever of fostering the attitude within the community that would allow us to take over the responsibility for the whole issue of justice and policing until that commitment is honoured.

I feel deeply about this legislation. In terms of those who are not allowing others in the community to move the political process forward, I feel deeply that that has got to end. Unless we start to understand the fears and apprehensions in the minds of others—be they Unionist minds, Democratic Unionist party minds, republican minds or nationalist minds—we will not get to the heart of this problem. The awfulness of what the paramilitary groups are doing is preventing people from understanding the problems, in terms of justice and policing, of those who will be their partners in a devolutionary situation. The paramilitaries are again killing the disposition towards benevolence and confidence that can deliver justice. To the enormity of the crimes that the paramilitaries have committed over the years, we can add that of preventing the good people in the north of Ireland from taking control of matters that are crucially important to their lives, so that the atavistic requirements of those paramilitary groups can be served before the needs of others.

2.45 pm

Mr. Alistair Carmichael (Orkney and Shetland) (LD): In introducing the Bill this afternoon, the Secretary of State properly reminded us of the progress that has been made in Northern Ireland in the past six years. We on this side of the water have always regarded that as an exercise in Northern Ireland's catching up with developments in Great Britain. Ironically, after the shenanigans in the other place on Monday night, we have the prospect of Northern Ireland taking the lead, with England and Wales being left to follow.

Liberal Democrats are pleased to give the Bill a broad welcome. We have already made our attitude to it clear in the other place, and the Minister will be aware that we are not uncritical of it. Improvements have been made in the course of discussions in the other place, and notwithstanding the Secretary of State's comments about some of those changes, we hope that the Government will think carefully before they seek to bulldoze the amendments away, and that they may be preserved. There is still scope for improving the Bill, and we Liberal Democrats will play our role in that. If I have any criticism, it is that it is something of a hotch-potch. Bills that pull in little bits in respect of bail, youth justice and courts are slightly unhelpful, but we are where we are and we have what we have.

I should make it clear at the outset that we will not support the Conservatives' reasoned amendment. If one regards the Bill as part of a process and considers it in its full political context, it is somewhat perplexing that they

[Mr. Alistair Carmichael]

should table a reasoned amendment in this particular form. I read with great care the reasoned points made by Lord Glentoran in the other place on Second Reading on 17 December. He made it clear, in a fairly measured way, that there are certain aspects of the Bill with which he does not agree. There was no hint, however, that a reasoned amendment such as this would be tabled in this place, and I am afraid that the only conclusion that I can draw is that we are now dealing with matters such as judicial appointments in a slightly more febrile atmosphere than existed on 16 December, when their lordships received the Bill for consideration on Second Reading.

The tabling of today's reasoned amendment perhaps has more to do with what happened in the other place on Monday night than with anything in the present Bill. I make these comments with some hesitation, because this situation is particularly regrettable. The Bill does not exist in isolation—it is part of a process and has emerged from the criminal justice review and last year's joint declaration. We have supported that process, and the Conservatives previously supported it, adopting a non-partisan approach.

When the hon. Member for Grantham and Stamford (Mr. Davies) was calling the shots, that approach changed. I had hoped that with the appointment of the hon. Member for Aylesbury (Mr. Lidington) we might see some progress in the other direction. Indeed, for some time I had considerable confidence that that would happen. Unfortunately, however, the hon. Gentleman seems to have lost sight—or perhaps others pulling his strings have lost sight—of the bigger picture of which the Bill is part, and accordingly we have the amendment, which the Liberal Democrats cannot support.

I wish to deal first with the question of the independent commission on judicial appointments. The right hon. Member for Upper Bann (Mr. Trimble) effectively asked the Secretary of State for a report-back on how the system is working north of the border, where we have had an independent appointments body for about three years. I must be honest and say that I do not follow these matters with quite the same interest as I did previously, but my general impression is that it is working exceptionally well. Certainly when we consider the appointments that have been made, both to the College of Justice and to the shrieval bench north of the border, we do not recognise any of the hares set running in the speeches of the hon. Member for Aylesbury and others in the other place about the creation of an independent commission.

We have a system to which the public can look with a degree of confidence. It can be seen that one does not become a senator of the College of Justice or a sheriff north of the border simply because of the school one went to, who one shared a flat with at university, who one happened to be in practice with, whose stables one was part of or any of the other matters about which suspicions always lurked in the past when the system was such that names emerged from a fog at the centre of which was the Lord Advocate.

Lady Hermon: Does the non-statutory judicial appointments board in Scotland have the power to delegate even its appointments procedures to a committee or sub-committee, or does it operate as a board? The hon. Gentleman must know from the earlier provisions in the Justice (Northern Ireland) Act 2002 that the judicial appointments commission to be set up in Northern Ireland will have the power to sub-delegate its work, including appointments, to committees, which will include people who are not even members of the JAC itself.

Mr. Carmichael: To be candid, I do not know the exact set-up in Scotland. However, applying first principles to it, I note that the hon. Lady says that it is a non-statutory body, so effectively it has power delegated from the Scottish Ministers. I imagine that those powers will be subject to the principle "delegatus non potest delegare"—one cannot delegate a power of which one has oneself been a recipient. Therefore, I imagine that it does not have that power. No doubt others will have applied their minds to that matter more carefully than I have. The power that exists under the 2002 Act is there, so I do not understand the parallel that the hon. Lady seeks to draw to my attention in that regard.

Lady Hermon: The hon. Gentleman said that the Scottish judicial appointments board had done a very good job. He was very complimentary about it. However, there is not a strict parallel with Northern Ireland, because the proposed judicial appointments commission in Northern Ireland will operate on a completely different basis. Those who have confidence that it will make appointments perceived to be much more independent than those made to date must look again at the power that it will have to sub-delegate its powers to appoint.

Mr. Carmichael: I am grateful to the hon. Lady for that intervention. I follow her point. However, it is perhaps for discussion in Committee rather than being an objection to the principle of the establishment of a judicial appointments commission in the first instance, which is essentially what we are dealing with on Second Reading.

The fact that although we have such a body in Scotland the sky has not fallen in and the world continues to turn on its axis should give some comfort to the Cassandras we have heard. The hon. Member for Aylesbury said that there were two contradictory principles—that the principle that the judiciary should be reflective of the community was somehow in conflict with the merits of the Bill. I take a rather higher view of the wider community than perhaps the hon. Gentleman does. I do not see why there is automatically a contradiction between the two principles. I do not see why a judiciary drawn from the widest possible range of the community should in any way be lacking in merit. That perhaps is the difference between me as a Liberal and the hon. Gentleman as a Conservative.

I defy anybody to say that the existing system, which relies on a lack of transparency and carries with it the suspicion that it works on the basis of nods and winks, is entirely merit-based. Having seen the performance of a number of their lordships appointed under that system, I certainly hope that there was some other

reason than merit for their appointment, because merit alone could not possibly account for their appointment: either that, or the assessment of their merit was poor.

Mr. John Taylor (Solihull) (Con): The hon. Gentleman will appreciate that I speak purely for myself these days, and not on behalf of my party. Will he not concede at least the possibility that if the best 20 judges were selected to serve a particular community they might all turn out to be Catholics, or, for that matter, to be left-handed? Surely the hon. Gentleman will concede that much?

Mr. Carmichael: Before I answer the hon. Gentleman's point, may I tell him that we miss his contributions to Northern Ireland matters. In the Committee corridor, we often hanker after the days of the Taylor test and we miss the Taylor doctrine. I am delighted that the hon. Gentleman is back with us dealing with Northern Ireland business.

The hon. Gentleman is absolutely right, that on an objective analysis, however the assessment is made, one could have 20 Roman Catholics, Presbyterians or left-handers, but one wonders just how well such a bench could serve the community as a whole, which is what we are dealing with today.

Mr. Taylor: The hon. Gentleman has been very kind to me this afternoon, but I must ask him this. Surely, once it has been accepted that the best 20 judges might all be Catholics, if the hon. Gentleman does not find that that would sit well with the acceptance of that bench by the community, is he not then intellectually already in the province of quotas?

Mr. Carmichael: Absolutely not. The difference between the hon. Gentleman and me is that I believe that we should examine the judiciary as a whole, rather than as 20 individual judges. We have to assess how the judiciary as a whole can best serve society in the widest sense. Twenty judges who are all left-handed, Roman Catholic, Presbyterian or whatever would not inspire confidence among the right-handed or ambidextrous part of the community, so they are not serving the wider community well.

Lembit Öpik: Does my hon. Friend agree that—*[Interruption.]* Actually, I happen to be left-handed. Although what the hon. Member for Solihull (Mr. Taylor) suggests is theoretically possible, does my hon. Friend agree that the prospect of having 20 Catholic left-handers chosen by accident is infinitesimal? In the real world, there seems to have been a lack of faith in the selection process in the past when improbable percentages came about, and people did not accept that the appointments were purely on merit.

Mr. Carmichael: My hon. Friend is right to lure me back into the real world and away from the world of the hon. Member for Solihull (Mr. Taylor), tempting though it is.

Mr. Pound *rose—*

Mr. Carmichael: While we are on the subject, I would certainly enjoy a small sojourn into the world of the hon. Member for Ealing, North (Mr. Pound).

Mr. Pound: I thank the hon. Orcadian for giving way. Surely the fact that 50 per cent. of the entire Liberal Democrat Front Bench is left-handed—or, as we would say, sinister—shows that such things can happen!

Mr. Carmichael: I do not think that you have been listening during the last few minutes, Mr. Deputy Speaker, and I am absolutely delighted about that—*[Interruption.]*

Mr. Deputy Speaker (Sir Michael Lord): Order. I assure the hon. Gentleman that, whatever direction the Deputy Speaker is looking in, he is always listening. It would now be appropriate to get back to the meat of the business.

Mr. Carmichael: I apologise wholeheartedly, Mr. Deputy Speaker, for momentarily forgetting the full panoply of the powers at your disposal, and I am certainly more than happy to return to the subject of the Bill.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): The fact that 50 per cent. of their Front Benchers are right-handed and 50 per cent. left-handed shows that the Liberal Democrats can look both ways at the same time. Nevertheless, does the hon. Gentleman not accept—we will have to discuss the matter in detail in Committee—that there is clearly a tension between appointment on merit and appointment that is reflective of the community as a whole? The judgments that have to be made are difficult, but the Secretary of State was quite clear, in his introduction to the Bill, that merit was the first consideration and that being reflective of the community was secondary. Does the hon. Gentleman not concede that there is surely a tension between them?

Mr. Carmichael: Of course there is a tension, and it is a perfectly healthy, normal and natural tension. However, I do not believe that it is a tension that defeats the general principle of the establishment of the commission in the first place. My view is different from that expressed in the reasoned amendment, which the hon. Gentleman is inviting his colleagues to support this evening. We can only have the discussion that the hon. Gentleman said was necessary in Committee if the reasoned amendment is rejected.

Mr. McNamara *rose—*

Mr. Carmichael: I feel that I have already given way more than is healthy.

Mr. Pound: There is a new Deputy Speaker in the Chair to offend.

Mr. Carmichael: That being the case, I shall try to truncate my remarks and allow the hon. Gentleman, who is as capable as I am at antagonising, to speak.

I want to move on. Clause 6, which deals with influencing a prosecutor, takes us into territory that the Government often visit—criminalising conduct that is already criminal. I asked the Secretary of State how the provision differed from attempting to pervert the course

[Mr. Carmichael]

of justice, and he provided a lengthy answer about people who might want to write to a prosecutor to give reasons why someone should not be the subject of criminal proceedings, but also referred to other sorts of conduct that are not currently criminal. I am afraid that, by the end of the Secretary of State's answer, I was none the wiser; in fact, it will be no surprise to any hon. Member in the House if I say that I was not even better informed. *[Interruption.]* If the Minister can explain the difference between the offence in the clause and attempting to pervert the course of justice, we will listen carefully. I see no particular need for the clause, so it is for the Government to explain what they hope to achieve by it.

Clause 7 deals with providing guidance to criminal justice agencies on human rights standards. On my initial reading, I thought it quite sensible, but the hon. Member for North Down (Lady Hermon) subsequently asked a couple of questions about what international standards would be the subject of the guidance. From my own experience, having reflected on the conditions of prisoners on death row in America, I know that there are a number of international conventions to which the UK is party—for example, on the treatment of prisoners—that might well fall under the wider ambit of the clause. That is just my best guess; I hope that the Minister will provide something more specific in his reply.

On clause 12, we heard an interesting rewriting of history from the hon. Member for Aylesbury on the issues of segregation and political designation. I thought the hon. Gentleman received good advice from the hon. Member for Cotswold (Mr. Clifton-Brown) who I thought told him as he dug himself energetically into a hole—I hope that the *Hansard* report will catch it—to "move on". Eventually, the hon. Member for Aylesbury took his hon. Friend's advice.

Mr. Clifton-Brown: Whatever the hon. Gentleman may have heard sotto voce, I do not recall and I do not believe that I told my hon. Friend to move on. I would not dare give him such an instruction.

Mr. Pound: Did you say, "Move on"?

Mr. Carmichael: If the hon. Member for Cotswold tells us that he did not tell his hon. Friend to "move on", he may have just uttered the words at random for whatever reason.

Lembit Öpik: Does my hon. Friend agree that if the hon. Member for Cotswold (Mr. Clifton-Brown) did not advise his hon. Friend to move on, he should have done? As I recall, the hon. Member for Aylesbury (Mr. Lidington) claimed—amazingly, in my view—that the Conservative Government had worked to remove segregation. Does my hon. Friend recall that they did not do a thing to stop segregation? In fact, segregation was powerfully established by 1997, so it is neither reasonable nor plausible for Conservative Members to rewrite history on such a core issue.

Mr. Carmichael: I thank my hon. Friend, whose recollection of events more accurately mirrors my own, for his intervention—and I see other hon. Members who have a longer pedigree than me on that matter also nodding in agreement. Now that my hon. Friend has put the record straight, we might just leave it and move on, but my noble Friends in the other place expressed a concern about ensuring that the matter of separation should be tied to individual prisoners, rather than on the basis of classification. If classes of prisoners are to be separated, it is difficult to see the distinction between that and segregation.

We were pleased to support Lord Hylton's amendment—

Mr. John Taylor: I would like to correct a misapprehension—inadvertent, I am sure—on the part of the hon. Member for Montgomeryshire (Lembit Öpik), who said that Conservative Governments had done nothing about segregation in Northern Ireland. I am not sure whether the hon. Gentleman was a Member of the House at the time, but I remember, because I was the Whip, the Fair Employment (Northern Ireland) Act 1989, with its quotas and timetables for the workplace. I was here; I am not imagining the Committee stage of a long Bill. The Act was difficult to get through, but we did it.

Mr. Carmichael: Perhaps the hon. Gentleman did not have the benefit of hearing his hon. Friend the Member for Aylesbury and the exchanges that punctuated his speech, because I do not think that the point that he is making is about segregation within prisons, which was the point at issue. If he wishes to explain his point at greater length, no doubt he can catch your eye later, Madam Deputy Speaker, but I am mindful that others want to speak, and I want to bring my remarks to a conclusion.

As I was saying, the Liberal Democrats in the other place were pleased to support an amendment tabled by Lord Hylton, the chair of the Northern Ireland Association for the Care and Resettlement of Offenders, which was designed to tighten the clause by wording it as follows:

> "If it appears to the Secretary of State that, because of his serious misconduct, or, with his consent, for his own protection"

a person should be transferred to England or Wales. That is similar to amendments that we expect to table on Report, and I hope that the Government will give them fair consideration before then.

Mr. Andrew Hunter (Basingstoke) (Ind Con) *rose—*

Mr. Carmichael: I am sorry, but I really do want to bring my remarks to a close. I have been fairly generous in giving way to hon. Members.

There are several gems in the Bill. The provisions on bail seem entirely sensible, as does the power for arrest without warrant for driving while disqualified. On the whole, the Liberal Democrats are pleased to support the Bill; we think that it is an important contribution to a process of which we are generally supportive. We shall have more to say at a later stage, but today we are content to support the Government.

3.12 pm

Mr. Kevin McNamara (Hull, North) (Lab): Before I start on the main part of my speech, I should like to refer to some of the remarks that have been made in the debate, especially by the hon. Member for Solihull (Mr. Taylor), in the context of the attitude of Conservative Front Benchers to the Bill. With the Fair Employment (Northern Ireland) Bill, the whole idea was that merit alone would matter. For any job or job application, nothing but merit would count.

Mr. Trimble: Will the hon. Gentleman give way?

Mr. McNamara: May I finish making my point? Then I shall certainly give way.

I sat through most of the proceedings on that Bill, and I do not remember it being such a tremendous fight for the then Government to get it through. As I recall, it was given a very fair wind by the then opposition, to such an extent that the Government accepted many of our amendments, and we helped the Bill along.

Mr. Trimble: I was most impressed listening to the hon. Gentleman emphasising the idea that in employment, merit should be all. When did he change his mind?

Mr. McNamara: I have not changed my mind; I wanted affirmative action programmes. I was simply saying that the Government at the time said that it was all merit, merit, merit—yet now the Conservatives are decrying that idea.

The joint declaration was part of the tortuous negotiations that have followed the Good Friday agreement. That itself reflected a compromise resulting from political negotiations between the parties, with the assistance of the British and Irish Governments—a process supported by the United States, the institutions of the European Union, non-governmental organisations, Churches, trade unions and an array of state and non-state bodies.

In the course of those negotiations, when it was felt that matters required further thought and consideration for the sake of building trust and confidence in the process, the task was outsourced. It was taken on by a diversity of individuals forming independent commissions of unimpeachable integrity. Membership of those bodies required expertise and vision to take the project through, plus courage and, some might say, unimaginable perseverance.

In discussing the delivery of criminal justice in Northern Ireland, we must pay tribute to the work of the Patten commission on policing, and to the criminal justice review team, which together supplied the template for a system that would be an international model for defending and promoting respect for human rights and upholding the rule of law.

One offshoot of that was the establishment of the Police Ombudsman for Northern Ireland. Mrs. Nuala O'Loan, who is now in that office, demonstrated at an international conference in Belfast last November that that Northern Ireland institution is now regarded throughout the world as a model, an exemplar and a leader in civilian oversight of the police and police accountability.

When they were fulfilling their responsibility to introduce legislation on policing, the Government were warned that the drafts did not meet the requirements of the Good Friday agreement or of the Patten commission. When that first happened, we were laughed out of court, but their first policing Bill emasculated the Patten report, and three years later, Ministers were back with a second Bill to redress the shortcomings of the first. On criminal justice, Ministers were again warned that the Justice (Northern Ireland) Bill, which became the 2002 Act, did not meet all the expectations. Two years later, we are back again with another Bill.

My noble Friend Baroness Amos has referred to that as a matter of steady evolutionary progress, a journey of reform and modernisation. It was not; it was three years of wasted opportunities. Each time a Government fail to meet their commitments or modify them, or seem to be swaying one way or the other, they undermine trust and confidence in the process as a whole. That is the Government's share of responsibility for the crisis in which the process now finds itself.

I welcome the successful conclusion to the negotiations at Weston Park and the joint declaration by the British and Irish Governments published subsequently. In so far as the Bill introduces measures set out in the declaration, it is to be welcomed, and I do welcome a great deal of it. However, I feel that it does not go far enough.

On accountability, I do not feel that there is sufficient transparency in the appointment or the exercise of the responsibilities of the Director of Public Prosecutions. As for the composition, I do not feel that the systems in place are sufficiently robust to ensure that the criminal justice system reflects, and is seen to reflect at all levels, the community that it serves. On ethos, I do not feel that sufficient progress has been made in transforming the image, symbols and traditional practices of the criminal justice system to create what Patten looked for—a sense of shared ownership of the system across the divided community.

Those issues still have to be addressed if we are to succeed in completing the process of devolution—and I want that to succeed. I welcome the Government's decision to bring forward the introduction of the judicial appointments commission in advance of the devolution of justice powers. In the light of past legislation that failed to meet expectations, I believe that it is important to put our commitment to openness, transparency and accountability beyond doubt. By putting it in statute, we underline the Government's perseverance and determination to see that devolution is returned on the principles of the Good Friday agreement.

I also welcome the proposal for a programme of action to focus on equality issues that affect judicial appointments and commitments to establish a consultative forum. I hope that my right hon. Friend the Minister of State can assure me that the forum will also include members of non-governmental organisations and community support groups.

Of course, not every aspect of change requires primary legislation. I am pleased that the Government have been persuaded of the need for a justice oversight commissioner. That was the result of pressure from colleagues in the Social Democratic and Labour party and on the Labour Benches. That pressure has worked, to a limited degree.

[Mr. McNamara]

Clause 5 deals with the duty of the Director of Public Prosecutions and provides that matters of police malpractice should be referred to the ombudsman. However, as I pointed out in an intervention on my right hon. Friend the Secretary of State, the clause does not go as far as was promised in the joint declaration. The Police (Northern Ireland) Act 1998 leaves the DPP with a discretion in such matters. As my hon. Friend the Member for Newry and Armagh (Mr. Mallon) noted, if examples of police malpractice had been passed directly to someone similar to the proposed new ombudsman, some of the terrible things that have happened in Northern Ireland might have been avoided.

Clause 5 confers excessive discretion on the DPP to decide whether a matter must be referred to the ombudsman. The review recommended that

"a duty be placed on the prosecutor to ensure that any allegations of malpractice by the police are fully investigated."

Clause 5 does not do that. It is quite proper that the DPP should retain responsibility for making decisions about prosecutions, but his duty to ensure effective investigation requires that his own suspicions, or allegations that are brought to his attention, should be referred automatically to the ombudsman.

Clause 7 is entitled

"Guidance for criminal justice organisations on human rights standards".

It has raised a number of interesting questions already, and I wait to hear what my right hon. Friend the Minister of State will say when he sums up. However, in the Joint Committee on Human Rights, we have been examining the matter, and have asked the Government to detail which international covenants and agreements in respect of human rights they have signed up to and those with which they have had problems. For example, the Government have not agreed to all the protocols in the European convention on human rights. Some have suggested that it is not quite accurate to say that Britain is a paragon of virtue when it comes to international standards of human rights, given the 13 people presently being held under maximum security without proper trial.

In many respects, our system can bear examination according to the best standards in human rights. I hope that such an examination is carried out properly. That is why I do not understand why the Government say that it will be for Attorney-General for Northern Ireland to issue guidance to the criminal justice agencies on the exercise of their functions in a manner consistent with relevant international standards. It is a useful proposal, but I do not understand why the wording used is considered better than a requirement to have "due regard" for a list of relevant standards, which could be included as a schedule to the Bill. Providing that the agencies must comply with a list issued by the Attorney-General is not as full a provision as the joint declaration led people to expect.

Clause 7(8) exempts the prosecution service from having any regard to human rights guidance issued by the Attorney-General for Northern Ireland where it would be inconsistent with the code of practice issued under section 37 of the Justice (Northern Ireland) Act 2002. Given that section 37 is meant to meet those standards, I do not understand why the exemption is proposed. I hope that my right hon. Friend the Minister of State will explain why the code of practice for the prosecution service should be singled out in that way, or why it should be permitted to be inconsistent with guidance on international human rights standards issued by the Attorney-General.

I have already complimented the Government on appointing the justice oversight commissioner, but I want to turn to another matter that arises by way of background to the Bill. In his first report of December 2003, Lord Clyde noted that there appeared to be significant delays in implementing recommendations 5 and 6 of the criminal justice review on equity monitoring.

Equity monitoring is an extremely important aspect of criminal justice reform in Northern Ireland and crucial to building confidence in the system. Both the criminal justice review implementation plans confer lead responsibilities for equity monitoring on the criminal justice board, but I hope that the Minister of State will clarify the matter when he winds up. Lord Clyde states in his report that the board intends to publish the first results on equity monitoring only in 2008–09—an enormous length of time after the board's establishment. The matter requires detailed explanation.

In the languages of the review, equity monitoring consists of

"effective equity monitoring of the workforce and of job applicants"

as well as

"monitoring, with a view to recording, any potential differential treatment of people who pass through the criminal justice process or are affected by it."

I see no reason why it should not be possible to publish a breakdown of figures for the work force of each criminal justice agency well before 2009, which will be long after I have left this House.

I cannot understand either why the board should be treated in that way, when all other private and public employers have a responsibility to produce their plans for equity monitoring. In such a sensitive area, it is wrong for there to be so long a delay. Lord Clyde provides a religious breakdown of the criminal justice division of the Northern Ireland Office as it was in 2002, but it seems that the same is not possible for the board.

With regard to the criminal justice division, when will the figures for 2003 be available? We are also entitled to ask for publication of dates and statistics for all the other criminal justice agencies, such as the public prosecution service.

Clause 4 deals with the appointments of the Lord Chief Justice and the Lords Justices of Appeal. My hon. Friend the Member for Newry and Armagh has already raised the matter, and I do not want to waste the House's time, but the updated implementation plan stated that the Prime Minister would make the appointments

"based on the recommendations of the First and Deputy First Minister".

However, the Bill seems to give the Prime Minister carte blanche to impose any person that he wants. It provides only that he has to "consider" a recommendation made

by those Ministers: he does not have to accept it. Presumably, after he has spoken to the Lord Chief Justice, he will be able to go outside their recommendations, even though the whole point of the Bill was to give control of and responsibility for the justice system to the people of Northern Ireland, through their elected representatives. I thought that giving people in Northern Ireland a sense that they belonged to the system and owned it was to have been part and parcel of the proposals.

I welcome much that is in the Bill and trust that much more will be improved in Committee. It is regrettable that, once again, the Government, having set off with good intentions, succumbed to temptation along the way, left the true path and had to be dragged back by the logic of the Good Friday agreement and of what was accepted in the various undertakings that they gave, which were encompassed at Weston Park and in the implementation plan. I hope that this will be the last time that the Government have to come back to the House with further amendments to legislation that they originally said was the finest example of the implementation of the Good Friday agreement.

3.30 pm

Mr. Nigel Dodds (Belfast, North) (DUP): Normally, when major legislation on criminal justice and the reform of the courts has been passed, the Government allow a period of time to pass so that the various changes can settle and bed in, and we can consider how they are operating in practice. Yet a mere two years after the passage of the Justice (Northern Ireland) Act 2002, we are considering a further measure on the implementation of the justice system in Northern Ireland. Furthermore, as other Members have pointed out, the Bill follows three recent pieces of primary legislation on policing in Northern Ireland.

Many of the provisions of the 2002 Act are not yet in force. Legislation for England and Wales, which could also apply to Northern Ireland, is introduced in the other place, with the difficulties that have already been mentioned. What is the Government's motivation in their rush to introduce legislation? The hon. Member for Hull, North (Mr. McNamara) and others have given us the answer. They have referred not to what should be the driving force for the measure—the interests of justice and the efficient and effective delivery of justice for people—but to the delivery of commitments given by the Government, as part of the political process arising from the Belfast agreement, in consultation and agreement with the Dublin Government and certain other parties in Northern Ireland. In my view, that is not the right and proper way to introduce legislation on such a crucial issue.

Such legislation should not be based on political considerations and political agreements hammered out after hours of negotiations between parties for party political reasons but on what is right and proper for the delivery of a good and effective criminal justice system in Northern Ireland. That should be the guiding principle, yet today, time and again, we have heard contributions that show that the driving force for the measure was Weston Park, the Belfast agreement, the joint declaration and the various reviews that have arisen from those agreements.

That is part of our problem. There is no better illustration of our fears and concerns about the politicisation of the criminal justice system and of the danger of political interference than the driving force for the Bill. We are yet again debating a measure that has arisen from the joint declaration—from commitments entered into by the two Governments and the other parties that agreed the process of negotiations that led to the joint declaration. That is why we are debating this Bill so soon after the 2002 Act—because of commitments entered into as part of the joint declaration.

The joint declaration, flowing as it does from the Belfast agreement process, is part of the attempt by the Governments—indeed, a hallmark of the process since 1998—to buy the acquiescence of certain parties, and the republican movement in particular, through concessions. The Governments want to involve those parties and to get them where the Governments want them, but they are doing that by offering more and more concessions. When those concessions do not work, the Governments offer yet more concessions. That is what the joint declaration is all about.

Throughout that process, events have shown that it does not work—especially recently. Terrorists and those allied to them pocket the concessions, but so far they have demonstrated no willingness to move to exclusively peaceful and democratic means. The reason that there has been such an erosion of public confidence in so many aspects of the political process in Northern Ireland is that, time and time again, concessions given as part of the Belfast agreement process to parties allied to terrorists and paramilitaries have been pocketed, yet those parties have not been prepared to commit to exclusively peaceful and democratic means.

The Tohill incident is but the latest manifestation. The republican movement talks a good game on peace and democracy, yet all the time it remains wedded to violence, to the terrorist machine that is the IRA, to holding on to its stockpile of weaponry and to carrying out crimes in broad daylight on the streets of Belfast, if it can get away with that. That is the issue for the vast majority of people in Northern Ireland and that is what concerns them about the Government introducing legislation such as this at this time. Why do we constantly introduce legislation and take decisions in this place to fulfil commitments arising from the joint declaration, the Belfast agreement and all the rest of it, when it is clear that the republican movement and Sinn Fein in particular are not prepared to commit to exclusively peaceful and democratic means?

Both the Belfast agreement and the joint declaration, in which the Bill originates, envisaged the devolution of policing and justice powers to Northern Ireland. Although devolution of at least some elements of policing and justice is desirable if appropriate institutions and arrangements are in place in Northern Ireland, it would be wholly unacceptable in the context of the current arrangements under the Belfast agreement. Indeed, there is no doubt that devolution of such powers in those circumstances would only make things worse.

Appropriate arrangements may be made at some point in the future; we shall have to wait to see what the discussions and negotiations bring forth. However, I reiterate the point I made to the hon. Member for Newry

[Mr. Nigel Dodds]

and Armagh (Mr. Mallon): the prospect that anyone who is associated with, or inextricably linked to, a terrorist organisation should have any role, or any say or control, in policing or justice in Northern Ireland is wholly unacceptable. However, there is no doubt that the provisions of the joint declaration envisaged that a member of Sinn Fein-IRA could be in that position. Not only would that send a very bad message, it would be a travesty. It would be deplorable not just for the Unionist community, but for the nationalist community as well if someone from that background were put in a position of control over policing and justice. That simply cannot happen. I am reminded of the words of the Minister for Justice in the Irish Republic.

Mr. Mallon: Just to be clear, is the hon. Gentleman in effect saying that, if Sinn Fein cut all its ties with paramilitary groups, got rid of its weapons and ceased kneecappings, its intimidation of people and its racketeering—if all those things ceased—it could not be in the position that he is discussing? We need to be clear. I am trying to derive such clarity from him, and I have no doubt that he will give that clarity now.

Mr. Dodds: I am grateful to the hon. Gentleman for his intervention, but we have set out our position very clearly in our recent publications—we have entitled them "the Blair necessities"—and those conditions have been laid down not by the Democratic Unionist party, not by Unionists, but by the Prime Minister and others who have made it very clear that there must be acts of completion: a total end to all paramilitary activity and the disbandment of the IRA, so that it goes away completely and for ever. People in Northern Ireland will have to have confidence that that is in fact what has happened. That must be proved, and we will have to measure that over a period. The reality, however, is that there can be no prospect of our allowing such people into positions of executive power over policing and justice—or, indeed, into any role in executive Government in Northern Ireland. What differentiates us from the Ulster Unionist party and other parties in the House is that we will not tolerate the entry of such people into government in Northern Ireland in this or any other area of responsibility while there is any doubt about their role in terms of the ballot box in one hand and the paramilitary violence in the other.

Mr. Mallon: Could the hon. Gentleman go a little further and say who—what agency, what body—will establish whether paramilitarism had ended, weapons have been got rid of and all the other paraphernalia of violence has ceased? Who will establish that if it is not formally established through a political process?

Mr. Dodds: The hon. Gentleman is talking hypothetically, because there is little evidence at the moment of Sinn Fein-IRA being prepared to commit to exclusively peaceful and democratic means. A judgment will have to be made, but that will be for the people of Northern Ireland, as the Prime Minister said in a response to my hon. Friend the Member for North Antrim (Rev. Ian Paisley) during Prime Minister's questions some time ago. He said that everyone would have to be satisfied about the acts of completion, and that will have to be measured against the test of whether people in Northern Ireland have confidence and are satisfied IRA violence is over once and for all. We cannot measure that by leaving it to some independent body to establish, by setting it to one side or by defining a set of circumstances or tests. That will be known if and when those circumstances ever come about, and it will be for the people to make a judgment on that at that time. As far as we are concerned, the reality—certainly if the Prime Minister holds to the position that he has set out and others hold to the position that they have set out—is that there can be no role for IRA-Sinn Fein in government in Northern Ireland in the present circumstances.

Mr. Peter Robinson: Does my hon. Friend agree that the satisfaction of the public would be all the greater if those in the IRA do not behave in the mealy-mouthed way that they did last October, when they tried in a convoluted fashion to give the impression that they may have been ending violence and tried putting weapons beyond use in a way that was not transparent? The clarity and quality of what they do will lead to satisfaction in the community.

Mr. Dodds: Of course my hon. Friend is absolutely right. When one considers the events of last October and the debacle surrounding the decommissioning episode, one also thinks of the statement that Gerry Adams made at the time, which was heralded as being a major statement akin to, "The war is over." In fact, all bar some politicians who were keen to see the process succeed had no idea whatsoever about what those in the Sinn Fein leadership were trying to say. One would have needed a degree in republican methodology and history to understand what they were trying to say. There was certainly little clarity in any of that, so my hon. Friend is right to point out that such clarity is vital if people are to be certain. Everyone on the ground in the communities must be clear and certain about what is happening. People in the rural parts of Northern Ireland and in the towns and cities must be clear—this will not have to be explained to them—that the IRA has gone and that the violence is over once and for all.

Legislation and the criminal justice system should not change as the result of political negotiations such as the joint declaration and the Belfast agreement. They should be measured against the test of whether they will improve the criminal justice system's ability to make people feel safer in their own homes, as the then Secretary of State for Northern Ireland said in introducing the 2002 Act on Second Reading. Instead, what we have heard today from the Government and a number of other Members in support of the Bill is that such things should be measured against the test of whether they are in the joint declaration or the criminal law review implementation plan. Those are not the crucial issues. The crucial test is whether the Bill delivers a better criminal justice system. Will it enhance trust and confidence in the judiciary? Does it protect judicial independence, or does it increase political interference? Will it result in a more efficient and effective delivery of justice? Those are the tests and measures that we should be proposing, not those advanced by Members in support of the Bill today.

Turning to some of the Bill's detail, I agree with other Members that there is little controversy about some of the clauses, and they will have the support of everyone—in particular, clause 9, which introduces the right of appeal against the grant of bail in a magistrates court. That is in line with what the Chief Constable and the police want, and there is no controversy about that. Clause 14 gives the police the power to arrest in cases of driving while disqualified, and those are sensible modifications to the legislative regime in Northern Ireland.

That, however, prompts the question raised by the hon. Member for Aylesbury (Mr. Lidington). If such measures are being introduced, why cannot the Government go further and introduce a number of other provisions that the police and communities want brought into force? I understand that the Government's position is that there will be a period of consultation, but there has been much foot dragging. I have no doubt that, when people in communities across the Province are consulted, they will say a big yes to the introduction of measures such as those for antisocial behaviour orders. I have spoken to the Minister about that subject and I know that he has an interest in it.

Mr. Spellar: The hon. Gentleman knows that communities across Northern Ireland have resoundingly said yes, and we have put detailed provisions out for consultation. Furthermore, I have shortened the consultation period precisely so that we can implement the measures as soon as possible. There is a crying need for them, and we know from experience in England that they work. We want to introduce them as soon as possible. We have been taking action, so I do not think that we can be accused of dragging our feet.

Mr. Dodds: I am afraid I have to disagree. The Bill provided an opportunity to introduce legislation, and there would have been little argument about the propriety of doing so. I am at a loss to understand why that and other provisions should be missing. If the Bill passes through the House tonight, I hope that we will have a chance in Committee to return to some of these issues. We have an opportunity that should not be missed.

The biggest issues for many people are the fear of crime, the reality of crime on the streets and the lack of a proper police response, as they see it, to deal with many problems. When one talks to the police, one finds that the issue for them is not just the lack of proper resources, but the lack of proper powers to deal with some of the problems. They would be keen to see progress on some of those issues.

I shall move on to some of the more contentious provisions in the Bill. Clause 1 allows for establishment of the judicial appointments commission immediately in advance of devolution of criminal justice matters to Northern Ireland. Throughout the debate, the Government and the Bill's supporters have relied on the need to implement the criminal justice review. They have said that it provides an argument in favour of some of the provisions being introduced. They have argued that the Bill is not entirely faithful to the review and other recommendations, but the clause is an example of something that was not in the review. It explicitly said that the provisions contained in the clause should go hand in hand with devolution. However, the Government have introduced a clause that will set up the judicial appointments commission in advance of devolution. I would be grateful for an explanation of why such a provision is so urgent when there is not the same sense of urgency about other matters.

Reference has been made to the position in Scotland, but we are not yet clear what kind of appointments system will finally emerge in England and Wales. We know what happened in the other place this week. There is merit in the Government considering the position in England, Wales and Northern Ireland together and as one rather than rushing ahead with clause 1.

When the Bill was introduced in the other place, it referred to the Secretary of State taking over the responsibilities of the Office of the First Minister and the Deputy First Minister. As it progressed through the other place, the provision was amended so that the Lord Chancellor will take on the Secretary of State's role. What will happen when and if the Lord Chancellor's post is abolished? What would happen if the Secretary of State had no particular judicial background or experience? What would qualify such a Secretary of State to have a role in relation to the judicial appointments commission? When we talk about more political interference in the appointment of judges, that is an example that we could point to.

We have pointed out in our submissions that we believe that the judicial appointments commission will be far too big for a place of the size of Northern Ireland. It is proposed that there will be 15 members of the commission for England owing to the large number of appointments—about 900 a year—that it will make. I understand that the Scottish body consists of 10 members, but the Northern Ireland commission is to have 13, despite the small number of appointments with which it will deal each year. I would be grateful if the Minister would explain why, when he is prepared to amend some aspects of the judicial appointments commission, he is sticking by a large body consisting of the Lord Chief Justice, five judicial members, two members from the legal profession and five lay members. Why do we need such a large body to deal with relatively few appointments?

Clause 2 will ensure that the tenure of judicial members of the commission is brought in line with that of lay members. Its other purpose is to ensure that all those responsible for making appointments to the commission have a duty, as far as is practicable, to make it reflective of the community in Northern Ireland. It will thus no longer fall on the Secretary of State—or the Office of the First Minister and the Deputy First Minister under the devolved set-up—to ensure that the commission is reflective of the community. Will the Minister explain how that will work in practice? For example, will those who first make nominations have discretion in their choice of whom to put forward? Will those who make nominations later be forced to correct any imbalance? Alternatively, if a body may make two or more nominations, will it be expected to nominate people from both sides of the community and reflect a need to put forward women and people from ethnic backgrounds?

[Mr. Dodds]

If the commission was not reflective of the community as a whole, against whom would a disgruntled person who felt that he should have been appointed bring a case? Would such a person bring a case against those who were supposed to nominate him, all the nominating bodies or the Secretary of State? Lots of aspects of the system need to be explored.

My main concern about the process is the criteria that will be applied when appointing lay members. People's qualifications to make judicial appointments will have to be assessed carefully because we are talking about significant positions of responsibility. It is clear that people will have to maintain the respect that they currently have for the judiciary of Northern Ireland. We need more explanation of how can we measure people's expertise at making recommendations.

Many of us in the Unionist community, when we hear talk of bodies, organisations and commissions that are supposed to be representative or reflective of the community as a whole in Northern Ireland, look at the bodies that have existed and do exist, because some of them little reflect the majority viewpoint. We think of the Parades Commission, the Northern Ireland Human Rights Commission and the old police authority, and we even consider recent appointments to the Independent Monitoring Commission. Can one say that those bodies are truly reflective of society as a whole in Northern Ireland? We will examine carefully appointments to the commission to ensure that the fine words are backed up in reality because our experience of appointments to similar kinds of bodies has not been happy.

Clause 3 is probably the most vital provision in the Bill and causes us the greatest concern. We welcome and endorse the view that merit should be pre-eminent in the appointment of members of the judiciary. It is a prerequisite that should apply above everything else, so the reference in subsection (8) to appointments made "solely" on merit is welcome. However, there is a strong argument that subsections (9) and (10) could undermine the merit principle and weaken it considerably. The introduction of a programme of action by the JAC raises questions about the extent to which the merit principle will receive the pre-eminence that it deserves. Broadly speaking, the judiciary in Northern Ireland is reflective of the religious make-up of society. However, there are no female judges in the High Court or the Court of Appeal, although there are women judges at a lower level. No females and no one from an ethnic background have been appointed puisne judges, Court of Appeal judges or Lord Chief Justice, and that should be addressed. However, until recently, only one of the four judges in the Court of Appeal came from the Protestant community. In the light of the appointment of the new Lord Chief Justice and the traditional method of appointing Court of Appeal judges on the basis of seniority, that may well continue, so it, too, should be addressed.

Mr. Mallon: The hon. Gentleman makes an interesting point, but is there a pristine measurement of merit in any walk of life? Is it not the case that many people of outstanding merit in the legal profession do not want to be appointed as judges because they prefer to do their existing job, and perhaps making much more money? Similarly, in Government appointments, when were two people from the same party ever appointed European Commissioners? Are such appointments made on the basis of merit or on the basis of one from each side? Some methods of appointment are not peculiar to the north of Ireland.

Mr. Dodds: As for nominations or appointments to the European Commission, I have never doubted that they are made on a political basis. However, we are talking about something very different, as appointments to the judiciary are independent of considerations of political affiliation, religion or anything else. I do not object to the notion of a pool from which eligible candidates should be drawn, but we should strive to appoint the person best qualified to do the job properly. The Government have not gone down the route that they took on policing. They have defended a 50:50 discrimination policy on recruits to the Police Service of Northern Ireland, but in appointments to the judiciary, they are not suggesting the creation of a pool of candidates. There are not arguing that a Roman Catholic appointment has to be balanced by another appointment, or that a Protestant appointment has to be balanced by an appointment from the other community. In the Bill, they say that the merit principle should apply, and that action should be taken to try to promote a judiciary that is more reflective of the community. When it comes to policing a completely different attitude is taken, entirely as a result of political considerations. The merit principle is put to the back of the queue, and we are offered instead what amounts to a policy of discrimination against the Protestant community. In relation to the 50:50 provision—I must put this on record again, because it is not emphasised enough—the legislation speaks of Roman Catholics and others, and those others are comprised not only of Protestants, but of people of other denominations and from ethnic backgrounds.

Mr. Hunter: Before my hon. Friend leaves this subject, may I remind him of the point that I put to the Secretary of State? Although it is not stipulated in the Bill, the only conceivable way to implement the two guiding principles of merit and of reflecting the community is indeed by the creation of a pool of merit, which is precisely what is bound to emerge over time.

Mr. Dodds: My hon. Friend's suggestion has a lot of merit.

Surely, some consideration should be given to divorcing or separating the roles of appointing members of the judiciary and of undertaking the programme of action to ensure that they are separate functions for separate bodies. Clause 3 involves serious issues that will have to be discussed in detail in Committee.

Clause 4 deals with the appointment of the Lord Chief Justice and the Lords Justices of Appeal. I listened carefully to what Members on the other side of the House said about that. Concern has been expressed about those appointments being made by the Prime Minister on the recommendation of the First Minister and the Deputy First Minister. As was pointed out in another place, that effectively turns the Prime Minister into a glorified postman, because his role will simply be to implement the recommendation of the First Minister

and the Deputy First Minister. One can envisage circumstances in which it is not easy to get agreement between the First Minister and the Deputy First Minister on the appointment of a Lord Chief Justice. Alternatively, the decision could become mired in discussions about other issues or traded off as part of a negotiating process. That is not the proper way to go about appointing the most senior judge and law officer in Northern Ireland. My hon. Friends and I remain to be convinced of the merit of the proposal that the Prime Minister should simply accept the recommendation of the First Minister and the Deputy First Minister and automatically implement it without any discretion or consideration on his part.

I was disappointed to hear the Secretary of State say that the Government intend to bring back their proposal to remove the Lord Chief Justice's power of veto in relation to dismissals from the judiciary. That measure was lost in another place, which was the right decision. As the independent head of the judiciary in Northern Ireland, the Lord Chief Justice should have the final say on a matter of such import as the removal from the bench of a member of the judiciary. At the end of the day, that decision should not be taken by politicians. The Lord Chief Justice, as head of the judiciary, should have a major say in it.

On clause 5, and the discretion of the Director of Public Prosecutions to refer matters to the police ombudsman, it is unnecessary to upgrade that discretion to a duty. The provision for discretion is sensible and should remain. There is discretion in all such matters; for example, in many cases, the DPP has discretion over whether to prosecute. That discretion should be exercised in the proper way, but to place a duty on the DPP to take that action come what may would be to put an unnecessary onus on him. I wonder how much time the DPP's office will spend combing through every aspect of every case to make sure that some aspect that should have been referred to the police ombudsman has not been overlooked. I hope that that will not end up as something else that distracts the DPP from the proper business of the administration of justice in Northern Ireland.

On clause 6, I agree with the hon. Member for Orkney and Shetland (Mr. Carmichael), who said that he was not entirely clear why it was necessary. It does not differ much from the common law offence of perverting the course of justice, so I cannot see why it has been included in the Bill—unless, again, it is because it was in the joint declaration. However, to return to the main point that I made at the outset, is that the test by which we should measure such provisions, or should we use the test of what is in the best interests of the delivery of an effective criminal justice system? The second of those should be the test. If the provision is not necessary, we should not go back to the joint declaration and say that it should be included just because it was agreed at Hillsborough some months ago by various parties. I do not even know how it was agreed, because the interesting fact came out of our recent discussions that some such agreements were made at the last minute on the back of an envelope—that may even apply to aspects of the Belfast agreement. We should not be hidebound on such matters, but should consider them on their merits to determine whether they are in the best interests of Northern Ireland.

I conclude with a reference to clause 12, on the transfer of prisoners. It is a sensible enough tool to add to those at the Secretary of State's disposal for dealing with security and safety inside Northern Ireland prisons. However, I share many of the reservations that have been expressed about the way in which some measures have been implemented inside Maghaberry in recent months. Will the Minister tell us what right of appeal there will be for prisoners who are told that they are to be transferred? What sort of pre-emptive action will he be able to take? Will he be able to transfer someone whom he thinks is disruptive or causing disorder, without any evidence of their having had occasion to resort to violence in a prison? There are obvious difficulties for prisoners' families, and some families in my constituency have expressed their concerns to me about difficulties in visiting. If someone is transferred outside the jurisdiction to a prison in England or Wales—or Scotland, if the necessary changes are made—that will add to families' problems in visiting. All those issues need to be addressed, but the clause should nevertheless be included.

We have strong doubts about the necessity of many parts of the Bill. Other parts, on their own, are meritorious and non-controversial, but the basic fact is that the legislation is being introduced for political reasons and as a result of the joint declaration. That is not the proper basis on which to introduce legislation. It should be done for proper reasons, not for the sort of reason that the Government have advanced today.

4.14 pm

Mr. Iain Luke (Dundee, East) (Lab): I rise to support the Government in this Second Reading debate on a further justice Bill for Northern Ireland. It is entirely correct that, despite the current stalemate in the progress of the political processes in Northern Ireland, we should be doing all that we can to ensure that all the pieces are in place to allow a fair, free and fully inclusive society to be fostered there. However, I look forward to the completion of the review of the Good Friday agreement and the peace process, and I believe that on conclusion of that review, political parties that still foster paramilitary links should not be able to enter the Northern Ireland Executive.

I have a great deal of sympathy with the model proposed by the Democratic Unionist party in its presentation to the review body, which looks at an organic, evolving committee system that will allow for the Assembly to be up and running and for cross-party dialogue at committee level, while ensuring that people who are not signed up to the political process and who still have paramilitary links are not allowed to play an effective role in the governance of the Province.

Like the Secretary of State and the hon. Member for Orkney and Shetland (Mr. Carmichael)—who is no longer in his seat—I, too, must express surprise at the negative nature of the wording of the amendment tabled by Opposition Members. In their argument for no change, they advocate the perpetuation of what many people in the Province feel to be a biased and unbalanced system of justice that favours one section of the community over the others—

Mr. Donaldson: Rubbish!

Mr. Luke: Well, that is what has been put in print, and I have also read it in evidence. Certain members of the

[Mr. Luke]

community in Northern Ireland feel that they were born with a second-class birthright, depending on which side of the peace wall they were born. We cannot allow that situation to go on. In saying that, I am in no way calling into question the integrity and professional competence of those who are called to serve in the justice system of Northern Ireland. However, for a system of justice to be fully accepted by all in the community that it is set up to serve and safeguard—

Mr. Donaldson: If the justice system in Northern Ireland is so biased and unfair, will the hon. Gentleman explain why, at the height of the troubles, there were as many loyalist paramilitaries as republican paramilitaries being convicted and put in prison? I know that, because those prisons were in my constituency. If the system is not fair, how on earth did all those loyalist paramilitaries end up being convicted?

Mr. Luke: Obviously, the system has functioned. However, there is still a perception that there is insufficient cross-community confidence in the fairness of the current system—I shall refer later to the document published last February by the SDLP in that regard—and that is why the Bill is trying to redress the balance.

Mr. Donaldson: Where is the evidence?

Mr. Luke: I shall carry on, but I shall be happy to give way if the hon. Gentleman has any other points to make on this matter.

For the system to be seen to be fair and balanced, there has to be a representative element in ensuring that the areas of interest over which the competence of the legal system in Northern Ireland holds sway are fully served. I firmly believe that the Bill promotes that purpose, specifically in the creation of a judicial appointments commission, whose members will reflect the broad spectrum of interests in the community. That, in turn, will ensure that, in future, the judiciary will better reflect Northern Ireland's society. The commission will go a long way towards creating a system of justice that has the confidence of all the people of Northern Ireland—and all the communities that have to coexist there—and towards ensuring a peaceful and safe society there.

Mr. Hunter: I am having a little trouble following the hon. Gentleman's argument. I know of the perception, which I reject, that the Royal Ulster Constabulary was not an open and fair organisation, but I am searching my memory for any perception in the past 30 to 40 years that the judiciary was biased. The Bill is based on that assumption, which the hon. Gentleman has asserted. We are entitled to ask him for the evidence on which he bases that view.

Mr. Luke: There is a belief across community boundaries that the judiciary is not representative in its make-up. It is not balanced as regards sex or ethnic minorities, but there is also a feeling that it was biased in favour of one community. That is my perception after speaking to people in Northern Ireland and from my research.

Mr. Donaldson: Does the hon. Gentleman know the religion of the new Lord Chief Justice of Northern Ireland? Does he know the religious balance of the Court of Appeal in Northern Ireland? There is no evidence to support the theory that he expounds. Only the terrorists and paramilitaries, who did not recognise the justice system in the first place, have argued against it. Of course, they have their unique system of justice.

Mr. Luke: I do not speak on behalf of terrorists. I am expressing what I believe to be a widely held perception in specific sections of the community in Northern Ireland. The hon. Gentleman may represent one section of the community but he must accept that other members will hold other views.

Mr. Mallon: Does my hon. Friend agree that the criminal justice review was largely written by people who are involved in the legal process? They knew at first hand the pulse in the legal profession. Of course, others apart from lawyers contributed to writing it, but lawyers pinpointed the deficiency, prepared the necessary changes and presented them to Parliament to be incorporated in legislation, which we are now considering. Not a political party but a cross-section of the community in the north of Ireland saw the need for change.

Mr. Luke: My hon. Friend is right.

Let me consider the contribution of the hon. Member for Belfast, North (Mr. Dodds), who questioned the need for new legislation. He set out a series of tests for the way in which we should measure the Bill. The crucial test, which I support, is whether the Bill will enhance the acceptance of the criminal justice system in the Province. I firmly believe that the answer is yes. On the basis of the hon. Gentleman's test, the measure is needed. His negative approach to the proposals has no merit and I hope that he will reconsider his opposition to the Bill and vote with the Government.

I agree with the points in the SDLP's policy paper, "Delivering a New Beginning for Criminal Justice", which was published in February last year. I have read all parties' positions on the matter. The SDLP document emphasises that there is insufficient cross-community confidence in the fairness of the current system of justice in Northern Ireland. The hon. Member for Belfast, North may deny that. Indeed, that appears to be his argument, but those who are elected to represent a whole community have to take cognisance of the views of other members of it. Legislators cannot hide and refuse to accept responsibility for legislating fairly across the community divide.

The comments of my hon. Friend the Member for Newry and Armagh (Mr. Mallon) were moving and emotive. I believe that he tackled the issues and dealt with trying to isolate parties that continue to have links with paramilitary organisations, which try to steer the political process, with perverse effects. He also made the case for rational and moderate debate to ensure that the peace-loving community—the majority of people in Northern Ireland—has the benefit of a fair justice system.

Opposition to the Bill denies that there is a problem and ignores the fears and uneasiness of many people about the impartiality and probity of a system that one could hope to access as a right as a citizen in the

Province. That fear lingers not only among those who have the most fundamentalist, anti-British, republican views but, I am led to believe, among many well meaning, moderate, respectable and well respected holders of milder nationalist views.

On Second Reading in the other place on 16 December, Baroness Amos made a telling comment when she said:

"All justice systems must continue to evolve. They cannot be allowed to sit still and to ossify or they will cease to meet the needs of modern society. As well as being effective, efficient and fair, they must reflect the community they serve and be prepared to change as society changes."—[*Official Report, House of Lords*, 16 December 2003; Vol. 655, c. 1091.]

No one who is familiar with what is going on in Northern Ireland today, on both sides of the peace wall, can deny or denigrate the real changes that are taking place. They are there for all to see. Along with other MPs, and officials in the Northern Ireland Housing Executive, I spent Tuesday of last week touring Belfast—south, north and west—and observing developments in housing. We talked to many residents and many representatives of the community. It was a heartening, informative and interesting tour. We had an opportunity to discuss with people their perception of the current situation, and of how the move towards a peaceful, safe society was progressing.

Both loyalists and nationalists made clear their welcome for the climate created by the peace process. They were embracing change. Many of those in north Belfast were involved in a campaign to stop antisocial behaviour, and would be travelling to Edinburgh the following day to share their experiences with members of other councils throughout the United Kingdom. It was evident that those on both sides of the peace wall to whom we spoke were involved not just in cross-UK dialogue, but in cross-community dialogue. All were clearly committed to working towards a peaceful, democratic society. I believe that the Bill is another step along that road. To deny that change is occurring is perverse; indeed, such a move is utterly doomed. It is a sad indictment of the negative effect that petty party politics can have on peaceful progress.

The Bill recognises the basic fact that human rights have a role to play in the administration of justice. It places a duty on Northern Ireland justice agencies to take account of the way in which they handle human rights. It constitutes a response to the conclusions of the criminal justice review, which stresses that human rights and human dignity—the dignity of individuals as human beings—should be at the core of our consideration of the way in which criminal justice operates, both in the Province and in this part of the UK. The Government have rightly highlighted awareness of human rights as a key element in the operation of criminal justice organisations. They want to ensure that in future such organisations pay due regard to guidance and directives on relevant international standards.

A matter that I have already raised—as have many other Members, and the Northern Ireland Affairs Select Committee—is the Bill's proposal to allow the transfer of military prisoners from Northern Ireland to mainland penal institutions. That has featured largely in the Scottish media this week. A Sewel motion has been tabled in the Scottish Parliament to enable the Scottish end of the transfer to go ahead if necessary. I—and, I think, the Committee—accept the reasoning behind the proposal in the Bill, which flows from recommendations in the Steele report on the separation, as opposed to segregation, of political prisoners in Northern Ireland. I think that such powers, if they were ever used, could have adverse effects.

Only at a late stage in the Select Committee's inquiry into the separation of paramilitary prisoners at HMP Maghaberry—in fact, in response to a question that I put to the Minister responsible for justice and security on 10 December—was its attention drawn to the possibility of the transfer of prisoners from Maghaberry to the mainland as a sanction of last resort.

Mr. Mallon: I thank my hon. Friend for giving way. He raises a valid point—transportation has been part of the folk memory of the people of the island of Ireland for centuries. The transportation used to be to Van Diemen's Land; now it is to Scotland or parts of England. The Government should be wary; that folk memory was expressed at Twickenham every five minutes last Saturday by the singing of "Fields of Athenry", which is based on transportation. I have not discussed the population of Van Diemen's Land, Australia, but the matter should be watched carefully because it hits what is probably the rawest nerve in Irish life.

Mr. Luke: Being a student of Irish history, I take serious note of that intervention. In Dundee, we are very happy about the transportation of many Irish people to the city, and especially to the universities, over a long period of time. My family has connections with the Province, and its members have moved backwards and forwards in the linen trade over the past 200 years. The word "transportation" has connotations that may apply to prisoners if they are ever moved from prisons in Northern Ireland to prisons on the mainland.

It is right to restate the Northern Ireland Affairs Committee's response to the point, which is outlined on page 28 of its report. It states:

"We believe that the proposal to transfer prisoners to other jurisdictions as a sanction of last resort is very dangerous and could easily be manipulated by the paramilitaries in their campaign to undermine the Northern Ireland Prison Service and, ultimately, the British Government. We caution against its use in the strongest possible terms."

That view was expressed by the Northern Ireland Prison Service when we visited the prison and in evidence that we took subsequently. I personally believe that the implementation of prisoner transfers could impede rather than promote the peace process, which the Government and hon. Members are actively pursuing.

Prisoner transfers were discussed in the early stages of the Steele review, when the number of paramilitary prisoners was fairly low. In the move towards separation and, I believe, segregation, many ordinary, decent criminals—as they are called in prisons—have been pressured into claiming paramilitary status, so the number of paramilitary prisoners has grown significantly. The proposed increase from 50 to 200 prisoners could cause real problems given the activities that we saw in Maghaberry prison last year, where separation was forced on the authorities because of dirty protests and roof top protests. If such protests return,

[Mr. Luke]

we may be discussing not one or two prisoners but dozens. That political tool could be used to good effect by paramilitaries.

The hon. Member for South Down (Mr. McGrady) was present for the earlier part of the debate but has had to go. In the Northern Ireland Affairs Committee on 10 December, he said:

"To put this into the political context rather than the prison regime context, if that happens, if you transport paramilitaries from Northern Ireland to Scotland or England or Wales, you will be creating an enormous political weapon that will be exploited by the paramilitaries."

We have seen that happen; we are in this situation because the paramilitaries have manipulated events to achieve separation. I am sure that many hon. Members have an intimate knowledge of the situation in the Maze prison—I do not—and we should never to return to that. Commitments were given at that time that a line had been drawn and that there would be no movement from it, and I sincerely hope that that will be the case.

In conclusion, the Bill completes the implementation of the criminal justice review, which is an important part of the Good Friday agreement, and will help to deliver the fair, modern and balanced justice system that the people of Northern Ireland truly deserve. In introducing the Second Reading of the Bill in the other place, Baroness Amos said:

"The Bill will provide for a justice system that is more transparent, open and accountable; a justice system that will instil even greater levels of confidence in all parts of the community."—[*Official Report, House of Lords*, 16 December 2003; Vol. 655, c. 1095.]

The Bill will bring more light and dispel a little of the darkness that has so long clouded the fair northern shores of our sister island. I commend it to the House.

4.35 pm

Mr. David Trimble (Upper Bann) (UUP): I am sure that the hon. Member for Dundee, East (Mr. Luke) means well, and he has clearly made efforts to inform himself. I hope that he continues to do so, and I look forward to a time when his contributions display a greater understanding of and judgment on the matters to which he refers.

The Bill is a modest measure compared with the Justice (Northern Ireland) Act 2002. It is quite short, but it is set in a context that means that our debate today has ranged over several matters. In view of the lateness of the hour—although few Members remain to contribute—I do not intend to cover all the issues that have been mentioned. However, I wish to make a couple of general points, two of which in particular relate to the contribution from the hon. Member for Newry and Armagh (Mr. Mallon). I have a compliment for him, as well as something of a criticism.

The compliment refers to the comments that he made when he was reflecting on the need for people visibly to give up paramilitarism and violence. He pointed out that it was entirely inconsistent with the devolution of responsibility for justice matters for people still to be involved in paramilitary organisations. I recall comments that the hon. Gentleman has made in other debates on the subject in which he referred to the need for it to be clear that institutions are robust enough—in terms of durability and the integrity of those who will operate them—to deal with the real stresses and strains that would result from the devolution of such matters. It would be the final sign that the arrangements are well bedded in and are durable enough. It flows from that that we are not at present in that position. I shall come back to that point.

I was less than happy with the hon. Gentleman's comments in response to a point made by my hon. Friend the Member for South Antrim (David Burnside) when he was talking about the discriminatory arrangements for the recruitment of police. I think that the hon. Gentleman asked whether a 50-50 split was not equality. That comment may have been made by the hon. Gentleman without reflection and instinctively, but it betrays an approach that is fundamentally wrong. It is a common mistake on the issue, and I have heard it made even by those involved in equality issues in their professional lives.

The assumption underlying the question of whether 50-50 is not equality is that by equality we mean an equal outcome for people. It implies that the two "communities" in Northern Ireland should be treated as if they were two equal entities and that the treatment of them should be equal. However, that is not equality as contained in the Belfast agreement or in the Northern Ireland Act 1998. It is not what the Equality Commission is charged with doing and it is not what human rights instruments mean when they talk of equality. In all those cases, the reference to equality is to equality of opportunity, and the need for each individual to be treated fairly and equally. There is no basis for approaching the issue as if we were dealing with group rights, with groups having to be treated equally. Such an approach would mean treating individuals oppressively and in a discriminatory way.

Mr. Mallon: The reality is that the 50-50 system was introduced to redress an imbalance in the police service personnel. Members of my party and I have been told many times that we must encourage people to join the police. The right hon. Gentleman's point has some validity, but it falls down because the arrangement is there on a pro tem basis, until the imbalance is redressed. He and everyone else want it to be redressed, but when that starts to happen, the complaints pour in.

Mr. Trimble: The hon. Gentleman referred to three things there: to an imbalance that needs to be redressed; to comments made urging him and his political colleagues to encourage people to join; and to the temporary nature of the arrangements. One must bear it in mind that, even at the height of the affirmative action programmes in the United States—and that is a long time ago now—they were applied only when there was some element of wrongdoing or fault. To suggest that the admitted imbalance in police numbers in Northern Ireland arose as a result of wrongdoing or deliberate discrimination is quite wrong.

Mr. Mallon: I did not suggest that.

Mr. Trimble: No, but I have to make the point because when some people hear a reference to imbalance they assume that there is some element of fault. If there

is fault in relation to the imbalance, it lies with those who through various means discouraged people from applying. I think the hon. Gentleman knows what I am referring to. The interesting thing about his comments about being urged to encourage people to join, and the irony of the whole matter, is that the target group from which we would want to recruit police officers—persons aged around 18 to 25—is, roughly speaking, evenly balanced between Protestant and Catholic, so that if there was equal participation, there would be something akin to 50-50 recruitment, operating on a purely merit basis.

The key is not compulsion and legalised discrimination but encouraging equal participation, and already significant steps have been taken in that direction. The hon. Gentleman must bear it in mind that with the legalised discrimination that is currently in place individuals are left with a strong sense of injustice. It is not as if we are talking about a handful of people whose interests can be overlooked for the greater public good—although I would not advance that principle in any event—because the number of those who have suffered a personal injustice is getting into four figures, and that builds up a significant body of resentment in the community and has other ill effects that the hon. Gentleman should also bear in mind: it means that those who benefit from this injustice come into the service with a stigma that will be with them all their days, of having got there through special assistance and being in some respect second-class.

Many of those people are not second-class, but because of the legislation that the hon. Gentleman has promoted, people whose interests he would wish to advance will carry that stigma throughout their career. He and others who continue to defend this approach should bear in mind not only the injustice done to those who fail to be appointed but the stigma that they impose on those who gain appointment through these means, especially as it is all unnecessary given the existing structures. I have dwelt on this issue longer than I intended because of the quality of the response from the hon. Member for Newry and Armagh.

Mr. Mallon: The right hon. Gentleman is making many very interesting points, and I hope to reconvene our discussion when we are dealing with policing, rather than the judicial system.

Mr. Trimble: I raised the issue in order to tease out the mistake that has been made, which is to think that equality operates in terms of group rights, rather than individual rights. We must always remind ourselves of that point.

My hon. Friends and I will support the reasoned amendment because the terms in which it is expressed focus attention on the Bill's first seven clauses, which are ill-advised. Indeed, the provisions relating to the judicial appointments commission, which are central to those clauses, are particularly ill-advised. It is on appointments and the resulting creeping-in of political influences that the reasoned amendment focuses, because clauses 8 to 14 in fact contain a number of sensible, if somewhat modest, measures.

As other Members have said—I shall not dwell on this point—the Bill has been introduced out of purely political considerations, which are contained in the first half of it. The second half is the result of the Northern Ireland Office's efforts to make use of a suitable vehicle for long-overdue changes. As was pointed out to the Minister, it is a pity that he was not a little more imaginative and energetic in introducing other necessary and desirable measures for which the Bill could act as a vehicle. It is also a pity that he has crafted a long title so restrictive that it prevents Members from using the Bill to rectify some of the mistakes that he has made. I hope that between now and when we meet in Committee, he will reflect on that point and adopt a more liberal and generous approach.

The provisions relating to the judicial appointments commission—the central issue—are premature. They were largely enacted in the 2002 Act and were designed to operate after devolution. As has been pointed out in interventions, the criminal justice review recommended the commission because of devolution—it did not recommend that it operate before devolution. It is quite remarkable that Labour Members, who keep talking about the need to stick closely to the terms of the criminal justice review, are themselves acting inconsistently in respect of the Bill and its central provisions. Again, that points to the political motivation that lies behind this legislation. My colleagues and I have never been able to see the nature of the political gain that some Labour Members think this legislation will provide. We do not quite understand the overriding political purpose of the Bill's proponents.

When the notion of a judicial appointments commission first came to light in the criminal justice review report, I was generally welcoming of it. I did not criticise it at the time, and it seemed then a reasonable concept—I am talking about the concept, rather than the detail—that was not terribly controversial, and which might prove useful. I did not reflect upon it deeply then, but I have since, and the more I have done so, the more I have concluded that it is a bad idea. I am referring not to the detail, but to the concept itself as it will operate within our system, in contrast with what went before.

There is a paradox in this regard. At the moment, senior judicial appointments are made by the Lord Chancellor, who is a quasi-political figure and a member of the Cabinet. Some people have got exercised about this issue, because they think that a fundamental principle involving the separation of powers is being breached. But anybody who knows anything about British political life and history knows that our arrangements have never been based upon any concept of separation of powers—they have evolved in a more complicated way—and that there are positive advantages of the system that has evolved here in the United Kingdom, not only in the concept of the Lord Chancellor, but in the presence in another place of the Law Lords and in the presence in Parliament of people who can answer both here and there on behalf of the prosecuting authorities. We had an example only last week of the advantage of that and of how we would suffer as a House if a crude separation of powers approach were adopted. But, then, if one followed a crude separation of powers approach one would remove the entire Treasury Bench from this place. [HON. MEMBERS: "Hear, hear."] Some hon. Members indicate assent to that. I presume they are thinking of the present

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Treasury Bench rather than all Treasury Benches on all occasions. I must repeat that it would be very bad for our political system if that sort of crude separation of powers approach were adopted.

The paradox is that, although superficially the present arrangements for the appointment of judges may appear open to political influence, in practice with the proposed commission there will be a greater danger of political influence over judicial appointments. I came to that conclusion thinking, by way of analogy, of some of the judicial procedures we have experienced in Northern Ireland. The jury-free trials, the Diplock courts, may have seemed in theory to be risky in terms of judicial standards. In fact, they were very successful. Someone on the Criminal Cases Review Commission told me not long ago that per capita it had fewer applications alleging miscarriages of justice from Northern Ireland than from any other part of the United Kingdom, which it attributed to the success of the Diplock courts. Why was that?

The key point was the sole, undivided responsibility that lay with the single judge.The same factor can be seen with regard to judicial appointments. The Lord Chancellor makes the appointments—yes, after consultation—and carries the sole, undivided responsibility for them. If it becomes clear at any point that there are questions about the merit of appointments, there is no doubt about who is responsible. The Lord Chancellor knows that if he were to err and set aside considerations of merit for some reason of political or other advantage, the responsibility would lie with him and nowhere else.

So the paradox is that appointments by an individual who has a quasi-political role tend not to be infected by political considerations, but with the judicial appointments commission there is a very serious danger. The commission proposed in the Bill will have a chairman and 12 other persons, seven from the judiciary and the legal professions and five lay members. If there is devolution, the lay members will be appointed by the First Minister and Deputy First Minister. If there is not, they will be appointed by the Secretary of State, the Lord Chancellor or whoever.

That has to be taken with the injunction that the members shall be "reflective of the community". People will think of "reflective" in political and religious terms in Northern Ireland, and will think that they have to bring forward people with those labels on them. Those persons will know that they have been appointed because they have those labels, and will have a sense—implicit, not explicit—that it is their job in the commission to represent the interests of those whose labels they bear, because that is what led to their appointment. They will feel that it is their job to ensure that people who share their labels, which got them into the commission, are appointed. That will bring political considerations—again implicitly, not explicitly—into the operation of the commission itself. It does not mean that every recommendation that flows from it will be tainted, but some appointments will be affected by political considerations. The structure brings political considerations into judicial appointments in a way that does not apply under the present arrangements.

I am not saying that the present arrangements are perfect. There may be good reason to reflect on whether a broader range of people could be considered, but we should bear in mind the fact that, in respect of judicial appointments, a broader range could come only from persons qualified to be appointed. That necessarily means a segment of the population that has already gone through various processes, which to some extent detaches them from the population as a whole—but that is by the way. My main point, after comparing appointments in the past with the proposed new arrangements, is that I have come to the conclusion that the proposals are dangerous and that the existing arrangements are better and more likely to exclude political influence. It is a paradox, but life often proceeds in that way.

Other criticisms could be, and have been, made by others, but I have dwelt on that main point to explain what influenced my change of approach to the concept. As I said, I was first favourably inclined, but on further thought, I reached the conclusion that it is not a good idea. The other criticisms, already touched on, go back to the concept of being representative or reflective. The hon. Member for Belfast, North (Mr. Dodds) asked how it was possible to be reflective and what it would mean when someone is making one, two or three—or in some cases, five—appointments. The whole process is unclear and bristles with difficulties. Our experience in that matter is not good.

When I examined the criminal justice review earlier today and saw that it introduced the suggestion that the commission or lay persons appointed be reflective or representative of the community, I noted that it expressly referred to the Human Rights Commission as an example in support of the concept. It might have been possible to view the Human Rights Commission with rose-tinted spectacles when the review was written, but is there anyone anywhere in Northern Ireland today who believes that the present Human Rights Commission is a good thing, or that it did not do a botched job of its appointments and operations? Few would dissent from that view now.

It is important to try to analyse why the Human Rights Commission did a botched job of its appointments. It may be that the Secretary of State at the time decided as a final act of revenge that she would make a whole set of bad appointments to screw up the process in Northern Ireland. Some people hold that view, and I am not saying whether I hold it myself. It may be the case, but it is somewhat unlikely, on balance, that that was the sole reason for what happened. There are other reasons. I suspect that some of the officials involved in the process thought they were doing a reasonable job, but I have reason to believe that some of them now feel deeply embarrassed about what happened.

Why did well-intentioned people end up producing such a terrible result? Part of the reason is the fact that the persons doing the job were not organically connected with society in Northern Ireland and did not fully understand what they were dealing with. I am almost tempted to call it the Dundee, East syndrome, but that is another issue. There are other factors as well and I suspect that the criteria adopted for appointments were what led to the result. Again I would suggest to those who may have responsibility for making

appointments in the future that they reflect very seriously on the Human Rights Commission experience and work out for themselves what went wrong. They should try to ensure that we do not reach the same position again in future. In terms of this Bill and these proposals, I would say, "Don't create the judicial appointments commission; don't get into that problem again."

Similar proposals were considered in another place on Monday night—and we know the result of that. I was listening to Lord Goodhart giving his views on that matter on the "Today" programme yesterday, and I paid particular attention because the position of the Liberal Democrats within the structure of the House of Lords is not without some significance. I was trying to work out what could possibly have persuaded a person who I think is knowledgeable to favour the Bill.

Lord Goodhart said that the judicial appointments commission had to be set up as a matter of urgency. He conceded that things had not been too bad under the last couple of Lord Chancellors, who were decent chaps, but he said that we still desperately needed a judicial appointments commission to protect us from what might happen in future. Decoded, that means that he favours a commission because he is so appalled by the idea of what might happen under the present Lord Chancellor, and under future Lord Chancellors who might be appointed by the present Government.

Lembit Öpik: There may be another, less crisis-laden explanation. Liberal Democrats are, on the whole, seeking to codify some aspects of the structures of government and the law, which in our view have been left somewhat ad hoc. I do not want to put words into Lord Goodhart's mouth, but I think he would say that as it is strategically right to make that change, and as we have the opportunity to do it now, Liberal Democrats would be loth to pass up that opportunity, because we do not know when we will get another chance.

Mr. Trimble: I do not get the impression that the noble Lord's approach was as laid back as that, because he emphasised the urgent need to get the commission in position. As I said, I was interested in the fact that he conceded that things had been all right under the two previous Lord Chancellors. Whatever criticisms we might make of those two people, they knew what it was to behave in a judicial manner, and they acted with complete probity over judicial appointments. I shall eschew the temptation to adopt or repeat the personal observations recently made by the Lord Chief Justice about the present incumbent, because he now tells us that those should not be treated too seriously.

Mr. Pound: Cheeky chappie!

Mr. Trimble: "Cheerful" was the word, I think, but I presume that the hon. Gentleman has some superior knowledge of the gentleman in question, and I am quite happy to defer to him in that respect.

As we have already heard, the Bill says that merit is to be the sole basis for appointment. This is where concern about ideas of balance, representation and reflectiveness arises, because of the tension that exists. It is because I saw that tension reflected in the comment made by the hon. Member for Newry and Armagh that I mentioned earlier that I am returning to that subject. The merit principle must operate purely on an individual basis, when there is a vacancy, with regard to that particular vacancy. It should be—indeed it is, and has been for some time—enshrined in legislation.

I am not so sure what happened in the 1990s, but I recall that in the 1980s, when we had measures to ensure that appointments were made purely on merit, it seemed rather strange that with High Court appointments, the merit principle always seemed to produce first a Catholic, then a Protestant, then another Catholic, then another Protestant. It was a remarkable coincidence that the merit principle produced alternate Catholics and Protestants, and never a Jew—but thereby hangs another tale. I hope that the merit principle will be properly vindicated in practice, and that it will not be merely the subject of lip service. However, I fear that notions of representativeness, group approaches and implicit quotas will mean that the merit principle will not be fully observed in practice.

Mr. Mallon: May I pose again the question that I put to the hon. Member for Belfast, North (Mr. Dodds)? I do not have the same insight into the other place as the right hon. Gentleman, nor the same access to legal tittle-tattle. However, he consistently distinguishes between the non-political appointments system that exists at present, and the potential political element in appointments under the proposed system. Is he saying that senior appointments made under the present system are not essentially political in nature? I do not believe that it is possible to make any appointment that does not have a political configuration—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I think I am bound to remind the hon. Gentleman that he is making an intervention, not a second speech.

Mr. Trimble: The point made by the hon. Member for Newry and Armagh is not unexpected, as it is consistent with his earlier comments about the concept of merit. That is something about which we can argue, but I am concerned that he approaches the concept of merit in a way that allows a host of other factors to be taken into consideration. He pointed out an apparent contradiction in my argument, but I repeat that I prefer the present arrangements to the proposed appointments commission, as political considerations are less likely to be an influence under the present system. As I said, however, I am remarkably impressed by the evident coincidence that attaches to appointments in Northern Ireland.

I can say no more, as I am not privy to much judicial or legal tittle-tattle these days. Perhaps a person with greater to access to such tittle-tattle would be able to say more about these matters, but I hasten to point out that I do not have that access.

I have already set out the dangers of the proposed judicial appointments commission. They worry me because the proposal reduces the opportunity for someone to see the matter in the round, as the Lord Chancellor does at present.

Problems will arise in future if the Government's proposals for the legal system are carried through. I hope that they will not succeed in abolishing the post of

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Lord Chancellor, but if they do we will have problems when it comes to making appointments. The post of Secretary of State for Constitutional Affairs is different from that of Lord Chancellor, and the nature of the people likely to occupy that post will also be different. That is a huge problem, with its own dangers. The debate has been largely good-humoured, but I am seriously disturbed at the Government's approach to these important matters. They display an appalling amateurishness and lack of understanding of the structures with which they are dealing. I am really worried about the vandalism being wreaked on our political, judicial and legal systems by the way in which the Government are proceeding.

David Burnside: Can my right hon. Friend explain for the education of a non-lawyer how, if and when the appointments were made—which I hope will not be for a long, long time, if ever—they would be more or less political if made according to the commission proposals than if they were made by the First Minister and the Deputy First Minister: positions held in the Executive following the Belfast agreement by my right hon. Friend and the hon. Member for Newry and Armagh (Mr. Mallon)?

Mr. Trimble: The conclusion of the points that I was making is that I should be opposed to vesting in a First Minister and a Deputy First Minister the functions in the measure. Part of the reason why I came to that conclusion arose from reflections on the way that the structure will—perhaps not intentionally but inadvertently—implicitly bring many political considerations into play. If, as is likely, the First Minister and Deputy First Minister were from different political parties with fundamentally different political objectives, it is difficult to see how those appointments could be anything other than the result of an overtly political or quasi-political negotiation. That is a serious problem for the future.

I do not know how long it will be before the institutions in Northern Ireland are up and running again; it may be some time, but I suspect that they will be and that those structures will function at some point in the future and that there will be huge difficulties in their operation. I say that as someone who is still broadly in favour of the devolution of policing and criminal justice matters—in the right circumstances, which we do not have at present. However, I am concerned that the structures that we are building into the system and the structure of the judicial appointments commission will produce too great a political influence.

That is the core of our reason for supporting the reasoned amendment. I shall not go through the clauses in detail, nor shall I discuss the provisions towards which we take a more welcoming view. My speech was not intended to be of such length, but that is how it developed. I hope that the Government will give us the opportunity in Committee to have a broad debate on these matters and to include other provisions that cannot come under the long title. I hope, too, that, through what will happen elsewhere, we shall have the opportunity thoroughly to examine the concepts that underlie the Bill and that they can be thought about again and radically changed, and that the Bill—or Act, as it may be by then—will be brought into line with them.

5.13 pm

Mr. Stephen Pound (Ealing, North) (Lab): I apologise to you, Mr. Deputy Speaker, and to the House not only for the fact that was I darting in and out of the Chamber earlier, but because I may have to dart out again before the conclusion of the debate. Very much in the style of employment in the 21st century and the precepts of new Labour, I am multi-tasking between this place, the Select Committee on Northern Ireland Affairs and the Tobacco Workers Alliance, just along the Corridor.

I am acutely aware of the fact that no words instil a greater sense of dread and foreboding in the House than those contained in the sentence, "I shall be brief". I shall in fact be brief, although in the context of this debate, I realise that we have moved on somewhat from the days of Timothy Michael Healy and Joseph Biggar, who felt that anything less than five hours was a mere clearing of the throat and anything less than 15 hours did not deserve a sidebar in the *Freeman's Journal*, but—

Mr. Deputy Speaker: Order. I hope that the hon. Gentleman will bear in mind amidst his busy duties that it is a courtesy to the House to sit for the whole of the speech after his own, which may of course last any number of hours.

Mr. Pound: No Labour Member would ever have any reason to doubt the significance of your judgments, Mr. Deputy Speaker. I am well aware of it.

I am delighted to take part in what, if it is not a piece of parliamentary history, may be a part of the establishment of another stage of the parliamentary rubric: the first outing of the Aylesbury razor—a new parliamentary principle whereby the House considers a number of items in the Bill and, very wisely and sensibly, goes through, ticking off the uncontentious ones. That is a superb practice, which should be adopted from now on. If the name of the hon. Member for Aylesbury (Mr. Lidington) is perpetuated in the same way as Occam's was in earlier years, that is both to his credit and to that of that great sage.

On the principle of the Aylesbury razor, we may be able to dispose of any objection to the offence of gathering intelligence against full-time Prison Service employees because that is uncontentious. The move to make it illegal to seek to influence a prosecutor with the intent of perverting the course of justice is, I hope, uncontentious. It is entirely sensible, as are some of the other provisions, such as placing a duty on the Northern Ireland criminal justice agency to observe human rights.

Lembit Öpik *rose—*

Mr. Pound: I certainly give way to the person who wishes to interject a note of contentiousness.

Lembit Öpik: The only contention is that, as my hon. Friend the Member for Orkney and Shetland (Mr. Carmichael) said in his speech, although such provisions

may not be contentious, surely they already exist in law, so they may survive the Aylesbury razor, but not the accusation of being superfluous.

Mr. Pound: I appreciate that Orcadian analysis may sometimes supersede the Aylesbury razor, but I hope that we can abjure that today and concentrate on two main issues. The overarching aspect of the Bill was enunciated with the fluency and expertise that one expects of a member of that most inner of inner circles of the establishment, an Oxford-educated lawyer. I refer, of course, to the hon. Member for Belfast, North (Mr. Dodds), who enunciated his objections overall. [HON MEMBERS: "Cambridge."] I apologise to Cambridge, and to Oxford for the imputation.

I have come to grow familiar with the hon. Gentleman's objections—we have heard them before—but I have also come to have an amount of respect for them. If my travels in the north of Ireland have taught me anything, it is how little I know about the circumstances and realities of life there. He feels that the Bill, as part of the process that flows from the Good Friday agreement, should not even be considered on the Floor of the House because, as he perceives it, the Good Friday agreement has not been fulfilled and the terms have not been adhered to, as he sees them, so anything that flows from that is the fruit of the upas tree, and we simply should not be considering it.

I very much hope that the measures that we are considering are not only in the spirit of the Good Friday agreement, but a vital part of developing the consensus that was agreed. Yes, it is not something that would embrace every hon. Member. Yes, the points that the hon. Member for Belfast, North makes about the activities of some people cannot be denied, but the fact remains that all human beings have within them the capacity to commit horror as well as to experience it. The circumstances around individuals make them create those appalling situations and participate in those ways. I hope that, by moving into a different form of civil society, even though people will still have it within them to be as they were, they will not need to act that way, and I desperately hope that we can move on from that.

The right hon. Member for Upper Bann (Mr. Trimble) made an extraordinary suggestion. He is so vastly my intellectual superior that I would not wish to cavil at any of his words, but he seemed to imply that, even if an agency was wholly and utterly unrepresentative of the community that it served, that would not matter if it did a good job. Superficially, that argument is attractive. A police force that is 100 per cent. representative of one particular community might be very good at parking tickets. However, even though elements of the outcome of a monocultural organisation or agency may be efficacious and can be defended, how on earth could everyone within that community feel an identification with, a sense of ownership of and sense of confidence in such an agency? That worries me desperately. A police force or agency anywhere in the world that is entirely of one community could function well, but there would be another side to that. The dangerous side would be the lack of identification or association with the rest of the community.

Mr. Trimble: The hon. Gentleman is doing the familiar thing of setting up a straw man in order to knock it down. When he reflects on what I said, he will realise that I did not advance that proposition. I said that the clear imbalance that exists in the police force was not the result of deliberate discrimination. However, I would point out to him—I did not say this—that, in appointing judges to the highest level, the object of the exercise should be to get the best man for the job. Evidence given to the Select Committee on Constitutional Affairs made it clear that

"it is not the function of the judiciary to represent or reflect any particular group in the community."

Mr. Pound: It is some years since I heard the expression "the best man for the job". I think I know what the right hon. Gentleman is talking about, but that seems to be an institutional problem rather than an individual one. I still feel—I hope anybody would feel this—that, if we as free citizens give the right to other free citizens to have power and authority over us in enforcing the law, the group of citizens who have power over the others must reflect them in every possible way. The governors must reflect the governed and vice versa.

We can get into absurd situations, and we dipped a toe into the limpid waters of Lake Absurdity when we started talking about the proportion of left-handed people. However, this is a serious issue. I have been to Garnerville, and spoken to a number of young police recruits. They do not come in, sit down and say, "I am here from this community." One thing that is massively impressive about the new recruits to the Police Service of Northern Ireland is the fact that one cannot immediately identify which community they come from.

I realise that it is said that, by the age of 12, there are 36 ways in which one can identify a person's community in a brief conversation, but all the people I met at Garnerville seemed to be desperately proud of wearing the uniform of the Police Service of Northern Ireland. I did not hear anybody say—well, I wouldn't, would I?—that he or she was a token for one side of the community or the other. I was immensely proud of that body of men and women who are coming through the training school. The fact that they are more representative of the community adds to their stature and augurs well for the future.

David Burnside: While being understandably proud of Garnerville and everyone standing there wearing a uniform and passing out in the PSNI, can the hon. Gentleman understand the problem that is created for young Protestant boys and girls? They are applying, but feel that they are discriminated against. They feel resentment. They go in on merit and pass all the criteria, but they are turned out because they see a law that discriminates against them because of their religion. All they want to do is to go in as Protestants and Catholics and all be proud of serving the police and the community in Northern Ireland.

Mr. Pound: I am not by nature confrontational, but I cannot help remembering an advertisement that appeared for an American presidential candidate recently. It showed a pair of white hands ripping up a piece of paper that said "Job Offer". Underneath, it said, "He didn't get the job because he wasn't black." If we

[Mr. Pound]

concentrate on that side of the equation rather than the situation that pertained for many years when people from one community had absolutely no chance of getting a job in certain organisations—

Mr. Andrew Turner (Isle of Wight) (Con): Will the hon. Gentleman give way?

Mr. Pound: I shall give way in a second.

If we talk about the issue in terms of the people mentioned by the hon. Member for Lagan Valley (Mr. Donaldson) who live in his constituency and are qualified for the job, we are missing two key points: first, that the arrangement is transitional, so I hope that after we have achieved a basis of equality, it be utterly uncontentious; and, secondly, that such discrimination existed in the past. I ask hon. Members to consider how many Catholic prison officers there are in Northern Ireland, and while we are thinking about that, I shall give way to the hon. Member for Isle of Wight (Mr. Turner).

Mr. Turner: I hope that the hon. Gentleman will reconsider the implication of his words. Although he did not mention the Royal Ulster Constabulary, it was evident to some of us that that was what he was speaking of. Does he accept that the greatest problem with the RUC's recruitment was the pressure put on Catholics not to apply?

Mr. Pound: The very first member of the RUC to be killed in the troubles—or certainly one of the first—and if not the last, almost one of the last to be killed, were both Roman Catholics. Catholics did join the RUC, although I entirely accept that there were those who put pressure on them not to do so. One reason why that happened was the dislocation between the community and the RUC. I shall not go into the "Oranges in uniform" slurs that were perpetuated for many years because there were wrong—and a thing of the past from which we may move on. However, no one in the Chamber can remotely deny that large sections of nationalists, republicans and Catholics in Northern Ireland were reluctant to join the RUC because they perceived not only that they were unwelcome, but that it was not their police force. At the end of the day, if one is in trouble and someone comes to one's rescue, one does not ask what religion they are.

Mr. Donaldson: Will the hon. Gentleman give way?

Mr. Pound: Of course; how could I not?

Mr. Donaldson: Is it not the case that despite all the changes and reforms to policing in Northern Ireland that have taken place and the advent of the Police Service of Northern Ireland, one sizeable section of the nationalist community still refuses to support the police, to encourage people to join the police or to participate in district policing partnerships? How does the hon. Gentleman explain that if he supports the current regulations that discriminate against Protestants?

Mr. Pound: I do not seek to explain that, I will not seek to condone it and I will never excuse it—it is wrong. However, the fact that one group of people takes that position does not invalidate the overall argument that I hope that we are making. I will not defend that group's position. I have tried to understand it, but I have failed. It is wrong—the hon. Gentleman and I agree on that. I hope that a more representative Police Service of Northern Ireland will make such postures an irrelevance in the near future.

Mr. Carmichael: Will the hon. Gentleman give way?

Mr. Pound: I do not think that I have any choice.

Mr. Carmichael: The hon. Gentleman always has a choice. May I invite him to return to the Bill because he started to make an interesting point on the importance of the judiciary reflecting wider communities and the wider society that I had hoped that he would explore? Does he agree that there is a practical importance to that? For example, a male-dominated judiciary, which is what we have had, has always found it especially difficult to deal with rape cases, so we have a poor record of convictions in such cases. Surely that is the sort of issue on which we should focus.

Mr. Pound: I will try to resist being sidetracked by rape, but the overall point that the hon. Gentleman makes is precisely right. I cannot think of any community in any society anywhere in the world that has not said, "Yes, leave it to us and we will gradually organically evolve into a more representative group." The United States Congress was mentioned earlier, but, in reality, every single group that was non-representative was unable to reform itself without some form of external legislation—it would be unfair of me to refer to Liberal Democrat parliamentary candidates in that context. Every body that I know says, "Leave it to us and we'll be more representative." Every single body I know signally fails to do so until a quota is imposed. We may not like that crude mechanism or blunderbuss, but it works. In a desperately fractured community with a small population we have to take such steps because that is the only way to make such a body represent the community in Northern Ireland. We could talk about that for much longer, but there are other Members who are far more qualified to talk about it than I am.

The operation of the hon. Member for Aylesbury—the Aylesbury razor—has left me only scraps, but I would like to deal briefly with the separation of paramilitary prisoners at Maghaberry. I am profoundly uncomfortable with many aspects of that separation, and have severe doubts about it. If there were any question of moving into a segregation regime I would enunciate those doubts even more forcefully. Like many hon. Members, I have visited Maghaberry—in fact, I am worried about the amount of time that I spend in prisons—and the experience taught me a number of things.

The difficulty of being a prison officer was mentioned, and I said earlier that 21 prison officers have been killed. I was wrong—in fact, 29 prison officers have been killed in Northern Ireland since the troubles began. Maghaberry is one of only two prisons in Northern Ireland—Magilligan is the other—and there is also

Hydebank Wood young offenders institute. Maghaberry is the only maximum security prison, but it also houses failed asylum seekers and a few women prisoners, because there is no women's prison in Northern Ireland. The hon. Member for Belfast, East (Mr. Robinson) said that by and large Ulster women are extremely law-abiding, which I accept, but women prisoners are still accommodated in a house in the grounds of Maghaberry. In some ways, it is a recipe for building a bad prison, as there are little houses dotted around with a helicopter net over the top, and I hope that there will be an improvement when Bush and Roe houses are rebuilt. The present situation is not unique to Northern Ireland, as separation exists in each of the hundred-plus prisons on the prison estate. In some cases, there is an obvious separation of so-called vulnerable prisoners. In others, it is people supporting different football teams, or from different gangs, groups or ethnic formations.

Like most members of the Northern Ireland Affairs Committee, I heard the evidence of Father Kevin Donaghy and Canon Barry Dodds—I see from the official House of Commons report that the Canon's name is spelt as if he were a piece of artillery rather than a clerk in holy orders.

Mr. McNamara: There is not a conflict.

Mr. Pound: Indeed, there may be a congruence. Father Kevin, Canon Dodds and John Steele, who formed the Steele review panel, told us that safety of prisoners, both convicted and on remand, and prison staff was paramount. We must give credit to the people who were appointed to make that decision and are experts in the area. I do not like anything that moves us towards the arrangement that pertained in Long Kesh and the Maze, but we must accept separation if it is the only way to operate the prison safely in its present confines. It will throw up other problems, as people will identify with certain groups. One group, the Irish National Liberation Army, is not on ceasefire and is more strongly represented in Maghaberry than anywhere else outside parts of north Belfast where, I hope the whole House agrees, its members are committing the foulest and most disgusting crimes.

The Government are responding to the situation sensibly, calmly and pragmatically. They commissioned and analysed a review, which was representative in the context of our earlier discussions, and came up with a conclusion, the text of which contains the key fact that has not been touched on—namely, that a rebuilt and expanded Maghaberry will be able to order these things differently.

Personally, I find it surprising not only that Northern Ireland has no women's prison, but that it has just one maximum security prison. We seem to be building prisons at the rate of one a month on this side of the water, but have not done so in the one part of the United Kingdom where there is enough space. Would it not be rather a good idea to build a couple of smaller prisons there? I shall leave that to the Secretary of State; I am not in any way proposing additional Government expenditure.

The Bill has been described as a vehicle with elements being added to it. That is no bad thing, because a vehicle moves forward. The Bill moves the process forward by introducing certain tidying-up elements, the most important of which—a representative judiciary—cannot be allowed to wait any longer. The hon. Member for Aylesbury asked why that provision cannot be put on ice. I disagree with so little of what he says that I feel quite ashamed to say that I wholly disagree with that. The solutions to the problems in the north of Ireland will not be arrived at by clicking our fingers or switching on a light—there must be an organic process that is built up piece by piece. The establishment of a representative judiciary is one of the key pieces of the edifice that we are trying to build to allow people to live in peace and to fulfil the potential of their lives in a safe environment. Surely, that is not too much to ask—it is what we expect in every one of our constituencies.

Nobody could argue with the fact that a representative judiciary is an essential part of a safe, sane and sustainable civic society. We may disagree about the details, but can we not at least agree with the principle that those who judge us and rule over us should represent the communities that they judge and rule over? That is a basic point on which I hope that the whole House can agree.

5.37 pm

Mr. Andrew Hunter (Basingstoke) (Ind Con): I am conscious that the hon. Member for Ealing, North (Mr. Pound) will soon wish to return to his multi-tasking. I shall be selective in my remarks, because by this stage of the debate many of the main points have been made, and not all of them bear repetition.

On the hon. Gentleman's comments about recruiting for the Royal Ulster Constabulary, may I put it on the record that I have seldom disagreed more profoundly with any view that I have heard expressed in this Chamber? I urge the hon. Gentleman to re-read the introduction to the Patten report, where he will find Patten accepting that the RUC enjoyed greater cross-community support than many other forces in the United Kingdom.

The hon. Member for Dundee, East (Mr. Luke), who is not here at the moment, quoted words uttered by Baroness Amos when she introduced the Bill in another place:

> "All justice systems must continue to evolve. They cannot be allowed to sit still and to ossify or they will cease to meet the needs of modern society."

I submit that that line of reasoning does not stand up in the present context. As the hon. Member for Newry and Armagh (Mr. Mallon) and my hon. Friend the Member for Belfast, North (Mr. Dodds) pointed out, we have had three police Bills in the past five years, and this is the second justice Bill. Ossification is not on the agenda. Indeed, it is the rapidity with which the Government have moved from one Bill to another that has brought doubt and challenged the credibility of their approach.

As my hon. Friend the Member for Aylesbury (Mr. Lidington) said, once one has cleared away the debris, the simple truth is that the Bill has not been introduced to promote any great issue of principle. Despite the Government's assertions to the contrary, their primary purpose is not to improve the justice system, although some important changes are proposed, not all of which are controversial. The underlying motive for the Bill is political and involves trying to resuscitate a failed

[Mr. Andrew Hunter]

political process and induce an unreconstructed terrorist organisation to look more favourably on the Northern Ireland justice system. We know all that because of the Bill's origins in the Hillsborough negotiations, the purpose of which was to recreate a climate in which the devolved Assembly and Executive could be reconstructed. The joint declaration of the two Governments contained a commitment to the Bill, made on the understanding that at least some of its contents would please the provisional republican movement.

We have been reminded that the criminal justice review in 2000 recommended the establishment of an appointments commission when, and only when, devolution was up and running. The Justice (Northern Ireland) Act 2002 was consistent with that. However, although we are now in the context of suspended devolution, with no early signs of that situation changing, the Government are suddenly and dramatically legislating for the establishment of a judicial appointments commission before devolution. Baroness Amos explained in another place:

"That should make an important contribution towards enhancing public confidence in the Northern Ireland justice system."

I argue that the reverse is the case. Have the Government not yet realised that concessions of that sort are contemptible in themselves and downright objectionable to true democrats? Moreover, that approach is self-defeating because the more the Government make one-sided concessions, the less acceptable the whole process becomes. Parts of the Bill, particularly the first seven clauses, devalue the justice system in Northern Ireland into a bargaining counter. What recipe is that for encouraging public confidence? The Government claim that the Bill will create a

"better, more modern justice system"

for the Province, which

"will benefit all the people of Northern Ireland in equal part"—

whatever that may mean—and that it will lead to

"even higher levels of trust and confidence in the justice system."—[*Official Report, House of Lords*, 16 December 2003; Vol. 655, c. 1091-92.]

In fact, it will do no such thing because it will politicise key aspects of Northern Ireland's justice system, especially judicial appointments.

In that regard, one need look no further than clause 1, which empowers the Lord Chancellor, rather than the First Minister and the Deputy First Minister, to establish a judicial appointments commission. That is fine while present arrangements last, but if I understand correctly the debate in another place, the Government envisage circumstances in which those powers will pass to the Secretary of State for Constitutional Affairs. When those powers pass to an ordinary party politician, the scope for political influence will increase enormously.

Much the same goes for clause 4, which will increase political influence in the appointment of the Lord Chief Justice and the Lords Justices of Appeal. The First Minister and the Deputy First Minister will no longer merely be consulted, but will "make a recommendation" to the Prime Minister. In other words, the First Minister and the Deputy First Minister must agree on a candidate to recommend to the Prime Minister who, in turn, will make the recommendation to the Queen. It is hard to envisage a more political process than that for an appointment.

In his opening speech, the Secretary of State declared his intention to resurrect the original clause 5. I urge him to move with great caution. Clause 5, as originally drafted, weakened the power of the Lord Chief Justice in cases of removal or suspicion. Under the 2002 Act, the Lord Chief Justice had to agree before the First Minister and the Deputy First Minister could suspend someone. In the original draft of the Bill, he had merely to be consulted. The key point is that security of tenure for senior judges is one of the most important safeguards of their independence, and we undermine it at our peril.

Much has been said about the guiding principles relating to appointments being made on merit alone, and being reflective of the community. Perhaps I did not make my point quite clearly enough when I intervened on my hon. Friend the Member for Belfast, North. The point that I wished to make, which others have made as well, is that there is, at the very least, tension between those principles. Indeed, they are conflicting principles. I can envisage only one way of resolving that tension, and that is through the creation of a pool of merit. I did not mean to imply that I was in favour of that; indeed, the experiences of the police force warn strongly against the creation of such a pool. My argument is that, as the Bill stands, that is the logical way in which matters will proceed in practice. We should therefore resist the proposal.

Mr. Peter Robinson: Does not the experience of the Police Service of Northern Ireland show that, in order to get the required composition, the standards for entry into the pool of merit are lowered, and we end up with a lower standard of candidate as a result?

Mr. Hunter: I am sure that my hon. Friend is right. That point also featured in their lordships' debate. It was a matter of worry to several Members of that House that, were such a pool system to emerge, even de facto, it would automatically result in a lowering of standards. I agree with my hon. Friend on that. I should also like to make the wider point that, in practice, having organisations reflect and represent the community has, over the years, meant disadvantaging the pro-Union people of Northern Ireland.

Another justification for the Bill has been that it will lead to higher trust and confidence in the judicial system. I submit that there is no need whatever to aspire to that. I was amazed by the comments of the hon. Member for Dundee, East on that point. I look back over the last 30 years or so, and I try to recall occasions on which there has been a serious lack of public confidence in the judiciary, but I cannot think of any. I am sure that they were minimal, at the very least. In that regard, I bow to the experience and judgment of the noble Lord Mayhew, who, both as Attorney-General and as Secretary of State, had long experience in these matters. He concluded, in a debate in the other place, that

"the judiciary of Northern Ireland, appointed as it has been by the Lord Chancellor, has earned a superb reputation for its fairness and impartiality, to say nothing of its courage and dedication to the rule of law."—[*Official Report, House of Lords*, 16 December 2003; Vol. 642, c. 1107.]

The truth is that public confidence in the judiciary is deservedly very high, and has been so over the years. There is no need whatever for that issue even to feature on the Government's agenda.

The 2002 Act required only lay members of the appointments commission to be representative of the community, but the Bill extends the requirement to all members. It provides that membership of the commission must reflect the community in Northern Ireland. We have yet to hear from the Government a clear reason for the change. Why are judicial members now to be subject to the requirement? Why is the change proposed so soon after the 2002 Act? We are entitled to speculate that we know the answer. It lies in Hillsborough and the purpose of the ensuing joint declaration.

How are we to define the community in Northern Ireland? Sinn Fein is now the dominant non-Union party, and it remains what it always has been: indivisible from the Provisional IRA, whose failure to decommission and renounce violence caused the suspension of devolution.

The criminal justice review was right to recommend that an appointments commission should be established only once devolution was in place. So long as devolution is suspended, it is a fundamental mistake to believe that public confidence in the judiciary will somehow be enhanced by trying to make it more reflective of Northern Ireland's fractured society. It cannot be right to amend the judicial system to try to make it more acceptable to those who break the law.

The Bill was originally drafted to make the judicial system in Northern Ireland more acceptable to the provisional republican movement. It has subsequently been caught up in the hasty and ill-thought-out decision to abolish the office of the Lord Chancellor. It should be rejected on both scores.

5.51 pm

Mr. Jeffrey M. Donaldson (Lagan Valley) (DUP): Several references have been made to the Bill's origins and the political motivation behind it. My hon. Friend the Member for Basingstoke (Mr. Hunter) referred to Hillsborough, which is in my constituency, and the joint declaration that emerged from the discussions that took place there on implementing the Belfast agreement, and issues that arose after the agreement.

Many aspects of the joint declaration go much further than the Belfast agreement. It introduced proposals that the agreement did not envisage and were therefore not the subject of the referendum that was held immediately afterwards. No one can claim that the proposals that emerged from the joint declaration have any democratic legitimacy through the referendum. Aspects of the Bill fall into that category. They are additions to the provisions and regulations of the Justice (Northern Ireland) Act 2002.

Almost all major legislation in recent years has dealt with implementing the Belfast agreement, correcting mistakes in it or adding to its provisions. Clearly, the Bill has a political origin and is not simply about tidying up or improving arrangements for dispensing justice in Northern Ireland. It is about satisfying specific political agendas.

The Minister knows that confidence in the justice system is important to ensure that it operates effectively. Some hon. Members have questioned the confidence of at least one section of the community in it and suggested that that at least partly justifies the Bill. I have yet to learn of any significant body of evidence—presented here today, or presented in any other form—that supports the accusations suggesting that our judicial system and the judges who are part of it are unfair and biased.

Like every other MP, I am visited now and then by constituents who bring complaints. They feel that they were treated unfairly as a result of a court hearing, or they are the victims of a crime and do not feel that the court went far enough in applying the rule of law and imposing a sentence. I am currently dealing with the case of a young lad in my constituency who was seriously assaulted by four youths. He has been in hospital for a long time with significant brain damage; the four youths were eventually sentenced for causing an affray, and were given sentences that the victim's family felt were wholly inadequate in terms of reflecting the damage done to their son.

It so happens that that family is Protestant. Many of my Protestant constituents come to me from time to time to complain about some grievance involving the application of the law. Any suggestion that the Protestant community is entirely satisfied with every aspect of the judicial system and that the Roman Catholic community is not constitutes a complete misrepresentation of the position. Any kind of poll would establish that most decent, law-abiding people in Northern Ireland support the judicial system. Only those with something to fear from the law have a grievance. I am afraid that at least part of the Government's intention is to assuage the so-called concerns expressed by some of those who have never really recognised our system of justice in Northern Ireland.

Mr. Dodds: My hon. Friend is right. A number of us have mentioned the composition of the High Court and the Court of Appeal in Northern Ireland. Is it not the case that there is no basis for any perception of imbalance in terms of the religious background of the judiciary?

Mr. Donaldson: Indeed. I made that point to the hon. Member for Dundee, East (Mr. Luke) when he argued that the Bill was essential because of a widespread lack of confidence in the judicial system and the appointment of the judiciary in Northern Ireland. He gave no evidence to support his argument, and, as my hon. Friend says, the reality does not reflect it.

Mr. Carmichael: There are other ways in which the judiciary can often be unrepresentative or imbalanced. It is not just a question of religion. The hon. Gentleman himself has identified a number of difficulties with the judicial process. The drift of legislation over the past 20 years has been towards fettering judicial discretion because of a perceived lack of representativeness. That legislation merely treated symptoms, whereas this Bill strikes at the disease itself.

Mr. Donaldson: I would accept that but for the fact that my argument is not really that the system cannot be

[Mr. Donaldson]

reformed. Every system can be reformed and improved. Like other Members, I continually receive letters from people throughout the United Kingdom who are campaigning for justice—for this, that and every other cause—because of some perceived injustice perpetrated on them by the courts. If the hon. Member for Orkney and Shetland (Mr. Carmichael) analysed the judiciary in Northern Ireland, I dare say that he would discover that few of them come from working-class, Protestant backgrounds. I will not suggest that because that is the case we should necessarily radically reform the appointments system. We are not arguing against the principle of the appointments system; it is the political motivation behind it that concerns us.

In his opening remarks, the Secretary of State discussed the benefits that have accrued from the Belfast agreement, and he laboured the point on policing. I say to the Minister—and through him to the Secretary of State—that if he were to take a poll in my constituency of community attitudes to policing institutions today and compare it with polls taken in 1997 and 1998, he would find that there is greater dissatisfaction today with policing than there was before the Belfast agreement. That is because of growing criminality, antisocial behaviour and paramilitary activity and the fact that the police cannot respond because they do not have the resources.

I get more complaints about the lack of police response to crimes in my constituency than I did when the Royal Ulster Constabulary was policing my local community. On the ground, that is the reality of the Patten report and the downsizing of the police in Northern Ireland, and it is also the reality of the impact of 50:50 recruitment. The police have not been able to recruit as many officers as they have lost, and many of the district command units are significantly under-resourced, which is the case in Lisburn in my constituency.

Mrs. Iris Robinson (Strangford) (DUP): Does my hon. Friend agree that the stance taken this evening by the right hon. Member for Upper Bann (Mr. Trimble) is breathtakingly hypocritical?

Mr. Deputy Speaker: Order. I think that the hon. Lady should withdraw that remark. It is not a term that we use in relation to any hon. Member of this House.

Mrs. Robinson: I am happy to withdraw that particular comment. I am against the shocking and disappointing 50:50 recruitment policy in the Police Service of Northern Ireland. The right hon. Member for Upper Bann says that he is against 50:50 recruitment, but his former colleague for Fermanagh and South Tyrone, Ken Maginnis, recommended it.

Mr. Donaldson: I thank my hon. Friend for her intervention. If she had used the term "stretching credibility", it would have made her point. I recently read comments by Monsignor Dennis Faul in the Belfast *News Letter*, who pointed to the fact that 50:50 recruitment was first proposed by Lord Maginnis of Drumglass, who was then the hon. Member for Fermanagh and South Tyrone. As a member of his party at that time, I knew that he advocated 50:50 recruitment, and that point came out in the Patten report. We remember that he welcomed the appointment of Chris Patten to chair the independent commission on policing, and he has lived to regret that welcome. It stretches credibility for Ulster Unionist Members to campaign against 50:50 recruitment when the former hon. Member for Fermanagh and South Tyrone first advocated it.

On policing, the problem is about confidence not only in the judiciary but in the rule of law generally. The SDLP is pushing hard for its proposal that the full-time police reserve should be wound up in 2005. In the Lisburn district command unit in my constituency that would mean that 80 full-time reserve officers would be removed. Who will replace those officers in an already under-resourced police service that cannot respond to many of the calls that come in to the police station—some of them 999 calls? While the Secretary of State will trumpet what he regards as the progress that has been made on policing, district commanders—I mean no reflection on the quality of the police officers that we have—do not have the resources needed to cope with the levels of crime, antisocial behaviour and paramilitary activity on our streets.

We have previously stated that we do not in principle oppose the idea of greater independence in judicial appointments. Transparency, accountability, openness and independence at all levels of government and in the administration of government are to be encouraged. Of course, the Northern Ireland Office has not always practised such transparency in government. One thinks, for example, of the operation of the Anglo-Irish—now the British-Irish—intergovernmental conference, which has lacked transparency in its deliberations. We could do with a bit more transparency in government in Northern Ireland.

Our difficulty with the Government's approach to constitutional reform is that it is often ill thought out and inappropriate in terms of how it implements change. As I have said, the motivation behind the introduction of the Bill is the joint declaration, which was agreed between Her Majesty's Government and the Irish Government, with the involvement—to some degree—of some of the political parties who were present at Hillsborough during the negotiations.

We have been talking this evening about justice and confidence in the system of justice. However, a key proposal in the joint declaration is an amnesty for IRA terrorists who are on the run from justice. That is a travesty of justice. It undermines confidence in the rule of law in Northern Ireland to suggest that a terrorist who has committed a serious crime—up to and including murder—can effectively walk free without fear of going to prison for that crime. That is what the Government propose in the joint declaration, which is also the source of the Bill.

We hear lectures from hon. Members on the other side of the House about the need to build confidence in the judicial system. Can they explain to my constituents who have been the victims of IRA terrorism how it upholds the rule of law and our system of justice to grant a de facto amnesty to IRA terrorists who have

committed some of the worst atrocities during what was known as the troubles in Northern Ireland? That is what the joint declaration does. How will that build confidence in our system of justice, especially in the Unionist community, which suffered probably more than most at the hands of the IRA. There is no justice in such cases.

Let us be frank about saying that the Government will bend over backwards to assuage the concerns of the nationalist community. They will introduce Bill after Bill to address those concerns, but they heap coals on the heads of the Unionist community with the proposal in the joint declaration for an amnesty for IRA terrorists who are on the run. The DUP will not support, endorse or give credence to such a proposal. Indeed, we will oppose it vigorously and it will continue to be a major problem for political progress in Northern Ireland. I urge the Government to scrap any notion of an amnesty for IRA terrorists on the run. That, I believe, in a single move, would help to increase Unionist confidence in the rule of law and the system of justice in Northern Ireland.

The Bill could politicise the system of appointing judges in Northern Ireland. I fully support the amendment tabled by the official Opposition, and I endorse the remarks of the hon. Member for Aylesbury (Mr. Lidington). It is important that the Government reflect on the proposals and think again, especially on the political motivation behind the proposals in the Bill. We support a system of judicial appointment that is truly independent, transparent and fair, and free from political motivation and politicisation. We know the difficulties that that can cause in Northern Ireland. The Bill as currently drafted does not meet those tests, as my hon. Friend the Member for Belfast, North (Mr. Dodds) said.

Some of the proposals in the Bill clearly have merit. It should be noted that, if they are important to the functioning and administration of criminal justice in Northern Ireland, they should have been included in the 2002 Act. I have not heard a clear explanation from the Government as to why they were not. There are key aspects that have been implemented in England and Wales that we are waiting for in Northern Ireland—antisocial behaviour orders, for example. I recently sent to the Minister my party's response to the consultation document on antisocial behaviour. I urge him to act quickly, because such behaviour is becoming endemic in many parts of Northern Ireland, some of it fuelled by the paramilitaries, but much of it not. We need action on that.

Mr. Spellar: Will the hon. Gentleman at least give us credit for having compressed the consultation period, precisely so that we can introduce legislation and get it through before the summer?

Mr. Donaldson: I will give the Minister credit when the legislation comes before this House—and the quicker the better.

The Bill grants the Prison Service greater options in respect of transferring prisoners. I am currently dealing with a case involving a prisoner with severe psychological problems who needs professional help that he cannot get within the prison system in Northern Ireland. The Bill may help with other aspects of the Prison Service, but, like my hon. Friend the Member for Belfast, North, we hope that the power will be used only as a last resort, to prevent unnecessary hardship for relatives in respect of visitation rights.

The Bill gives the Attorney-General the power to issue human rights guidance to criminal justice organisations, advising them on how to carry out certain functions. That appears on the face of it to be uncontroversial, but the critical matter will be the nature of the advice given. While an offence of influencing a prosecutor seems uncontroversial, we are not sure how it will work in practice. It is hoped that the measure will not be used to prevent legitimate representations from being made or elected representatives from making justified public comment.

Elements of the Bill are sensible, but the fact that we are debating them only two years after the 2002 Act clearly highlights the Government's disjointed approach to key issues in Northern Ireland. They seem to operate and legislate for Northern Ireland on the basis of meeting the demands that are wheeled out from time to time by some of the more vocal elements in our society, and that is why some aspects of the Bill are flawed and they need to take more time to reflect on them before pressing ahead.

The Government have acted in haste in constitutional reform generally, and in the Bill in particular. They must start to learn from some of the mistakes that have been made. The people of Northern Ireland will not be well served if this legislation needs to be amended because of the Government's haste in appeasing those who are, and have always been, very vocal in their criticism of the justice system in Northern Ireland, without any real justification.

It is clear that it is not the right time, politically or constitutionally, to proceed with key elements of the Bill. The Opposition's amendment therefore has much merit, and I urge the Minister to consider it carefully.

6.15 pm

Mr. Eddie McGrady (South Down) (SDLP): The debate has ranged far and wide and occasionally rather far from the Bill's terms of reference, but that is to be expected given the Bill's context and the circumstances in our communities in Northern Ireland.

As my hon. Friend the Member for Newry and Armagh (Mr. Mallon) said, we welcome the Bill, which is the second or third attempt to get right and implement the criminal justice review, allied as it was to the reform of the Police Service of Northern Ireland. Such numerous attempts to get matters right while accusing other parties of not fulfilling their obligations under the Good Friday agreement ring very hollow indeed, particularly when it is a Government source who is exhorting others to perform to the fullness of that agreement.

I welcome the Bill because it endeavours to bring about at least partial real reform, and to ensure that we have a reflective judiciary. There is a duty on criminal justice agencies to have regard for international human rights standards, and the Bill makes it an offence, among other things, to influence the Director of Public

[Mr. Eddie McGrady]

Prosecutions. But three elements that were omitted from the previous legislation have been omitted again from the Bill. When I asked the Secretary of State about the DPP's referring to the police ombudsman cases involving allegations of police misconduct, I was less than enthused by his answer. In essence, he said, "Don't expect me to answer that question now, but we'll take it up in more detail in Committee." Clarity of thought at this stage would have been very desirable, in order to provide proper interpretation of what is a multi-interpretable provision.

The situation was very simple. The review proposed that if the DPP encountered an allegation of misconduct, it should be referred—properly, constitutionally and statutorily—to the police ombudsman. However, a new concept and new wording has been added, to the effect that such an allegation needs only to "appear" to be proved. That means that the DPP has a judicial decision to make virtually of his own accord. We hope that that will be remedied in Committee.

There is also the question, which was raised earlier, of the appointment of the panel of senior judges. The First Minister and Deputy First Minister will make joint recommendations to the Prime Minister, who in turn will take cognisance of, and have due regard for, those recommendations. The proposal in the criminal justice review report seems not to have been straightforwardly and fully implemented, in that another layer of decision making has intervened between the recommendations of the First Minister and Deputy First Minister, and the ultimate appointment as made by the Prime Minister.

As I said earlier, the Bill is part of the process of fulfilling undertakings made in the Good Friday agreement. There are other matters that remain unfulfilled—they have been referred to in somewhat emotive terms, and correctly so—in respect of the other parties that signed up to the agreement.

Much has been said time and again—and I can only emphasise it on the basis of my own experience and the experience of those in my constituency—about the continuation of horrendous punishment beatings and worse in my community. We are faced with the audacity, the offence, that elected representatives of Sinn Fein—let me be blunt about it—to the Assembly have recommended to my constituents, to the old people who have suffered attacks and burglaries in my constituency, that they do not under any circumstances approach the PSNI, but should instead address their problems of justice to something called "restorative justice".

"Restorative justice" is a very worthwhile and important aspect of community, particularly in Northern Ireland, but it is embryonic and has not had its conditions laid down. Yet we have growing up in our constituency communities groups calling themselves "restorative justice" groupings, which are simply fronts for quasi-paramilitaries and sometimes not so quasi paramilitaries. Fulfilment of the requirement for restorative justice, allied to the police as restorative justice is, should be dealt with as a matter of grave urgency.

That also applies to the intimidation and other activities—punishment beatings, drug trafficking and protection rackets—carried out by the other paramilitaries: the loyalists, the Provisional IRA, the Real IRA, the dissident IRA, and any other groups one cares to mention. These are all aspects of non-fulfilment of terms of reference in the agreement. That is why it is important that we take our opportunity in Committee to address the matters that are missing from these proposals, so that we can sign off for the criminal justice review.

At least the Government could then say, "We fulfilled our part in that aspect of the Good Friday agreement", and they would not have egg on their face because of the counter-accusation, "Why do you talk about us not fulfilling things? Why do you talk about the DUP refusing to participate in the Executive, the joint Administration? Why do you talk about the UUP withdrawing from the structure set up under the Good Friday agreement?" There are deficiencies all round. At least the Government should remove their own deficiencies.

In speaking to the reasoned amendment, the hon. Member for Aylesbury (Mr. Lidington) presented little argument for its terms, but gave a wide-ranging discourse on many aspects of justice, policing, security and even constitutional matters in Northern Ireland. That is fair enough. They all have to be put into their context.

I should like to refer to one aspect that the hon. Gentleman dealt with: the separation of prisoners at Maghaberry prison. He quoted at length from the Northern Ireland Affairs Committee, which dealt with the matter, and emphasised, although he did not look me straight in the eye, that its decision was unanimous and that therefore I as a member was party to it. I made a written submission objecting to the Committee's conclusion. That objection was put to the Committee and rejected. I did not think that I would have the audacity to file a minority report on a single issue like that, but my record is there in writing.

I do not think that that decision was made on the basis of political expedience. I think that there was a real danger to prisoners, because in Maghaberry there are not only republican and loyalist political prisoners, but also so-called ordinary, decent criminals, as they are referred to in Northern Ireland, as well as illegal immigrants in custody. So there are at least four categories, and if one divides the loyalist paramilitaries and the republican paramilitaries into further sub-groups, one has a mess. It was to do with the danger to criminals within the prison that the separation, rather than segregation, was made. I have a very clear understanding of the difference.

To return to the Bill, it is an attempt—the third, I believe—to make the judiciary in Northern Ireland more understanding and more open to the public so that what is happening is clearer to the ordinary man in the street. Justice cannot be seen as a person with a long wig sitting in England dictating what happens in the system. That is putting it rather crudely, but that is the image that many people have, and the Bill is an attempt to introduce some transparency in the way in which people are selected for judicial appointments. I agree with everyone who has said that selection must be based clearly on merit, but it must also be seen to be open and not an old boys' network. I hope that the provisions will

help to achieve that. They are part of an ongoing process that I hope will successfully conclude, in respect of the criminal justice review, when the Bill is passed.

There are many other issues. I am tempted to go down the road of speaking about various aspects of policing that have cropped up in this evening's debate. As a member of the Northern Ireland Policing Board, I give a strong indication, if not of a financial interest, at least of a vested opinionated interest in its workings.

The hon. Member for Lagan Valley (Mr. Donaldson) referred to 50-50 recruiting. If, under the new dispensation, we want to convert a police force that was something like 93 per cent. Protestant and make it acceptable to, and representative of, the entire community in a reasonable time, what is the alternative? Even with 50-50 recruitment it will take some 15 to 18 years for community proportionality to be reflected in the Police Service of Northern Ireland. Without the 50-50 arrangement, we would have to double that period, but can the whole community afford to have such a substantial number of people withholding their consent and failing to support the police?

As it is, it will be an uphill struggle because of Sinn Fein's non-involvement, for its own particular reasons, in policing. I state clearly that it is attempting to establish its own police services in our communities through the so-called restorative justice committees, which are accusing, convicting and executing people—particularly young people. There are many tragedies such as multiple suicides of young men in parts of Belfast, which are brought about by the continued pressure of paramilitaries on those communities. It is also reflected—perhaps less dramatically—in the problems and behaviour of young people right across our communities, both nationalist and Unionist.

Mrs. Iris Robinson: Does the hon. Gentleman accept that the failure of Catholics to join what was then the Royal Ulster Constabulary was down to the Catholic Church's encouragement not to support the state, as well as the threat of violence from the IRA?

Mr. McGrady: The hon. Lady asked a legitimate question, the second part of which I can accept. Particularly in the last 30 years, anyone in the Catholic community who had the audacity or the bravery to join the RUC took a severe risk, but many did—many, but not enough. However, I do not accept that the first part of the hon. Lady's question is justifiable. I must say, even though it may cause offence to Unionist Members, that the RUC was seen—rightly or wrongly—to be a Protestant police force for a Protestant people. That was traditional in our community and was handed down in the expressions of the fathers of the Unionist parties at the time. They advised their people not to employ Catholics. The atmosphere created was that Catholics were not welcome to join the police. Theoretically and statutorily, they all had rights—

Lady Hermon: Will the hon. Gentleman give way?

Mr. McGrady: No, I have only one minute to go.

Everyone had rights theoretically, but in practice it was a very chill house for Catholics, and people must accept that.

In addition, there was the whole burden of the troubles. We must remember that it was the Catholic community who mainly suffered from the Provisional IRA's campaign, and they who, in turn, paid the price for it through what were sometimes extremely one-sided actions by the then RUC. Innumerable honourable men and women performed their duties exceptionally well, but the general ethos was anti-Catholic. That is why we must have the 50–50 split, and why it must continue if we are to have a police service that reflects the community.

6.30 pm

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): It is a privilege to follow my hon. Friend the Member for Aylesbury (Mr. Lidington) in supporting our reasoned amendment. The debate has been well informed, but sadly, it takes place against the background that the hon. Member for South Down (Mr. McGrady) has so ably described. The sad situation in Northern Ireland is that the punishment beatings, the racketeering, the exclusions and even the pressure towards suicide among young people have all got worse since the joint agreement.

It is against that background, and following the elections in October and the suspension of the Assembly, that we are considering the Bill, which has its antecedents in the joint declaration of 2003. The joint declaration makes it clear that the devolution of policing and criminal justice should take place

"within the lifetime of the next Assembly"—

that is, assuming that the Assembly is up and running—

"on a basis that is robust and workable and broadly supported by the parties."

Clearly, that is not the case.

Paragraph 5 of annexe 2 says:

"The Annex is written on the basis that arrangements for devolving policing and justice will need to be agreed between the parties"—

we have seen clearly tonight that the parties do not agree about them—

"and subsequently between the British Government and the Executive, and that these arrangements must be robust and workable. The British Government will wish to give careful consideration to the views of the parties on all of the matters below."

Then comes the important sentence at the end of paragraph 5, which says:

"Definitive acts of completion, independently monitored, would provide the necessary context for addressing and agreeing the practicalities of such further devolution as quickly as possible."

The Opposition say to the Government that the Bill is therefore premature.

The debate has been well informed, and it is a pity that the situation in Northern Ireland is not more settled. I defer tonight to all the Members who represent the Northern Ireland people, because they understand what is happening there. Many of them have lived with it for many years, and they understand the horrors and difficulties of what is going on in the Province.

It is sad that this House, through debates such as this, and through all the statutory instruments that we deal with in Committee, must effectively govern the Province of Northern Ireland, although we would like to see a devolved institution making its own decisions.

[Mr. Geoffrey Clifton-Brown]

Many constructive speeches have been made tonight. I take on board in particular the bravery of the two speeches by SDLP Members, who so robustly and graphically told us what the situation is like now. The hon. Member for Belfast, North (Mr. Dodds) talked about, among other things, the transfer of prisoners to the mainland.

I shall deal with one or two matters that are not in the first seven clauses of the Bill, because I want to deal with the minor matters first and then the first seven clauses, because they are the most controversial. First, I want to talk about the transfer of prisoners. My hon. Friend the Member for Aylesbury quoted from the Northern Ireland Affairs Committee report on the Steele commission's segregation decision concerning Maghaberry prison, and I shall do the same. My hon. Friend and I visited that prison and we saw for ourselves what went on there.

I shall quote from paragraph 44 of the Select Committee report. I accept that the hon. Member for South Down produced his own minority report, and it is interesting that the hon. Member for Ealing, North (Mr. Pound), who supported the Government's decision in the Steele review, signed up to it.

Paragraph 44 of the Select Committee report states:

"Nonetheless we have to record our belief that the decision—taken, as we see it, contrary to the balance of the facts and arguments presented to us—was a dangerous one, most especially for the public servants who will have to implement it and live with its consequences."

The situation in Maghaberry prison is potentially very difficult. We will want to look carefully at those clauses in the Bill that deal with the transfer of prisoners to the mainland. We will want to strengthen them to ensure that any such transfer happens only when really necessary, in an emergency situation. The prisoners involved must also agree to such a transfer, so that their safety can be protected.

David Burnside: Does the hon. Gentleman accept the excellent idea offered by my hon. Friend the Member for North Down (Lady Hermon)? Her suggestion was that republican prisoners in Northern Ireland should be transferred to our neighbours in the Irish Republic. Under the jurisdiction of the Republic, those republican prisoners could return to their ancestral home, and serve out their time under the authority of the south. That would be an excellent example of cross-border co-operation.

Mr. Clifton-Brown: I do not accept that idea, as the quid pro quo would be that the Republic would require us to take some of their more dangerous prisoners into the north. The provision that dangerous prisoners may be transferred to the mainland must be used sparingly.

Mr. Spellar: I just want to point out that the suggested course of action would be against a law passed by the previous Conservative Government.

Mr. Clifton-Brown: I am glad that my predecessors shared my sensible view of the matter.

The Bill is being presented against a background of political uncertainty. In Standing Committee, we will need to examine carefully its raison d'être. The words of Lord Mayhew are worth bearing in mind in that regard. He has immense experience, both of Northern Ireland and of the post of Attorney-General. He told the other place that

"Throughout the past 30 years, the judiciary of Northern Ireland, appointed as it has been by the Lord Chancellor, has earned a superb reputation for its fairness and impartiality".

We will therefore want to examine why the criminal justice system is being politicised, as our reasoned amendment contends. Lord Mayhew usefully added:

"Nor could anyone point to any significant or telling imbalance in the staffing of the High Court or the Court of Appeal in Northern Ireland. Their members were appointed by the Lord Chancellor, solely on merit and I am sure always consulting the Lord Chief Justice of the day. In my experience it so happens that, if anything, marginally more appointments were made from those with Catholic backgrounds."—[*Official Report, House of Lords*, 16 December 2003; Vol. 665, c. 1107–08.]

That final remark is especially pertinent.

We will want to look carefully and in detail at why the Bill proposes to set up a separate judicial appointments board, and why it will alter the way in which the Lord Chief Justice and the Lords Justices of Appeal are appointed.

I shall return to those controversial clauses in a moment, after I have commented on some of the excellent contributions to the debate. I was very struck by the remark made by the right hon. Member for Upper Bann (Mr. Trimble)—my right hon. Friend—who said that the Belfast agreement committed the parties to equality of treatment and opportunity, not equality of outcome. That is probably one of the most pertinent remarks to have been made in the debate. Citing his experience as a lawyer who used to be in favour of the appointments commission, he said that he had changed his mind and considered the proposal dangerous. When a Member of Parliament of such experience says that, the rest of us must sit up and take note.

The hon. Member for Dundee, East (Mr. Luke), who is a member of the Northern Ireland Affairs Committee, also made a good speech. He said that the proposal to transfer prisoners to the mainland—and he thought that they would go to Scotland in particular—could be regarded by the nationalists as akin to transportation. He said that the provision could become a political weapon for paramilitaries. Other hon. Members made the same point.

I think that the hon. Member for Belfast, North made the point that the Bill could be turned into a bargaining position as part of the political process in due course. That is one of the reasons why we proposed our amendment; we believe that the Bill is part of a political process whereby too many concessions have been made to the IRA and its satellites without receiving from them in return enough commitment to the peace process. My hon. Friend the Member for Aylesbury was exactly right about that. If organisations want to participate in the democratic process they have to demonstrate democratic credentials in return.

I shall return to the controversial clauses—clauses 1 to 7—and especially to the paradox shown by the provision under clause 2(1) where it is stated that the appointments commission has to be "representative of the community" while clause 3 states that appointment is to be solely

"on the basis of merit".

Those two statements cannot both be true at the same time: either the commission can represent the community or it can be appointed on merit.

That gives rise to a degree of doubt about the true impartiality of the new appointments procedure. The commission is to be made up of a chairman—the Lord Chief Justice—seven members of the legal profession and five lay members. The only way that it could work, as several Members have pointed out, would be if there were a pool of judges from whom to select, but as there are not many judges in Northern Ireland, it will be quite difficult to ensure that we select the best possible candidates.

A core value of our justice system is that it is independent of all political interference. My fear is that appointments under the Bill will be seen as subject to political interference. The appointment of the Lord Chief Justice and Lords Justices of Appeal through recommendations to the Prime Minister, who may or may not accept such recommendations and who then makes a recommendation to the Queen, makes it look as though political interference could affect the criminal justice system.

With the Bill, we are going backwards, not forwards. It is a great pity that the Government did not do what they set out in the joint agreement. They should have consulted all the parties properly to see whether it was realistic to introduce the Bill. It is a poor way to legislate. We have had three police Bills over the past six years; this is the second criminal justice Bill in the past three years. The Government are proposing measures that are not properly thought out and we shall want to examine the Bill in great detail in Committee. I hope that we shall be able to amend it.

In considering the whole process, the Government need to find a way to ensure that the devolved Assembly is brought back into operation as quickly as is reasonable in the circumstances to return stability and normality to the Province. Having heard the Secretary of State on the "Today" programme this morning, I have some fears; the Government are not coming up with proposals for moving the process on.

We fear that, if we do not move the process on, it will move backwards, which would be a great pity. Although the situation in the Province remains serious, the number of killings and bombings and the most serious terrorist offences has reduced—*[Interruption.]*—dramatically. Indeed; I accept the Minister's sedentary comment. It will be a great pity if we get the Bill wrong and confidence in the criminal justice system in Northern Ireland went backwards because it was seen as politicised.

I urge the House to support our amendment.

6.44 pm

The Minister of State, Northern Ireland Office (Mr. John Spellar): I am grateful to hon. Members who have participated in the debate, although I expect that a greater number will attend Northern Ireland questions next Wednesday, prior to the Budget. A considerable number of points have been raised, and I shall address them in Committee if I cannot cover them all in the time available. I shall deal with the regrettable Opposition amendment in a brief rant towards the end of my speech.

I certainly take the point raised very strongly by the hon. Member for Belfast, North (Mr. Dodds) about the ongoing activity of the Provisional IRA, although we need to reflect, as was indicated in the exchange with the hon. Member for Cotswold (Mr. Clifton-Brown), on the considerable improvement that has taken place. We always need to get that balance right. I obviously depart from the hon. Member for Belfast, North on the conclusions that he draws. He implies that the provisions are somehow concessions to those groups. That is not the case at all. Indeed, a number of the controversial issues that we are describing involve the timing of matters that were already agreed in 2002, when the Justice (Northern Ireland) Bill was passed. The hon. Member for Belfast, North and other hon. Members also asked questions about other legislation, comparing it with needs on the ground, and I strongly reject the implication that we were not responding.

The hon. Member for Aylesbury (Mr. Lidington) rightly talked about the problems of racial attacks. Indeed, only today, a regrettable, racist anti-Chinese leaflet has been circulating in south Belfast. Not only have I issued a very strong condemnatory statement, but the police are taking strong action. The hon. Gentleman ought to acknowledge the proactive role that the police are taking, and there has been a sizeable dip in the number of racial attacks.

We recognise that there is considerable scope to improve legislation. That is precisely why we have published our legislative proposals on giving courts increased sentencing powers in respect of attacks that are provoked by hatred of one form or another. That sends a clear message to the perpetrators and a great message of reassurance to those who could be victims, as well as putting a weapon in the hand of the judiciary. Consultation ends on 9 April, and we want to introduce the proposals as soon as possible afterwards.

Of course antisocial behaviour is also a significant problem, and the hon. Member for Lagan Valley (Mr. Donaldson) rightly raised the concerns that his constituents have expressed. I suspect that similar concerns are raised by constituents of Members of Parliament right across the United Kingdom. As I told a delegation from Magherafelt recently, we face a paradox: the number of recorded crimes has declined with proactive police action, but there is greater insecurity in many areas as well. A lot of that is linked not just to what is defined in legislation as crime, but to antisocial and intolerable behaviour.

It is true that we could not do a straight read-across from the legislation in England and Wales, because of the different administrative and local government structures. To be blunt, I do not think that we moved quickly enough on that, but I take the point that has been made a couple of times by the hon. Member for North Down (Lady Hermon) and the right hon. Member for Upper Bann (Mr. Trimble). We have moved on the issue: we had the consultation in principle, which has already developed into major support, and we now have the consultation in detail. As I have indicated, I am bringing that forward to 9 April, precisely so that we can deal with it as quickly as possible. I know from the experience in England and Wales that we will then need to ensure that all parts of the prosecution and justice system use their powers under antisocial behaviour legislation. That is equally important in terms of diminishing paramilitary activity.

[Mr. John Spellar]

The hon. Member for South Down (Mr. McGrady) mentioned those who try to refer cases outside the justice system. There will now be an effective mechanism to deal with those cases, which are causing such problems. We have been doing more than that: we have also introduced reparation orders in youth justice matters, and we have been involving the perpetrators with their victims. Again, that is starting to have an impact on changing people's behaviour and the atmosphere on the ground. So it is not true that we are ignoring those very significant problems. We are considering a number of issues that we need to tackle, and we are doing so in the Bill.

Mr. Carmichael: The Minister has dealt very well with matters that are not in the Bill but could be in it. Will he address one matter that is in the Bill and perhaps should not be—clause 6 on influencing a prosecutor? I asked the Secretary of State whether he could explain the difference between that and the common-law offence of attempting to pervert the course of justice, but he did not do so. I have since noticed that there is one difference. The maximum penalty on conviction on indictment is five years, which is significantly less than the penalty available for the common-law offence. Is the signal that the Government seek to send that this is, somehow or other, a much less important species of attempting to pervert the course of justice?

Mr. Spellar: No it is not. We have specifically written the provision into the Bill to make clear our disapproval of such behaviour. Rather than it just being a common-law offence, it will become an explicit statutory offence. That is why we are putting it in the Bill.

The hon. Gentleman said that some matters that are not in the Bill could be in it. That point has been made by several hon. Members. If there is a broad sense that the feeling of the House is that we should look at the consultative procedures that we undertake with regard to some of the provisions in the Bill in order to compress their time scales, hon. Members should perhaps say that and put that as a proposition. I become frustrated and share the concerns of the electorate at the time that we take, but I recognise that we need to engage with those who want to make representations and to express their views when we examine proposals. I therefore ask colleagues to reflect on whether we need to compress the time scales so that we can deal with pressing problems on the ground in a shorter time.

I do not take away our responsibility for dealing with matters administratively in a short time or for trying to do work in parallel when that is possible. However, some of the approach is simply set down by the procedures for consultation—not particularly in this case, but in others—because we are operating direct rule on matters that were previously devolved. We need to reflect on the broader issues involved and accept that the matter is not as simple and straightforward as some colleagues suggest.

I come now to the early clauses on the judicial appointments commission. Originally, the commission was laid down in previous legislation to come into effect when devolution of justice took place. Therefore, the principle of a judicial appointments commission has already been established by the House and enshrined in statute. We are now in the position in which those powers are being moved to the Lord Chancellor until devolution of justice takes place. I do not see a great issue of principle with having a judicial appointments commission to put views to the Lord Chancellor as opposed to one that makes recommendations to the First Minister and the Deputy First Minister. It is perfectly creditable for the right hon. Member for Upper Bann to take the position, "I previously thought one thing about it, but now I have a different view." However, I do not see a great issue of principle between having the commission as originally envisaged in the Justice (Northern Ireland) Act 2002 or as it is proposed in the Bill.

As we have said several times, we are putting forward a Bill providing for a justice appointments commission in England and Wales. Indeed, there is already a Judicial Appointments Board in Scotland, as the hon. Member for Orkney and Shetland (Mr. Carmichael) said. It was established in 2002, and it seems to be working reasonably well. I accept the questions that have been raised about the board, and I will obviously have further discussions with Scottish representatives on that matter so that we can deal with the issue in Committee. Again, it appears that the issue has been dealt with adequately in Scotland without creating a great deal of difficulty.

The question has been asked whether the commission will affect impartiality, but does that imply that the Northern Ireland judiciary is not already impartial? We do not agree with that because we believe that the Northern Ireland judiciary should be commended on its professionalism and impartiality, as has been said several times. That is why the Justice (Northern Ireland) Act 2002 refers specifically to the continued independence of the judiciary. The criminal justice review, which the Bill builds on, is about modernising the system of appointments in line with the changing needs of society. As the hon. Member for Basingstoke (Mr. Hunter) rightly said, that was highlighted by my right hon. Friend the Leader of the House of Lords.

Mr. Clifton-Brown: The Minister says that the criminal justice system in Northern Ireland is currently impartial and working well. If that is the case, why do we need the Bill and a whole new appointments commission with all the difficulties and downsides that that entails?

Mr. Spellar: We already have provision for a judicial appointments commission. That was agreed when we considered the 2002 Act.

Lady Hermon: I am grateful to the Minister for giving way because I have been trying to contain myself for quite a while. He is bound to know that the criminal justice review team that the Government put in place recommended that there should be a judicial appointments commission, but only after devolution, which was the whole purpose of the report. We do not have devolution, so why is he cherry-picking the report?

Mr. Spellar: That is not really the case because we have already agreed provisions on a judicial appointments commission that could make recommendations to the First Minister and the Deputy First Minister. We will now have a commission that will

improve transparency and confidence in the system and make recommendations to the Lord Chancellor. The principle has already been agreed, so we are currently considering the time scale.

I shall move on quickly to the Conservative amendment. The hon. Member for Orkney and Shetland said that he was perplexed by it, but he should not be. He asked several questions about it, but the answers are straightforward. The two members of the Conservative Northern Ireland Front-Bench team are decent and sensible individuals who take a considerable interest in Northern Ireland—they are a considerable improvement on their predecessors. However, the amendment was tabled for a straightforward reason, which was partly to do with events on Monday and also because of the style of the Conservative Opposition. The hon. Gentlemen were instructed by the Tory politburo to move such an amendment and take its approach.

The Conservative approach is fundamentally wrong for two reasons. First, it moves away from the bipartisan approach that parties have taken on Northern Ireland, which is regrettable. Secondly, it represents lousy opposition. Conservative Members quote the mantra of Churchill that the duty of Oppositions is to oppose, but we know from 18 years' experience that that is a good way of staying in opposition because credibility is lost among serious people. I congratulate the two hon. Gentlemen on making the best of a bad job with some pretty thin arguments, but there are serious issues to discuss, which we will address in Committee. We need to ensure that people know that we understand the problems and difficulties and that we have a way of moving ahead to improve conditions for people in Northern Ireland. Indeed, I suggest that those of us in England and Wales could then learn lessons from Northern Ireland, rather than only taking lessons learned to Northern Ireland from England and Wales. I hope that the Committee will provide a better opportunity to consider such issues and look forward to seeing hon. Members who participated in the debate when we consider the Bill there.

Question put, That the amendment be made:—

The House divided: Ayes 145, Noes 366.

Division No. 83] **[6:59 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Bacon, Richard
Baron, John *(Billericay)*
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burt, Alistair
Butterfill, Sir John
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Curry, rh David
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Donaldson, Jeffrey M.
Dorrell, rh Stephen
Duncan, Peter *(Galloway)*
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flook, Adrian
Forth, rh Eric
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hammond, Philip
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mawhinney, rh Sir Brian
May, Mrs Theresa
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Portillo, rh Michael
Prisk, Mark *(Hertford)*
Randall, John
Robathan, Andrew
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Mrs Iris *(Strangford)*
Robinson, Peter *(Belfast E)*
Roe, Mrs Marion
Rosindell, Andrew
Ruffley, David
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simpson, Keith *(M-Norfolk)*
Smyth, Rev. Martin *(Belfast S)*
Soames, Nicholas
Spelman, Mrs Caroline
Spicer, Sir Michael
Spring, Richard
Stanley, rh Sir John
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Tredinnick, David
Trend, Michael
Trimble, rh David
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Ayes:
Hugh Robertson and
Mr. Peter Atkinson

NOES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainger, Nick
Alexander, Douglas
Allan, Richard
Allen, Graham
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baker, Norman
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Beith, rh A. J.
Bell, Sir Stuart
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob

Boateng, rh Paul
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom *(Carshalton)*
Breed, Colin
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Burgon, Colin
Burnett, John
Burnham, Andy
Burstow, Paul
Caborn, rh Richard
Cairns, David
Calton, Mrs Patsy
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Carmichael, Alistair
Casale, Roger
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Connarty, Michael
Cook, rh Robin *(Livingston)*
Corbyn, Jeremy
Corston, Jean
Cotter, Brian
Cousins, Jim
Cranston, Ross
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Drew, David *(Stroud)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Ewing, Annabelle
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Francis, Dr. Hywel
George, Andrew *(St. Ives)*
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Harvey, Nick
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hill, Keith *(Streatham)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, David
Laws, David *(Yeovil)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, Thomas
McCartney, rh Ian
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, John
McGrady, Eddie
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mallon, Seamus
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury & Atcham)*
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Merron, Gillian
Michael, rh Alun
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moore, Michael
Moran, Margaret
Morgan, Julie
Morley, Elliot
Morris, rh Estelle
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
Oaten, Mark *(Winchester)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
O'Neill, Martin
Öpik, Lembit
Organ, Diana
Osborne, Sandra *(Ayr)*
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Prentice, Gordon *(Pendle)*
Price, Adam *(E Carmarthen & Dinefwr)*
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Rendel, David
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Roy, Frank *(Motherwell)*
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salmond, Alex
Salter, Martin
Sanders, Adrian
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Smith, Sir Robert *(W Ab'd'rns & Kincardine)*
Soley, Clive
Spellar, rh John
Starkey, Dr. Phyllis
Steinberg, Gerry
Stevenson, George
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard

Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Thurso, John
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Vis, Dr. Rudi
Walley, Ms Joan
Watson, Tom *(W Bromwich E)*
Watts, David
Webb, Steve *(Northavon)*
Weir, Michael
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wills, Michael
Wilson, Brian
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Noes:
Mr. Fraser Kemp and
Ms Bridget Prentice

Question accordingly negatived.

Main Question put forthwith, pursuant to Standing Order No. 62 (Amendment on Second or Third Reading):—

The House divided: Ayes 358, Noes 141.

Division No. 84] **[7:14 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainger, Nick
Alexander, Douglas
Allan, Richard
Allen, Graham
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baker, Norman
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beith, rh A. J.
Bell, Sir Stuart
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Boateng, rh Paul
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom *(Carshalton)*
Breed, Colin
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Burgon, Colin
Burnett, John
Burnham, Andy
Burstow, Paul
Caborn, rh Richard
Cairns, David
Calton, Mrs Patsy
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Carmichael, Alistair
Casale, Roger
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Cook, rh Robin *(Livingston)*
Corbyn, Jeremy
Corston, Jean
Cotter, Brian
Cousins, Jim
Cranston, Ross
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Drew, David *(Stroud)*
Drown, Ms Julia
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Ewing, Annabelle
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Francis, Dr. Hywel
George, Andrew *(St. Ives)*
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Harvey, Nick
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hill, Keith *(Streatham)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, David
Laws, David *(Yeovil)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, Thomas
McCartney, rh Ian
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, John
McGrady, Eddie
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid

Mahon, Mrs Alice
Mallaber, Judy
Mallon, Seamus
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marsden, Paul *(Shrewsbury & Atcham)*
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moore, Michael
Moran, Margaret
Morgan, Julie
Morley, Elliot
Morris, rh Estelle
Mudie, George
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
Oaten, Mark *(Winchester)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
O'Neill, Martin
Öpik, Lembit
Organ, Diana
Osborne, Sandra *(Ayr)*
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Prentice, Gordon *(Pendle)*
Price, Adam *(E Carmarthen & Dinefwr)*
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Rendel, David
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Roy, Frank *(Motherwell)*
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salmond, Alex
Salter, Martin
Sanders, Adrian
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Sheerman, Barry
Sheridan, Jim
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Spellar, rh John
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Thurso, John
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Vis, Dr. Rudi
Walley, Ms Joan
Watson, Tom *(W Bromwich E)*
Watts, David
Webb, Steve *(Northavon)*
Weir, Michael
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wills, Michael
Wilson, Brian
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Woodward, Shaun
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Fraser Kemp and Ms Bridget Prentice

NOES

Ainsworth, Peter *(E Surrey)*
Amess, David
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baron, John *(Billericay)*
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burt, Alistair
Butterfill, Sir John
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Curry, rh David
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Donaldson, Jeffrey M.
Dorrell, rh Stephen
Duncan, Peter *(Galloway)*
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flook, Adrian
Forth, rh Eric
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grieve, Dominic
Gummer, rh John
Hammond, Philip
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Jack, rh Michael
Jenkin, Bernard
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mawhinney, rh Sir Brian
May, Mrs Theresa
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Portillo, rh Michael
Prisk, Mark *(Hertford)*
Randall, John
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Peter *(Belfast E)*
Roe, Mrs Marion
Rosindell, Andrew
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simpson, Keith *(M-Norfolk)*
Smyth, Rev. Martin *(Belfast S)*
Soames, Nicholas
Spelman, Mrs Caroline
Spicer, Sir Michael
Spring, Richard
Stanley, rh Sir John
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Dr. Richard *(Wyre F)*

Taylor, Sir Teddy
Tredinnick, David
Trend, Michael
Trimble, rh David
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Walter, Robert
Watkinson, Angela
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Noes:
Mrs. Iris Robinson and
Mr. Andrew Hunter

Question accordingly agreed to.

Bill read a Second time.

JUSTICE (NORTHERN IRELAND) BILL *[LORDS]* (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Orders [28 June 2001 and 6 November 2003],

That the following provisions shall apply to the Justice (Northern Ireland) Bill [*Lords*]:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on 1st April 2004.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Sessional Order B (programming committees) made on 28th June 2001 shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further message from the Lords) may be programmed.—*[Charlotte Atkins.]*

The House divided: Ayes 335, Noes 129.

Division No. 85] **[7:27 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainger, Nick
Alexander, Douglas
Allan, Richard
Allen, Graham
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baker, Norman
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, John
Bayley, Hugh
Beard, Nigel
Beith, rh A. J.
Bell, Sir Stuart
Benton, Joe *(Bootle)*
Berry, Roger
Best, Harold
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blizzard, Bob
Boateng, rh Paul
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom *(Carshalton)*
Breed, Colin
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Burnham, Andy
Burstow, Paul
Caborn, rh Richard
Cairns, David
Calton, Mrs Patsy
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Carmichael, Alistair
Casale, Roger
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Chaytor, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Colman, Tony
Corbyn, Jeremy
Cotter, Brian
Cousins, Jim
Cranston, Ross
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Drew, David *(Stroud)*
Drown, Ms Julia
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Ewing, Annabelle
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Francis, Dr. Hywel
George, Andrew *(St. Ives)*
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Harvey, Nick
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Heyes, David
Hill, Keith *(Streatham)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, Alan *(Hull W)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, David
Laws, David *(Yeovil)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, Thomas
McCartney, rh Ian
MacDonald, Calum

McDonnell, John
MacDougall, John
McFall, John
McGrady, Eddie
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mandelson, rh Peter
Mann, John *(Bassetlaw)*
Marsden, Gordon *(Blackpool S)*
Marshall, Jim *(Leicester S)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moore, Michael
Moran, Margaret
Morgan, Julie
Morley, Elliot
Morris, rh Estelle
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
O'Neill, Martin
Öpik, Lembit
Organ, Diana
Osborne, Sandra *(Ayr)*
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Prentice, Gordon *(Pendle)*
Price, Adam *(E Carmarthen & Dinefwr)*
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Rendel, David
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Roy, Frank *(Motherwell)*
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salmond, Alex
Salter, Martin
Sanders, Adrian
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Spellar, rh John
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thomas, Simon *(Ceredigion)*
Thurso, John
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Vis, Dr. Rudi
Watson, Tom *(W Bromwich E)*
Watts, David
Webb, Steve *(Northavon)*
Weir, Michael
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Fraser Kemp and Ms Bridget Prentice

NOES

Ainsworth, Peter *(E Surrey)*
Amess, David
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baron, John *(Billericay)*
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burt, Alistair
Butterfill, Sir John
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Donaldson, Jeffrey M.
Dorrell, rh Stephen
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flook, Adrian
Forth, rh Eric
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grieve, Dominic
Gummer, rh John
Hammond, Philip
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
McLoughlin, Patrick
Malins, Humfrey
Maples, John
May, Mrs Theresa
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Page, Richard
Paice, James
Paterson, Owen
Pickles, Eric
Prisk, Mark *(Hertford)*
Randall, John
Robathan, Andrew
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Mrs Iris *(Strangford)*
Robinson, Peter *(Belfast E)*
Roe, Mrs Marion
Rosindell, Andrew
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spring, Richard
Stanley, rh Sir John
Swayne, Desmond
Syms, Robert
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Tredinnick, David
Trend, Michael
Trimble, rh David
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Walter, Robert
Watkinson, Angela
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill

Wilkinson, John
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Noes:
Hugh Robertson and Mr. Hugo Swire

Question accordingly agreed to.

JUSTICE (NORTHERN IRELAND) BILL *[LORDS]* [MONEY]

Motion made, and Question put forthwith, pursuant to Standing Order No. 52 (1)(a) (Money resolutions and ways and means resolutions in connection with Bills),

That, for the purposes of any Act resulting from the Justice (Northern Ireland) Bill [Lords], it is expedient to authorise the payment out of money provided by Parliament of—

(a) any expenditure incurred by a Minister of the Crown by virtue of the Act, and

(b) any increase attributable to the Act in the sums payable by virtue of any other Act out of money so provided.—*[Charlotte Atkins.]*

Question agreed to.

NOMINATION OF SELECT COMMITTEES

Motion made,

That the Standing Orders be amended as follows:—

(1) In Standing Order No. 15 (Exempted business), line 18, leave out from 'committees' to 'which' in line 20 and insert 'to which that paragraph applies'.

(2) In Standing Order No. 121 (Nomination of select committees), line 10, leave out from 'under' to ', or' in line 13 and insert 'the Standing Orders of this House (with the exception of the Liaison Committee, the Committee of Selection, the Committee on Standards and Privileges and any Committee established under a temporary Standing Order).'—*[Charlotte Atkins.]*

Hon. Members: Object.

Andrew Selous (South-West Bedfordshire) (Con): On a point of order, Mr. Speaker. I rise to seek your guidance on what is acceptable parliamentary language when referring to another Member. Earlier today, the hon. Member for Montgomeryshire (Lembit Öpik) was referred to in a manner that many people would consider gratuitously nasty. That demeans the reputation of this House, is not appreciated by our constituents and does not contribute to debate. What reassurance can you give us that you will not tolerate such language in future?

Mr. Speaker: I do my best to ensure temperate language in the House at all times. Obviously, I need the co-operation of every hon. Member, and such co-operation is not always the case. But I shall look at the record and write to the hon. Gentleman to see what we can do.

Lembit Öpik (Montgomeryshire) (LD): Further to that point of order, Mr. Speaker. I fully understand the level of stress that the hon. Member for Bolsover (Mr. Skinner) must feel as he observes from directly across the Floor Liberal Democrats in ever-increasing numbers. May I suggest through you that, for the sake of his health and everyone's safety, he be asked to sit somewhere else?

Mr. Dennis Skinner (Bolsover) (Lab): Further to that point of order, Mr. Speaker. I was sitting in this corner seat when the hon. Member for Montgomeryshire (Lembit Öpik) had got nappies on. I am still here and I shall be here when he has gone—done and dusted.

Now then, I am very interested in this wonderful Tory-Liberal pact. I have been waiting years for it and now it has burst out. What a funny crowd they are. Get to bed. *[Laughter.]*

Mr. Speaker: I sat next to the hon. Member for Bolsover (Mr. Skinner) in that corner, and I thoroughly enjoyed every moment of remarks that were never put on the record—thanks be to God. *[Laughter.]* All that I can say to the hon. Member for Montgomeryshire (Lembit Öpik) is that I have never seen the hon. Member for Bolsover being stressed at any time.

Bob Russell (Colchester) (LD): On a point of order, Mr. Speaker. May I seek your guidance on, and protection from, impersonation of Members of this House? It has been drawn to my attention that in the Strangers' Cafeteria book, it has been alleged that "Bob Russell" made derogatory comments about Fair Trade chocolate and urged Members to eat Mars bars instead. *[Laughter.]*

Normally, such a bit of jesting would be all right, but I believe that there was malicious intent. The information was conveyed to the London *Evening Standard*, which regrettably did not check the story. It has attributed to me comments that I take seriously. I support the Fair Trade industry and any suggestion that I do not is derogatory to me. I therefore seek your guidance, Mr. Speaker.

Mr. Speaker: Order. The hon. Gentleman has explained his concerns to the House. It is, of course, not a point that the Chair can rule on. I suggest that the hon. Gentleman contact the director of catering services and the Chairman of the Catering Committee to ask them to investigate this very serious matter.

PETITION

Health (Excessive Alcohol Consumption)

7.45 pm

Ms Julia Drown (South Swindon) (Lab): I wish to present a petition from the members of the gastroenterology department at the Great Western hospital, Swindon, who are deeply concerned about the damage to people's lives caused by excessive alcohol consumption. They are joined by more than 500 specialists from across the country who share that concern.

The petition states:

To the House of Commons.

The Petition of Dr. M.D. Hellier MD MA FRCP, Consultant Physician/Gastroenterologist at Great Western Hospital, Swindon, and others,

Declares that much damage to health is caused by the excessive consumption of alcohol,

[Ms Julia Drown]

The Petitioners therefore request that the House of Commons urge the Government to include in its National Alcohol Harm Reduction Strategy the following warning:

'HM Government Health Warning. This product contains (relative number of units of alcohol) consumption of more than 21 units/week for men and 14 units/week for women can damage your health.'

And the Petitioners remain, etc.

To lie upon the Table.

Manchester College of Arts and Technology

Motion made, and Question proposed, That this House do now adjourn.—*[Charlotte Atkins.]*

7.46 pm

Mr. Graham Stringer (Manchester, Blackley): I am grateful for this opportunity to discuss the Manchester College of Arts and Technology. Before I do so I should like to declare what I think is an interest. I am not sure that it is, but it is better to have it on the record that the Fees Office pays for an office that I use within MANCAT. That has enabled me to witness first-hand a wonderful story of institutional success and improvement at the Manchester College of Arts and Technology, alongside the individual success of many students.

To understand the background to that success one has to understand both the position that MANCAT was in in 1997 and the levels of educational attainment and poverty in north Manchester, where my constituency is. In 1997, MANCAT's budget was in deficit. It did not have a good reputation for partnership working. In fact, it did very little of it. The educational achievement of young people in north Manchester was such that approximately 25 per cent were staying on into post-16 education and only about 20 per cent were staying on into post-18 education.

In the 1991 census one of the wards was one of the very few in the whole country, if not the only one, where there was not a single person with a second degree living in it. Many wards in the constituency come within the top 100 most impoverished wards in the country.

Since 2000 MANCAT has had an unqualified audit. It has increased by 150 per cent. over the last four years the number of 16- to 18-year-olds in education. I do not have the figures for 1997, but I guess that the increase is more than 150 per cent. over that six or seven-year period. And from that average 25 per cent. staying on in post-16 education on a ward by ward basis in Manchester, Blackley, the lowest percentage now is 62 per cent. and the highest is 72 per cent., which is almost a threefold increase and compares to national averages. The national average is 67 per cent. across all constituencies. For urban areas, it is 63 per cent. It is an extraordinary achievement—and it is not just educational achievement. The Government's priorities are for regeneration and joined-up government, but we know that it is not possible to have regeneration without educational achievement alongside it.

The college is now working on educational schemes in partnership and is sponsored by Jaguar and a local company that does coatings in the motor industry, called H. Marcel Guest. It also works in partnership with the health authority, the city council and schools and it has been involved in an investment programme of £35 million, leading to new sixth-form colleges in St. Matthew's in my constituency and the North Manchester high school for girls. It is hoped that another sixth-form college will be located on the old Harpurhey Baths site at the corner of Moston lane and Rochdale road.

I am talking about my own constituency, but similar achievements apply in the constituencies of my hon. Friends the Members for Manchester, Central (Tony

Lloyd) and for Wythenshawe and Sale, East (Mr. Goggins). As I said, it is a remarkable achievement, and it is a tribute to all the staff of the college from top to bottom, and to the leadership of the college principal, Peter Tavernor. What explains such an extraordinary achievement? It has gone from being a college with one of the lowest success rates to one of the highest in the country.

Clearly, it has not been achieved through standard methods. For a start, the college has employed youth workers, guidance workers, social workers and care workers, alongside the usual qualified lecturers that one finds in a college of education. All those people have been working on flexible contracts. They have had to work with some of the most difficult young people, in the sense that their educational achievement at school has not been good. Either the education system has failed them or they have failed within the education system—whichever way one likes to look at it. About 50 per cent. of the people entering the college in that age group are from ethnic minorities, and English is the second language for many of them. About 20 per cent. of extra people attending have been offenders, and social workers believe that they could offend again.

Flexible working was necessary. Obviously, we could not expect many of the students who do not read and write in English—literacy levels are poor—to sit in front of a lecturer and be lectured at in the traditional sixth-form way. What it boils down to is adopting many innovative ways of proceeding. Sometimes the support and youth workers have had to knock on doors to get people to attend the college. Those forms of support have led to a 71 per cent. success rate in terms of getting those people into college. It is an extraordinarily good story, and it has not been achieved in the traditional way.

There have been real difficulties, however, with the audit process—the main purpose of the debate. To avoid any misunderstanding, I should like to make it clear that I believe, along with virtually every hon. Member in the House, that whenever public money is spent, it should be audited. There is no question about that. When I spoke to Liz Davis, the chief executive of the local learning and skills council, which is responsible for the audit, she told me that there is no question that any money has gone missing.

However, because of the innovative working arrangements—involving youth workers, and perhaps people who might put a cross down on a piece of paper because they do not have a signature, English not being their first language—there has been a real problem with the audit.

It is true that public money should be looked after, and we should know how it is spent, but it is now the view of senior management at the college that the audit is being carried out in a racist way. That is not to say that any individual member of the learning and skills council is racist; the process is at fault. That view is shared not only by the leadership of the college but by the deputy leader of Manchester city council, Martin Pagel.

It is obvious that if we are dealing with young people at the extreme end of the spectrum of difficulty in getting them into colleges, and 50 per cent. of them are from ethnic minorities, many of those coming in from elsewhere, there will be those difficulties. Any auditors should be responsive to those immediate difficulties, such as people not being able to write English, and not being in the classroom or the lecture hall. It is the view of the principals that the auditors do not understand that.

The process has also been extremely expensive for the college. The principals say that it costs them, in that successful and innovative area, hundreds of times more in staff time to talk to the auditors than it does in traditional colleges. They also say that one third of a million pounds has been taken out of MANCAT's budget because of its innovative approach. If lecturers in traditional lecture theatres and classrooms had been doing the teaching, the money would have been paid, but because the activities are non-traditional, the college has been penalised by that sum.

I wrote to Liz Davis, the chief executive of the learning and skills council, and I was disappointed by her response. It would not be out of context to quote from her letter, but I do not have time to read out more than one sentence:

> "We do however also need to ensure that the policy is developed properly and in consultation with others to ensure consistency and accountability for public funds is maintained, and not in response to the demands of individual providers."

I find that extraordinary. We have a successful provider, and the people who are financing it and checking it are saying, "You're very successful, but you aren't doing it in the right way, so we won't fund you."

Mrs. Lorna Fitzsimons (Rochdale) (Lab): I congratulate my hon. Friend on securing a debate so important to colleges that serve both our constituencies, which adjoin each other in northern Manchester. As I understand it, the issue is the flexibility of the audit of the additional learning support grant. Does my hon. Friend agree that many colleges have come up against the problems of the tight restrictive audit mechanisms? I offer support from my local college, Hopwood Hall, but does my hon. Friend also agree that in the relaxing of the audit mechanism, none of the other colleges that serve his constituency, such as Hopwood Hall, should be discouraged in any way from adopting measures as flexible and engaging as those that MANCAT has used?

Mr. Stringer: I am talking primarily about MANCAT, and I am trying to ensure that the rules set down and implemented for mainstream provision do not further disadvantage those young people who need education. I do not know about Hopwood Hall, but it certainly would not be my intention for there to be any negative impact on it. When I have been informed about what is happening in other colleges, very little of MANCAT's sort of work, using youth workers and other such people, as opposed to lecturers, seems to be going on elsewhere, so I cannot imagine that what I suggest would have many implications for other colleges.

The deputy leader of Manchester city council, who is also a governor of MANCAT, said in a letter to me that he thought that the way in which the audit was being carried out broke the anti-discrimination laws on disability. I think that that should be investigated.

[Mr. Stringer]

This debate is about MANCAT, but the young people who need education are our most important priority. In that connection, I want to mention two matters. The first has to do with the co-financing by the European social fund. In a report that is available to the public, Manchester city council has described how the local learning and skills council sought ESF bids without making any forward planning. No partnership work was undertaken, there was no guidance for bidding, and the process was not transparent.

The result was a huge overbid, after which £800,000 was taken away from the youth college that deals with those young people aged between 14 and 18 who are likely to be excluded from school—exactly the category of young people for whom MANCAT is doing so well. In addition, £2 million was taken away from the fund for lifelong learning libraries. That is unfortunate, as those libraries help the same group of people.

Secondly, I happened to receive a letter today from Carolyn Caldwell, the executive director of Connexions. She complained that mistakes in value-added tax meant that money would be taken away from the Manchester Connexions service, which helps people in the same 16 to 19-year-old age group to find jobs or get into education.

MANCAT has been doing an extraordinarily good job, but there have been three separate attacks on its funding. One attack was made directly on the college, the second came through ESF funding organised by the learning and skills council, and the third came through Connexions.

That cannot be right. MANCAT has done so well because the Government have given it money, while for its part the college has followed the Government's priorities. Because the quango involved does not appear able to work in partnership with the city council or the college, the objectives of using joined-up government to facilitate regeneration and give a second—and possibly final—chance to young people who missed their first chance at education have been damaged.

The problem has been caused by a perversity in the audit process. Although we need to know where public money is going, it cannot be a sensible policy to spend so much extra time on what is a very difficult area. Staff are angry, and money has been withdrawn: that is certainly not an example of working in partnership.

I am not a quango basher, by any means. Sometimes, quangos can focus and direct their efforts better than organisations with wider remits and more policy priorities. However, where a quango fails, the Government must look at what is going on. I hope that they resist the temptation of saying, "This quango isn't doing so well. It has lost the support of some of its partners, so we'd better move its responsibilities up to the regional level."

That would be a huge mistake. The success that has been achieved at local level stems from the work done by people who understand their local communities. It is immediately clear that the take up of education by young people has increased in those sixth form centres in which MANCAT has invested. I have seen that happen in the building in Moston where I work.

I want to take this opportunity of thanking the Under-Secretary of State for Education and Skills, my hon. Friend the Member for Bury, South (Mr. Lewis) who has discussed this matter with me previously. I hope that my hon. Friend the Minister for Lifelong Learning, Further and Higher Education, who will respond to this debate, will be able to say that the problem that I have set out will be investigated, with a view to restoring the third of a million pounds that has been taken away. I hope that he recognises the enormous success achieved by MANCAT, and that he will do all that he can to prevent that success being dimmed.

8.4 pm

The Minister for Lifelong Learning, Further and Higher Education (Alan Johnson): I congratulate my hon. Friend the Member for Manchester, Blackley (Mr. Stringer) on securing the debate.

Before I discuss MANCAT, it is worth saying that the funding methodology for further education colleges is clearly set out in the Learning and Skills Council's annual funding guidance, which prescribes not only what the LSC can and will fund but also provides the terms and conditions for that funding. The LSC monitors compliance with its funding rules through an annual reconciliation and audit arrangement, and that compliance work is contracted out to specialist audit firms.

Although we are keen for colleges to be innovative and we would not want to stifle innovation, any such provision has to take place within the rules. It is a sad fact nationally that the major failures in the sector have been in aspects of innovative provision. We thus need to balance the desire for new and imaginative ways of working with the need for proper accountability and the necessary compliance activity. My hon. Friend fairly said that such work was essential and did not form part of his argument.

It is important to note that MANCAT is the highest funded college for 16 to 18-year-old full-time equivalent students in the LSC Greater Manchester area, and by some distance the highest funded general FE college. That is primarily because it receives substantial amounts of both disadvantage and additional learner support funding, which reflects the deprivation of the college's catchment area and the individual difficulties of each student, to which my hon. Friend referred.

In fact, the college has received an allocation of £27.8 million for 2003–04, which represents a 25 per cent. increase on the previous year, and includes £2.3 million disadvantage funding and £3.4 million to meet learners' additional support requirements. Together, those two strands represent 12.2 per cent. of the college's total funding, which compares favourably with a national average for general further education colleges of between 9 and 10 per cent.

I know that the LSC recognises the fact that MANCAT is doing a good job—I shall say more about that in a second—especially to engage learners who otherwise would probably not be in education. Since 2000, the council has backed that up by investing substantial additional growth funding in the college to enable rapid expansion of 16-to-18 participation and of English for speakers of other languages.

Recent events related to the 2002–03 funding claim have caused difficulties in finalising the subsequent audit. In fact, over the past two years, MANCAT has challenged the LSC over its annual funding audit whenever the compliance of the college's ESOL, open college network and additional learner support provision has been scrutinised in any detail. It is clear that the LSC and the college have differences of opinion with regard to the approach to audit. As my hon. Friend said, the college thinks that the scrutiny requirements for that type of funding are excessive, while the LSC believes that the record keeping and evidence provided by the college could be better.

For the sake of clarity, I shall briefly set out the background to the situation and explain how we need to work to resolve the matter. First, the college sought funding for a range of broader innovative learning support activities which, in the college's view, incurred additional costs linked to the nature of the disadvantaged cohort. The costs included those for the college's team of youth support workers, which my hon. Friend mentioned. Those workers provide an important wider support package for young learners at risk of dropping out of education. The auditors and the LSC looked closely at that aspect of provision and concluded from the evidence available that, although those activities were effective, much of the claim fell within the scope of the disadvantage funding that the college had already received as part of its core allocation. The auditors also found that some of the open college network provision was complex and poorly recorded, which made assessing the evidence, and thus validating the funding claim, almost impossible.

The crux of the issue, therefore, is not that the wider support activities offered by the college do not provide educational value, but that claims for funding were insufficiently evidenced, and without such evidence it is not possible for the auditors to give an assurance that the activities in question are legitimate. The LSC has been working closely with the college to resolve that, and there has been significant progress in recent months.

In December 2004, the LSC recognised that the auditors are not educational experts, so it sought advice from someone who definitely is an expert, Dr. Terry Melia, who is a respected former chief inspector. Dr. Melia concluded that, although there were weaknesses in the recording of the additional learner support activities, the activities themselves represented support as funded by the LSC. The findings also indicated a well-motivated student body that is gaining a great deal from the MANCAT experience. In the light of his findings, the LSC agreed to meet a substantial element of the college's additional learner support claim in full, but it asked that the college seek to improve its record keeping in the future. That shows the LSC's willingness to respond positively to the college's efforts. The outcome is considerably more positive for the college than would have been the case if the standard audit approach had been applied rigidly, without considering the outcomes achieved.

It should be noted that the local LSC works well with MANCAT on many other issues—for example, the 14-to-19 strategy and action plan, following the area inspection of Manchester. The LSC also recognises that the college's strategy of developing its accommodation across the city has made a major contribution to increased 16-to-18 participation in Greater Manchester. The LSC has provided substantial financial support to the college in helping it to implement its accommodation strategy. For example, it has contributed £8.37 million towards eight separate capital projects at a total cost of £22.5 million—easily the highest contribution committed to a college in Greater Manchester.

In addition, the LSC has recently approved financial support of about £2.5 million for MANCAT's proposal to create a new sixth-form centre. The LSC has also written to the Northwest Development Agency to assist the college in securing further contributions towards the project costs. The college is clearly in a strong position, both financially and with regard to the quality of its provision.

I endorse my hon. Friend's comments about what a good college MANCAT is. At its last inspection in April 2002, the college's ESOL provision was graded as outstanding, along with many other good curriculum grades. Leadership and management were also found to be good, and the college's response to educational and social exclusion was deemed to be outstanding. MANCAT is an excellent college.

The latest three-year financial forecasts, from 2003 to 2006, confirm that MANCAT should continue to be in the highest financial health category for the next three years. The college has also succeeded in developing some effective partnership arrangements, with good links to schools in the area and to higher education, and employer links with the automotive sector.

My hon. Friend was absolutely right when he said that there was controversy about the failure to achieve European social fund money. I am assured that that has nothing to do with the quality of the bid but rather with the quality of the competition. I also think that it is fair to say that the way that the process was handled, with 400 applications getting through to the final stage, was not a good one. That is accepted by everyone involved, and they need to learn from the mistakes.

I congratulate the college on its successes. I hope that it will continue to work constructively with the LSC and other partners to develop further its contribution to education and learning in the Manchester area.

On my hon. Friend's specific point about institutional racism, he has had a meeting with my hon. Friend the Member for Bury, South (Mr. Lewis), the Under-Secretary responsible for skills and vocational education, who is investigating his concerns and will respond in the very near future.

My hon. Friend the Member for Manchester, Blackley and other hon. Friends have raised an important issue that is of concern to the community that they represent. I hope that, in this short debate, I have managed to give an assurance that we intend to resolve the problems by working together to continue the excellent provision of further education provided by MANCAT in my hon. Friend's constituency.

Question put and agreed to.

Adjourned accordingly at fifteen minutes past Eight o'clock.

House of Commons

Thursday 11 March 2004

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

ENVIRONMENT, FOOD AND RURAL AFFAIRS

The Secretary of State was asked—

Single Farm Payments

1. **Mr A.J. Beith** (Berwick-upon-Tweed) (LD): What assessment her Department has made of the likely impact of her proposals for single farm payments on (a) tenant farmers and (b) livestock farmers in Northumberland. [160276]

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): My Department will publish shortly an analysis of the economic impact on the English farming industry of the decoupling of common agricultural policy direct payments and the decision to allocate entitlement on the basis set out in my statement to the House on 12 February.

Mr. Beith: Did the Secretary of State have that analysis before her when she made the original decisions about payments? Did it take account of the position of hard-pressed tenant farmers, for whom quota is the only capital asset for retirement, or the position of farmers in severely disadvantaged areas—SDAs—where the choice of the SDA line rather than the moorland line means that livestock farmers will be hard hit while the main benefit goes to grouse moor owners, and while their neighbours and competitors in Scotland do not face a similar loss of income?

Margaret Beckett: Of course extensive economic analysis was available to us, but we continue to develop that as time goes on. We are aware of the concerns about the SDA-moorland split and we are carefully considering the different representations that we have received. I cannot honestly say whether we can make any change, but I assure the right hon. Gentleman that we take the concerns that are being expressed very seriously.

Mr. David Drew (Stroud) (Lab/Co-op): Will my right hon. Friend hold urgent discussions with the Tenant Farmers Association? The issues raised in the question are linked to tenancy reform, and there is an ideal opportunity to give some guidance and leadership to tenants who are considering their future. There is no better way of doing that than by talking to members of the TFA.

Margaret Beckett: We are always happy to talk to the TFA. Indeed, I understand and share my hon. Friend's anxieties, especially about the position of tenant farmers. We shall continue to discuss with them what problems arise in particular and what we can do to assist.

Mr. Michael Jack (Fylde) (Con): When the noble Lord Whitty gave evidence to the Select Committee's inquiry on milk pricing, it became evident that no formal research had been carried out on the impact of the proposals for single farm payments on the SDAs. Will milk producers be included in the work that the Secretary of State is undertaking? A report on "Farming Today", which contrasted two 200-acre farms with 300-odd cows, suggested that the SDA farm would receive £23,000 less in income than a similar farm further down the hill. Will she assure me that she will consider the matter?

Margaret Beckett: As I said to the right hon. Member for Berwick-upon-Tweed (Mr. Beith), we are continuing to develop the analysis further and we are considering all those issues. We shall do what we can to assess them carefully and take them into account. Of course, the right hon. Member for Fylde (Mr. Jack) will be mindful, as I am, of the potential for major changes for individuals through the different system. That is one of the main reasons for phasing it in over some eight years.

Andrew George (St. Ives) (LD): On the impact of Government decisions on livestock farmers in Northumberland, will the Secretary of State confirm that Mr. Jim Dring, a Government vet, would, on his admission, have prevented the devastating foot and mouth outbreak in 2001 had his inspection of Burnside farm in Northumberland been more rigorous? Does she accept that that vital evidence was withheld from Dr. Anderson's inquiry into the lessons learned from the outbreak? Does she agree that that narrow but crucial matter should be properly investigated—it is the only reasonable thing to do—through an independent inquiry?

Margaret Beckett: No, I cannot confirm what the hon. Gentleman says. Nor, indeed, is it the case that the issues that lay behind the memorandum—the note that Mr. Dring made for himself was withheld from the Anderson inquiry—were withheld from the inquiry.

I cannot confirm the hon. Gentleman's allegations and it would be wholly wrong, and very unfair to Mr. Dring, to suggest that in some way—and this is the implication—he was responsible. It was the person who employed certain standards that helped to foster such an outbreak who was responsible. Mr. Dring has done no more than any one of us might do in musing about the matter, examining his conscience and asking, "Oh dear—is there more that I could have done?" It is what any reasonable human being should do. The idea that he should be held guilty for doing that is very unfair.

Mr. John Whittingdale (Maldon and East Chelmsford) (Con): Is the Secretary of State saying that, when making decisions on single farm payments, she was unaware that that would lead to up to 5,000 farms in SDAs, such as those in Northumberland, experiencing cuts in support payments of up to 75 per cent.? Does she accept that the loss of those farms will be a disaster not only for the farmers but for the environment? Although I welcome her willingness to examine the matter, does she accept that changes have to be made to the system to avert a potential catastrophe?

Margaret Beckett: No, I am not saying that I was unaware that there would be an impact. There will inevitably be winners and losers when there is such a change. However, overall we think that about 13 per cent. of present entitlement will be redistributed over eight years. With any change, there are shifts and some individual businesses are particularly affected—however, every business should be able to benefit from the economic opportunities of decoupling. I repeat what I have said before, namely, that one of the chief reasons why we have agreed to phase in the changes over eight years is precisely to allow affected businesses to adapt.

Rhodia Eco Services

3. **Mr. Harry Barnes** (North-East Derbyshire) (Lab): If she will visit Staveley in Derbyshire to meet local residents to discuss environmental concerns arising from the escape of chlorine at Rhodia Eco Services on 3 November 2003. [160279]

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): I was concerned to discover that the investigation into the escape of chlorine at Rhodia by the Health and Safety Executive and the Environment Agency has not yet been completed, although the incident occurred on 3 November and my hon. Friend the Member for North-East Derbyshire (Mr. Barnes) met inspectors on site on 7 November. I have today asked the Health and Safety Executive and the Environment Agency to complete their investigations urgently and to meet me next week.

Mr. Barnes: It would be fruitful if I, as the local Member of Parliament, could be involved in next week's meeting, and I hope that that can be arranged. There were similar incidents in 1998 at SARP in Killamarsh in my constituency, where there were escapes of acid gas. At that time, the then Minister for the Environment, my right hon. Friend the Member for Oldham, West and Royton (Mr. Meacher), visited councillors and residents, which greatly helped to resolve the situation. Could the same thing happen at Staveley in connection with this COMAH—control of major accident hazards—incident? The town council is holding a public meeting about the matter on 2 April at 7 pm in the Speedwell rooms. That would be a useful occasion for a visit by a Minister, including a visit to the site.

Alun Michael: I have read my hon. Friend's account of events at Rhodia in *Hansard*, and I understand his concern about the history of the event, although I cannot make a promise about specific dates. I am told that the investigation is complex and technical, which is why it is taking some time, but that it is being pursued as a matter of urgency. I should be very happy to invite him to attend the meeting to which I have referred.

Public Health

4. **Mr. Paul Burstow** (Sutton and Cheam) (LD): If she will make a statement on the work on public health conducted jointly by her Department and the Department of Health. [160280]

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): My Department works with the Department of Health on a range of key issues connected with public health, including fuel poverty, poor environment quality, animal health, services in rural areas, food and exercise. It will play its part in "Choosing Health", which is the consultation on action to improve people's health that was launched last week.

Mr. Burstow: I am grateful to the Secretary of State for that answer. Can she tell us what assessment has been made of how to manage the surplus of fat that results from dairy processing to produce low-fat butter and milk, and what discussions have taken place with the Department of Health at ministerial and official level on that? Given the obesity epidemic that is sweeping our nation, would it not be sensible to bank the health dividend and ensure that that fat does not find its way back into the food chain?

Margaret Beckett: The hon. Gentleman makes an interesting point. As I have said, my Department is engaged in much work and discussion, including workshops and seminars, and I shall pass on the hon. Gentleman's observations.

Mr. Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): Does my right hon. Friend agree that one of the best ways to promote public health would be for food companies that encourage unhealthy diets in children to stop doing that? Is she trying to persuade her Cabinet colleagues to support recommendations to address the imbalance in television advertising, so that healthier eating, rather than unhealthy eating, is promoted?

Margaret Beckett: I know that those issues are being considered not only by other Departments but by the Food Standards Agency. People are looking at the concerns that have been expressed on those issues and trying to get the balance right.

Mr. Russell Brown (Dumfries) (Lab): There is growing concern that low-level ground vibration from wind farms has the potential to have an adverse effect on public health. Has my right hon. Friend asked the Department of Health or an independent body to examine low-level vibration from wind turbines and its possible effects, or does she intend to do so?

Margaret Beckett: I have not, but I will.

Agriculture (West Country)

5. **Mr. David Heath** (Somerton and Frome) (LD): If she will visit the Royal Bath and West show 2004 to discuss the state of agriculture in the west country. [160281]

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): All members of the ministerial team attend numerous rural events, including agricultural shows. It is hoped that one member of DEFRA's ministerial team will be able to attend the Royal Bath and West show this year.

Mr. Heath: I should hope so. There was a time when the Minister for Agriculture would always be at the Royal Bath and West, engaging in a big conversation—probably a loud conversation—with the many dairy farmers I represent, who are facing extremely difficult trading conditions because the farm-gate price of milk is not sufficiently high to sustain their businesses. It is clear from the recent report produced by the Office of Fair Trading that the OFT does not understand that point. Is there any evidence that DEFRA understands that farmers need a fair price for milk? Is the Minister prepared to do something about the retailers who are not giving it to them?

Alun Michael: First, DEFRA is not the Ministry of Agriculture. It has a much wider range of responsibilities, and quite right too. Secondly, attendance at an agricultural show is not the only way to understand the problems of the dairy industry. My noble Friend Lord Whitty meets regularly with the forum that deals with dairy issues, and there is considerable engagement from the Department on those matters.

Mr. Adrian Flook (Taunton) (Con): When the Secretary of State stood before us and told us how the single farm payment would make Exmoor a winner, did she understand that there were problems involved, such as those raised in the earlier question? Why was Exmoor—which forms part of Somerset and Devon—put forward as a winner when it is actually going to be a loser under the current system as it evolves towards 2013?

Alun Michael: I am not sure that the hon. Gentleman has properly understood the impact of the proposals on his area. As the Secretary of State said, we certainly understand the problems facing various sectors of the industry, and we are looking very carefully at them as we consider the responses to the announcement that she made a short time ago.

Mr. Owen Paterson (North Shropshire) (Con): I strongly urge Ministers to go to the Royal Bath and West show, where they will find, as I have on my recent visits to the west country, that livestock farmers have grave doubts about the Government's commitment to the long-term stability of the livestock industry. Those views are obviously driven by the Government's handling of the tuberculosis issue. Their latest document suggests that they are proposing to spend £2 billion over the next 10 years on not curing TB, while a 20 per cent. increase in the disease will surely be incompatible with a viable cattle industry.

Alun Michael: I am sure that the hon. Gentleman would like to urge us to attend all agricultural shows; that would keep the ministerial team extremely busy. We try to strike a balance. Attending agricultural shows is one of the ways in which we interface with the agricultural and rural community, but it is not the only one.

The hon. Gentleman does not seem to have any alternative proposals on TB. He does not seem to have thought about what he would put in place of the sensible and coherent proposals that have been put forward by my right hon. Friend the Secretary of State.

Nirex

6. **Mr. Tom Watson** (West Bromwich, East) (Lab): If she will make a statement on the future of Nirex. [160282]

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): The Government have stated their intent to make Nirex independent of industry and under greater Government control to allow effective contribution to the work of the Committee on Radioactive Waste Management. We are working to ensure that Nirex continues to discharge its functions for the benefit of the public as well as its shareholders. When we are ready and able to do so, we shall make an announcement.

Mr. Watson: I thank my right hon. Friend for that answer. We all appreciate the hard work that she and her Department are doing on this issue. Does she agree that the reasons for Nirex's independence—transparency, public acceptability and a focus on the long term—are as valid today as they were when the announcement on this issue was made last year? Does she also agree that there are workable models for that independence on the table, which do not involve the inclusion of Nirex in the nuclear decommissioning agency, and that, with persistence from her Department, we might be able to achieve independence for Nirex sooner rather than later?

Margaret Beckett: Certainly, I agree with my hon. Friend that the concerns that led us to suggest independence for Nirex remain valid. I share his view that they can continue to play a valuable role. We are examining all the options—which is why the process is taking a little longer than we might otherwise have wished—and I can assure him that we shall continue to seek the best option for the public good.

Norman Baker (Lewes) (LD): Given that the Secretary of State announced on 16 July last year that Nirex was to become independent, and notwithstanding the comments that she has just made, will she explain why so little has happened since then? Can she, in particular, confirm the story in *The Observer* of 29 February, which suggested that the reason for that was that the Department of Trade and Industry had, as usual, been lobbied by the nuclear industry and was

resisting her sensible proposals? Will she give a guarantee that Nirex will indeed be made properly and fully independent? Will she give a time scale for that, and undertake that DEFRA will, for once, see off the DTI?

Margaret Beckett: First, I thank the hon. Gentleman for referring to our proposals as sensible—he is right—but I cannot give him a time scale at the moment. We are setting up a new nuclear decommissioning authority and a new committee on radioactive waste management. These are genuinely difficult and complex issues, but we continue to hold the view that it is important to handle them well and to get the right pattern for the long term. As for my colleagues in the Department of Trade and Industry, we have an extremely productive and co-operative relationship.

Peak District National Park Authority

7. **Mr. Patrick McLoughlin** (West Derbyshire) (Con): If she will make a statement on the composition of the Peak District National Park Authority. [160283]

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): As the hon. Gentleman will know from last week's Adjournment debate, I have concluded that a membership of 30 is an appropriate size for the Peak District National Park Authority. I now intend to consult on that proposal.

Mr. McLoughlin: I thank the Minister for responding to the request that I and other Members representing the Peak park made by striking the right balance in terms of future membership of the authority. Is he aware, however, of the growing concern among Peak district farmers, in the light of the Secretary of State's announcement on 12 February, about the future viability of long-term farming in the Peak district, which is essential to that area? Bearing in mind what the Secretary of State has just said and her statement of 12 February, when can we expect the final announcements to be made, so that farmers can know whether they have a secure future?

Alun Michael: Given that the hon. Gentleman moved on very rapidly from the national park authority to other issues, it is clear that I have satisfied him on that front. Detailed regulations and other work needs to be done before these matters can be finalised. As he will know from earlier exchanges, my right hon. Friend the Secretary of State fully understands the challenges that certain parts of the farming industry face, and it is clear that some of those fall within national park authority areas.

Andrew Bennett (Denton and Reddish) (Lab): Will my right hon. Friend make sure that in composing the national park board, outside users, particularly those in Sheffield and Manchester, are fairly represented on it, especially given that many of them use the park as walkers, rock-climbers and tourists?

Alun Michael: I am happy to underline the fact that national parks are a national asset. It is obviously right that there should be local representation, and engagement with local representatives and local authorities that are directly affected. That is why the final figure for the Peak district was rather higher than that for other authorities. Of course, some of those representatives represent urban areas as well as park areas. We will shortly renew and refresh the remit for national parks, as recommended in the recent review, and in doing so we will underline the existing range of interests, including those of the users to whom my hon. Friend refers.

Sir Nicholas Winterton (Macclesfield) (Con): As the Minister knows, part of my constituency lies within the Peak park. Following up the highly relevant question from my hon. Friend the Member for West Derbyshire (Mr. McLoughlin), are livestock farmers being properly represented within the Peak park authority, and will the Minister take seriously the issues raised by my farmers in the Peak park in the light of the recent Government announcement? In their view—a view shared by their representatives and by me—farming in the severely disadvantaged marginal and hill areas will come to an end. That would be a disaster for farming and for our economy.

Alun Michael: We have a template for considering, through the Secretary of State's appointees, representation on the national park authorities. That template takes into account farming and landowning interests, as well as those of users. In addition, all national park authorities provide representation—through parish councils, for example—for those with a direct farming interest. In every case, the interests of farmers within the landscape of the national parks are important. The Peak park involves a particularly complex set of relationships, and we do understand the connection between support for farmers and farming's impact on the landscape.

Common Agricultural Policy

8. **Hugh Bayley** (City of York) (Lab): If she will make a statement on the prospects for further reform of the common agricultural policy. [160284]

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): Following the historic reform of the common agricultural policy last June, the European Commission has proposed reforms of the cotton, olive oil, tobacco and hops regimes. We hope that Agriculture Ministers will agree them on 22 March or thereabouts. We are looking at options for reform on sugar, and hope to see proposals this summer.

Hugh Bayley: As we reach the end of Fairtrade fortnight, may I ask whether my right hon. Friend agrees that there is no chance of our achieving global justice in trade unless the rich world reduces the absolute level of its agriculture subsidies? She has made great progress in shifting emphasis to non-trade-distorting subsidies, but to secure a deal at the World Trade Organisation meeting the European Union will need to table further proposals for reducing the overall burden of subsidies.

Margaret Beckett: I hear what my hon. Friend says, but dealing with trade-distorting subsidies is the key to

achieving fair trade. There are separate issues. As my hon. Friend knows, we are addressing the issue of what support is given to the farming community, and on what basis, by pursuing reforms that have been agreed. I do not consider it helpful for those who want a successful outcome, and a trade deal that will benefit developing countries in particular, to continue to focus on what is happening to non-trade-distorting subsidies. Let us keep our eye on the ball and try to secure as good a deal as we can for developing countries. We can indulge in philosophical speculation on ideal worlds at a later stage.

Mrs. Theresa May (Maidenhead) (Con): Farmers will be sceptical about further reform of the common agricultural policy unless the Secretary of State and the Government get the current reforms right. The Secretary of State's answer to valid questions about the impact of her payments for severely disadvantaged areas was very disappointing. My hon. Friends the Members for Maldon and East Chelmsford (Mr. Whittingdale) and for North Shropshire (Mr. Paterson) have written to her asking whether they can bring a delegation of hill farmers to meet her. Will she now give a commitment to meet that delegation, and also a commitment to review the payments for severely disadvantaged areas, with a view to changing them to ensure that the 5,000 farms that are expecting to go out of business as a result of those payments will not do so?

Margaret Beckett: I note that yet again Conservative spokespeople are calling for more funds to be invested—

Mr. Dennis Skinner (Bolsover) (Lab): No, she is not.

Margaret Beckett: If the hon. Lady is not asking for more funds, she must be asking for funds to be taken from someone else.

When resources are redistributed—although in this instance the total is about 13 per cent. and it will happen over eight years—there is bound to be disappointment and concern, and people will want to make sure that the full impact on their own circumstances has been taken into account. As I have said, we are giving careful attention to the concerns that are being expressed. I cannot give the hon. Lady the undertaking that she seeks—I can only say that we will continue to keep these issues under review. We believe—and I think most people in agriculture believe—that the steps we are proposing are taking farming in the right direction. We are trying to employ a manageable time scale so that people can make decisions that are right for their own businesses.

Mrs. May: I am sorry that the Secretary of State is not willing to agree to meet that delegation of hill farmers and hear directly from them about the problems that her proposals will cause. Farmers need to have confidence in the system that the Government are introducing. The Rural Payments Agency has only about nine months in which to establish a radically different system. Given the Department's track record—the cattle passport scheme lost 100,000 cattle, and the fallen stock scheme has been delayed yet again—what confidence can farmers have they will receive their single farm payments at all, let alone receive the right amount, on time?

Margaret Beckett: The hon. Lady referred to correspondence that I have yet to receive. When I receive it I will of course give it consideration, as the hon. Lady and the House would expect.

Mr. John Whittingdale (Maldon and East Chelmsford) (Con): It was sent on Monday.

Margaret Beckett: In my experience, people frequently claim to have sent letters that have not actually been dispatched yet. I say to the hon. Lady that it would be quite wrong to give the impression—I am sure that she is not under such an illusion—that hill farmers as a group are all bound to lose. That is not the case. Indeed, some may well benefit considerably.

The hon. Lady referred to the track record of my Department. I freely confess that the information technology systems available required considerable investment, and that no parts of the IT systems in the new Department could talk one to another. As I said, a huge amount of investment is going in and much work is being done. When she says that the scheme that the Rural Payments Agency has to administer will be radically different, that may be true to a certain extent, but let us not forget that in the first year there will be only a 10 per cent. shift in payments, so the great bulk of the payments in that first year—not until 2005—will be made on the same basis as those today.

Mr. Kelvin Hopkins (Luton, North) (Lab): First, may I congratulate my right hon. Friend on her recent statement on CAP reform? It was welcome and took a significant step forward. It came as something of a surprise that, on this occasion, the French agreed to the reforms. I wonder whether that might be a good augury for the future, and that more rapid progress might be made towards the eventual dissolution of the CAP and the return of agriculture policy to member state level, which would be a great step forward.

Margaret Beckett: With great respect, I fear that one of the things that would not help us achieve further reform of the CAP is creating the impression that we were about to move to its dissolution. I also tell my hon. Friend that it would be more accurate to say that my colleague the French Agriculture Minister accepted the reform rather than agreed to it. I accept, however, my hon. Friend's basic assertion that there is a great need for reform of the CAP. We accept that and I believe that everyone in the British Parliament accepts it. Most people recognise that the steps we have taken will take us further in the right direction. To be fair, successive British Governments have sought to follow that direction, but the present Government are delivering.

Bob Spink (Castle Point) (Con): But does the Secretary of State accept that the reforms have neither reduced the costs of the CAP nor helped to reduce protectionism in Europe? If the Government are serious

about promoting international development and helping consumers in this country, should not the Secretary of State accept that the CAP is now well past its sell-by date and that it is time to get out of it?

Margaret Beckett: It has been a long-standing aim of successive British Governments to curtail expenditure in this area, but the hon. Gentleman will know that under the agreement there is now a ceiling, which will not be exceeded. If expenditure tends to drift above that ceiling, it will be brought back. One aspect that is now completely different—many people believed that we would not be able to secure it—is that resources will be made available to secure what the public want, such as landscape protection, improvements to the environment and so forth, rather than merely to subsidise an industry.

GM Maize

9. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What assessment has been made of the possibility of growing GM maize in England; and if she will make a statement. [160285]

The Minister for the Environment (Mr. Elliot Morley): My right hon. Friend the Secretary of State made an oral statement in the House on Tuesday. The statement covered the issue of commercial growing of a type of GM maize.

David Taylor: Given the doubts of the Environmental Audit Committee about the robustness, validity and relevance of the farm-scale evaluation results and the view of the British Medical Association that insufficient research into the impact on human health of GM foodstuffs has been conducted, does the Minister agree that few, if any, conventional or organic farmers will be able wholly to escape the impact of GM contamination of their crops, and that the GM industry should conclude a legal liability regime not only with farmers but with the ultimate consumers of the food they produce?

Mr. Morley: My hon. Friend has raised a number of points. First, let me deal with the British Medical Association report. In fact, the report made it clear that the BMA supported the Government's approach of considering each application on a case-by-case basis. Furthermore, the BMA conceded and recognised—again effectively supporting the Government—the thoroughness of the detailed work on GM herbicide-tolerant maize. On the issue of liabilities, my right hon. Friend the Secretary of State has made it clear that this summer we will consult on the shape of a liability scheme and the consultation will include any potential consequences in relation to GM crops.

As for growing the crops, consultation will also be held on a coexistence regime to ensure that GM crops and conventional and organic crops are cultivated separately. These are important matters, and the Government take careful note of Select Committee reports. Much of what was in the EAC report was not new, and a report published in *Nature* on the same day—of which the Committee was not aware—addressed many of the points that the EAC raised.

Mrs. Caroline Spelman (Meriden) (Con): Tuesday's statement authorising the planting of GM maize in this country was an historic occasion, as it brought to an end this country's GM-free status. Does the Minister accept that to make such a decision before the House had had a chance to debate the outcome of the trials was to put the cart before the horse, and that it served only to aggravate the public's widespread concern?

Mr. Morley: The hon. Lady talks about this country's GM-free status, but may I remind her that the first authorisation for GM products and crops was given by the previous Conservative Government, before 1997? This Government negotiated a commercial moratorium while we carried out the largest and most detailed field-scale evaluation of its type ever held. No country has been as thorough in its examination of GM, which has been the subject of much discussion and debate in this House. I assure the hon. Lady that there will be a debate in Government time on the outcome of the FSEs, and on the Government's approach to the matter.

Mr. Colin Challen (Morley and Rothwell) (Lab): May I declare an interest in that, being a vegetarian, I have probably eaten more GM food than many other hon. Members? As far as I am aware, I have not yet shown any ill effects. *[Interruption.]*

Paddy Tipping (Sherwood) (Lab): But my hon. Friend has a green beard.

Mr. Challen: Yes, I have.

I hope that the Government can give a more positive response on the question of health effects on humans. A report that emerged only last week from the Philippines detailed the possible very bad effect on villagers living adjacent to a GM maize crop. Should we not take that very seriously, and listen to the BMA's concerns—albeit on a case-by-case basis?

Mr. Morley: I accept the points that my hon. Friend raises. It is important that we should not be complacent about any report. The BMA report was helpful: it said that there had been years of evaluation of the consumption of GM foods, especially in the US, and that no discernible ill effects had been found. As for the research in the Philippines, the scientist involved has conceded that he has offered his interpretation, and that more work needs to be done. Also, the findings have not been published yet, nor subject to independent peer review. When that happens, we will look at them very carefully.

Dairy Industry

10. **Mr. Simon Thomas** (Ceredigion) (PC): What steps she is taking to support the dairy industry. [160287]

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): In line with our strategy for sustainable farming and food, we are facilitating industry action, most notably through the dairy supply chain forum chaired by my noble Friend Lord Whitty. The forum seeks to improve efficiency and

increase innovation, and to help the industry adapt to the new environment created by the reformed common agricultural policy.

Mr. Thomas: The milk price report that DEFRA published yesterday showed that, even before this year's spring flush, milk prices have fallen over the past six months. In light of that, may I commend to the Minister the idea embodied in my private Member's Bill, which proposes the establishment of an independent milk ombudsman? That ombudsman would be a watchdog rather than a regulator, able to monitor the industry and report on its state, and to keep an eye on what the supermarkets are doing. In that way, the ombudsman would be able to determine whether a fair price was being paid to dairy farmers, in west Wales and throughout the UK. If the Minister is not in favour of that idea, what steps will he take to bring more transparency to the industry?

Alun Michael: I do not think that the hon. Gentleman will get far with that idea, especially given the Opposition's promise of a bonfire of the tsars. However, I point out that farm-gate milk prices have been rising since last June. The average price for deliveries in December was 19.54p per litre—1.81p above the price in December 2002. We must be careful not to treat a single month as having massive significance.

Secondly, we are working closely with the industry. I point out to the hon. Gentleman that the causes of low farm-gate prices are identified in the KPMG report, which examines the matter in detail, and are mainly for the industry to address. We seek to assist the industry in addressing those issues.

Paddy Tipping (Sherwood) (Lab): The real problem is that the industry is fragmented—relationships are often antagonistic and the operation of the supply chain is not transparent. Is not the Government's important role to bring all the parties together so that they can find a solution to the problems that they undoubtedly face?

Alun Michael: My hon. Friend is right, and that is the purpose of the forum chaired by my noble Friend Lord Whitty to which I referred. There are a number of explanations for low farm-gate prices—for instance, the low value of the product mix, the low level of product innovation within the UK compared with some other European states as well as the structure of the UK industry to which my hon. Friend the Member for Sherwood (Paddy Tipping) referred. The forum is addressing all those points.

Mr. Ian Liddell-Grainger (Bridgwater) (Con): As the Minister knows, a proposal to reclassify yoghurt is going through Europe. Yeo Valley Organic yoghurt is based in my constituency, and dairy farmers throughout Somerset and the west are concerned that if the proposal goes through not only will they be unable to sell organic milk because yoghurt will be reclassified, but the dairy industry will have trouble selling milk into other yoghurt producing companies because of the reclassification in Europe. Will the Minister guarantee that the British Government will stand up to the proposal and not allow Europe to reclassify yoghurt?

Alun Michael: The hon. Gentleman may be referring to accounts of ongoing discussions rather than a conclusion, and I am happy to write to him on the detail of the position. I congratulate him on representing not only his constituents but a very fine product in Yeo Valley Organic yoghurt.

Dee Cockle Regulation Order

11. **Mr. Ben Chapman** (Wirral, South) (Lab): If he will make a statement on steps towards the implementation of the Dee cockle regulation order. [160289]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): We will get on with the job of making a regulating order for the Dee estuary once the prospective grantee, the Environment Agency Wales, has submitted a formal application for an order.

Mr. Chapman: Does my hon. Friend agree that regulation is needed to control the numbers of people involved, to license individuals and to control the times at which cockles may be exploited and the number of cockles that may be exploited? Does he agree that that would allow us better to monitor and control the beds and to protect the environment and the individuals concerned? Given that my hon. Friends and I have literally been raising the matter for years, is it not time for some urgency to be injected into the process?

Mr. Bradshaw: Yes. I share my hon. Friend's frustration at the rate of progress. As he will understand, however, getting a regulating order off the ground is a complex matter. In particular, there is the need to consult so many different parties. There are still problems with one or two of the landowners concerned, including a couple of his local authorities, which he may like to encourage to speed up the process.

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): My hon. Friend will be aware of the progress that was made last year by strengthening the data protection legislation surrounding applications for permits to exploit cockles on the Dee estuary commercially. That significant change enabled the Environment Agency to transfer data to the Department for Work and Pensions and others to cut out some of the attempted frauds. Will my hon. Friend ensure that that principle is carried forward into the regulating order when it is introduced?

Mr. Bradshaw: I will certainly examine whether that is practicable. I would like to take this opportunity to congratulate my hon. Friend on the role he played in helping to sort out the problem with the Data Protection Act 1998, which has helped to speed up the process.

Waste Management

12. **Sandra Gidley** (Romsey) (LD): What steps she is taking to reduce the amount of waste generated by (a) households and (b) businesses. [160290]

The Minister for the Environment (Mr. Elliot Morley): Current action to encourage waste reduction includes the waste and resources action programme on waste minimisation, funding for local authorities for waste minimisation through DEFRA's waste minimisation

and recycling fund and the envirowise programme, jointly funded by DEFRA and the Department of Trade and Industry, which aims to reduce the environmental impacts, including waste, of businesses and industry.

Sandra Gidley: The Minister mentions minimisation several times, and I hope that he agrees that that is an important part of the strategy, but the issue is a double whammy. Some years ago, the Women's Environmental Network highlighted the fact that a large percentage of packaging, particularly in supermarkets, is unnecessary. Some supermarkets have made great strides forward by introducing crates instead of generating cardboard waste, but what will the Minister do to put more emphasis on that? Would he support a repeat of the "wrapping is a rip-off" campaign, in which people were encouraged to leave excess waste at the checkout?

Mr. Morley: It is useful to raise awareness of the unnecessary use of wrapping and packaging; the Women's Environmental Network has done an excellent job on that and I meet its representatives regularly. The Government published a waste hierarchy in our strategy, and waste minimisation is at the top. The waste packaging directive applies to supermarkets and manufacturers and it is having an impact. However, I accept that there is more to be done, and we are addressing the issue.

Chris Bryant (Rhondda) (Lab): Can the Minister get into a bit more of a campaigning mood on this issue? There is an almost impossible quantity of packaging from Sainsbury's, Tesco and—most importantly—the Co-op, and it is difficult for pensioners, many of whom do not have the manual dexterity of a younger person, to get into some of it. The worst example is CD packaging.

Mr. Morley: I accept that some packaging, especially bubble-wrap packages, are hard to get into, and it must be difficult for elderly people. The priority must be to minimise waste, and that means a change of culture in the way that products are packaged and offered to the public. Some big retailers have made genuine progress, and the Co-op is a case in point. We need to do more, including raising awareness and tackling the issue at every level—individual, company, retailer and manufacturer. I shall look seriously at what more we can do to support awareness-raising programmes.

Mr. Boris Johnson (Henley) (Con): Given that the ban on swill feeding is imposing extra costs on hotels of up to £1,000—not least in south Oxfordshire—and given that that necessitates the employment of a new council tax-funded waste inspector and that landfill sites have room for only another three years of waste, can the Minister say what steps he is taking now to reduce the baleful effects of that ill-thought-out, vexatious and bossy piece of legislation?

Mr. Morley: I was not aware that the pigswill industry was so important in Henley, but I will bear it in mind. However, whether we like it or not, there are major risks associated with the pigswill sector. I acknowledge that some people in that sector have acted responsibly and professionally, but the risk is considerable. On the issue of compensation, I have sympathy with the industry, whose representatives are talking to the Department at present, but I remind the hon. Gentleman that it was a former Conservative Government who did not compensate the cattle head deboners for the ban that was applied to their work.

Mr. Peter Pike (Burnley) (Lab): Does my hon. Friend agree that while we need to continue to address the issue of packaging, one of the big growths in waste is the generation of paper by e-mails? Often, only one page is wanted but a whole mass is produced and tipped into waste bins.

Mr. Morley: My hon. Friend makes a good point. E-mail has the potential to enable us to make progress towards paperless offices. That is an issue for all of us, especially in how we deal with constituency cases. We all have a responsibility, as individuals—not just companies and organisations—to think of what we can do to minimise waste, and utilising new technology is one way to do so.

Abandoned Cars

13. **Mr. David Rendel** (Newbury) (LD): What steps are being taken to reduce the number of abandoned cars. [160291]

The Minister for the Environment (Mr. Elliot Morley): The Government have introduced comprehensive measures to tackle vehicle abandonment—including tightening and stepping up enforcement of the vehicle licensing system and ensuring swifter removal of abandoned vehicles. From January 2007, owners of end-of-life vehicles will be able to hand them over to authorised treatment facilities free of charge.

Mr. Rendel: Why does this country insist on the end-of-life owner disposing of a vehicle, even free of charge, when often the vehicle was taken over when it had little value, now has no value and the owner might be quite poor? Why not do as other European Union countries do—place a duty upon manufacturers to meet the cost of disposal?

Mr. Morley: It is our intention to put that arrangement in place in 2007. At present, there is a responsibility on the final owner of an end-of-life vehicle to deal with it responsibly. The irresponsible abandonment of vehicles has posed problems for some local authorities, but we are applying a range of measures—including the introduction of continuous registration from January 2005.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): Does my hon. Friend agree that the number of abandoned vehicles is a major problem and may worsen until 2007? It is easy to get rid of a vehicle's scrap metal at the end of its life but cars have some nasty components, with no sensible answers to their recycling or reuse.

Mr. Morley: My hon. Friend is right that there is an issue around the de-polluting of vehicles, which involves skills and facilities that vehicle dismantlers are increasingly able to offer. That is being tightened up in

the regulations. We are by no means complacent about the period between now and 2007. Other issues, such as the price of scrap, influence the volume of abandoned vehicles; recent scrap prices mean that vehicle dismantlers are interested in taking vehicles free of charge.

Mr. John Gummer (Suffolk, Coastal) (Con): Many of my constituents must have a car to get to work, and they tend to be old cars owned by poorly paid people. Are not the Government terribly complacent in not insisting that manufacturers pay the cost of vehicle disposal much earlier, which the Government could have done under the current regulations, instead of leaving it until 2007 or beyond.

Mr. Morley: The new measure, which we much support, is a big change to manufacturers' responsibilities—but the necessary facilities must be put in place to ensure a network of dismantlers. We have negotiated with the car industry the issue of marque responsibility and there is also the matter of how to deal with orphan vehicles whose manufacturers no longer exist. A range of complexities is involved, which will take time to resolve. I share the right hon. Gentleman's desire to see the scheme up and running as soon and effectively as possible, disposing of end-of-life vehicles in an environmentally sensible and sound way.

Dairy Industry

14. **Steve Webb** (Northavon) (LD): What the latest estimate is of the proportion of the retail price of dairy products sold in supermarkets that is received by farmers. [160292]

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): Given the range of products that contain milk, it is not practicable to estimate the proportion of supermarket prices that farmers receive for all dairy products. However, their share of the value of supermarket sales of fresh liquid whole milk is currently estimated at around 40 per cent.

Mr. Webb: I am grateful for that estimate, but does the Minister accept that farmers in my constituency and elsewhere are angered when they compare supermarket prices of their dairy products with the money that they received? Consumers would be angry, too, if they understood how little money goes to farmers. Will the Minister place an obligation upon stores above a certain size to display next to the dairy cabinet the percentage of the price of the milk that has gone to the farmer? Would that not name and shame?

Alun Michael: The hon. Gentleman might wish to encourage the industry in that direction but I would be surprised if the prospect of greater regulation won much support. Price negotiations between producers and processors or between processors and supermarkets are a commercial matter, in which the Government cannot get involved as long as competition rules are respected. The profit margins on milk for supermarkets and middle-ground retailers have increased currently between 25 to 30 per cent. I referred earlier to research—the Competition Commission report in 2000 indicated that supermarket profit margins on dairy products were in line with overall grocery margins. As I indicated in an earlier response, it is a complex issue and there is no magic wand that will suddenly produce an end to the profit margin problems that the hon. Gentleman describes.

Mr. Huw Edwards (Monmouth) (Lab): Can my right hon. Friend appreciate the concerns of my constituent, Mr. Brian Parry, who is the largest milk producer in Monmouthshire and who says that he cannot make a living from producing 5,000 litres of milk a day at 18p per litre? What efforts are being made to strengthen the code of practice for the supermarkets, and are other options being considered?

Alun Michael: As I said earlier, we recognise the difficulties caused by low farm-gate prices for milk over the past few years and the challenges that the sector will face with the reform of the common agricultural policy. On the other hand, we have seen an increase in farm-gate prices, and I have already referred to the work under way with the industry in the forum chaired by Lord Whitty. We believe that there is a viable future for the industry but it requires action by the industry, as the KPMG report showed.

Mr. David Cameron (Witney) (Con): Does the Minister agree that one way in which dairy and other farmers can capture a larger share of the value of their produce is through farmers' markets and farm shops? However, does he agree that there are still problems for those taking part in farmers' markets, and especially for those opening farm shops, in terms of the regulatory burdens? I am thinking in particular of Foxbury farm shop, near Brize Norton, in my constituency. When a farm shop starts to stock any other kind of produce, it can be hit by a very substantial rates bill. What will the Minister and his Department do specifically to ensure that farm shops and farmers' markets can continue to thrive, as they do in many parts of the country such as west Oxfordshire?

Alun Michael: I accept that there are regulatory requirements for farmers and, indeed, for retail outlets, but many farmers are extremely successful in ensuring—exactly as the hon. Gentleman said—that there is a greater return for the primary producer. Farmers can do a range of things; marketing is part of that, with direct sales and the use of farmers' markets. I have also seen some good examples of farmers working together, getting their local produce into local hypermarkets and outselling national brands. There is much that the industry can do, and we are seeking to encourage those things.

Foot and Mouth

15. **Paul Flynn** (Newport, West) (Lab): What her most recent assessment is of the role that vaccination may play in a future outbreak of foot and mouth disease. [160293]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): Emergency vaccination would be considered as an additional tool to the culling of susceptible animals on infected premises, and those animals that were epidemiologically linked.

Paul Flynn: Only "considered", when to protect an export market of only £500 million the taxpayer spent £9 billion slaughtering 7 million animals, many of them unnecessarily? We now know that vaccinated animals are perfectly acceptable in the marketplace. Should we not have a firm policy—not merely consider it—that we shall never again slaughter millions of animals without good reason? If there is another outbreak of foot and mouth, the great danger is that we shall be subject to the waste, futility and cruelty of mad cull disease.

Mr. Bradshaw: It was not without good reason. Indeed, if that action had not been undertaken, the epidemic would have lasted much longer and would have been much more serious.

The Minister for the Environment (Mr. Elliot Morley): It would probably still be going on.

Mr. Bradshaw: Yes. There are eventualities—for example, if a new strain of foot and mouth were to hit us, for which no vaccine was available—when it might not be practicable in a short space of time to use vaccination.

Lawrie Quinn (Scarborough and Whitby) (Lab): Given the important role undertaken by the veterinary profession during the last outbreak and the shortages in that profession, what strategic discussions or reviews have been conducted by the Department with vets to ensure that we have enough vets in the right places, able to respond to the outbreaks that none of us wants to see?

Mr. Bradshaw: All those things were considered in the Government's response to the Anderson inquiry. As my hon. Friend may know, we intend to hold a contingency exercise this summer—in case of a future foot and mouth outbreak—in which vets will play a central role.

Recycling

20. **Mr. Jim Cunningham** (Coventry, South) (Lab): If she will make a statement on the United Kingdom's progress towards the introduction of home-based waste separation for recycling. [160298]

The Minister for the Environment (Mr. Elliot Morley): Waste management is a devolved matter. In 2001–02, 58 per cent. of households in England received a kerbside collection of recyclable materials separate from the residual waste. The Household Waste Recycling Act 2003 requires all waste collection authorities in England to collect at least two recyclable materials separate from the residual waste by the end of 2010.

Mr. Cunningham: I thank my hon. Friend for that answer. What is he doing to encourage local authorities to sort out waste management, and, in particular, to deal with the large number of refrigerators stored in various places? Nothing is being done to recycle them.

Mr. Morley: New measures have been brought in to encourage local authorities to develop more kerbside collection. They include additional funds through the challenge fund and the waste minimisation fund. With regard to the separation of dry recyclates, there has been enormous progress in the past couple of years by local authorities, for which they deserve great credit. I very much hope that those local authorities that have not made as much progress will recognise the standards of the best and bring their standards up to them.

Business of the House

12.30 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): Will the Leader of the House please give us the business for next week?

The Leader of the House of Commons (Mr. Peter Hain): With your permission, Mr. Speaker, I would first like on behalf of the whole House to convey our deepest sympathy and condolences to the relatives of all those many, many people who have been so shockingly killed or injured by the bombings in Madrid today, in Europe's worst-ever atrocity. We are outraged and angry, and stand shoulder to shoulder with the Spanish people and their Government in the fight against this evil kind of terrorism.

The business for next week will be as follows:

MONDAY 15 MARCH—Proceedings on the Consolidated Fund (No. 2) Bill. Remaining stages of the Fire and Rescue Services Bill.

TUESDAY 16 MARCH—Remaining stages of the Traffic Management Bill, followed by, if necessary, consideration of Lords amendments.

WEDNESDAY 17 MARCH—My right hon. Friend the Chancellor of the Exchequer will open his Budget statement.

THURSDAY 18 MARCH—Continuation of the Budget debate.

The provisional business for the following week will be:

MONDAY 22 MARCH—Continuation of the Budget.

TUESDAY 23 MARCH—Conclusion of the Budget.

WEDNESDAY 24 MARCH—Opposition Day [7th allotted day, part 1]. There will be a debate on an Opposition motion, subject to be announced. This will be followed by a debate on the Equitable Life inquiry on a motion for the adjournment of the House, followed by, if necessary, consideration of Lords amendments.

THURSDAY 25 MARCH—Consideration of Lords amendments, followed by a debate on defence policy on a motion for the Adjournment of the House.

FRIDAY 26 MARCH—Private Members' Bills.

Mr. Heald: I start by joining the Leader of the House in expressing condolences and sympathy to the victims of the bombs in Madrid and their families. I understand that so far it is reported that 170 people have died. It is an appalling tragedy, and we should express our feelings of sympathy and solidarity to the whole of the Spanish people. I also join the right hon. Gentleman in his remarks about fighting terrorism and standing firm in the west on this vital concern and issue.

I thank the Leader of the House for the business, and particularly for the debates on defence and Equitable Life—both of which I have been calling for for a long time.

Yesterday, my hon. Friend the Member for New Forest, West (Mr. Swayne) asked the Prime Minister why the Government are trying to reverse the ban on the export of live horses. That will result in many ponies facing a miserable journey, only to be killed in southern Europe. The Leader of the House, kind-hearted as ever, in contrast to some of his colleagues, immediately shouted out, as reported at column 1522 of *Hansard*, that it was an issue of animal welfare. Indeed it is, and it is a matter of concern to animal lovers across the country. Yet the Prime Minister claimed not to know about the issue. That is surprising, given that he received a 65,000-person petition about this widely reported issue only last week. Is it not clear that we need a statement clarifying matters, preferably from the Prime Minister himself?

In his article in *The Guardian* this week the Leader of the House claimed that Labour had made an effort to lose its image as centralising control freaks, but that Back Benchers still felt marginalised. Is not the right hon. Gentleman guilty in all this, with his refusal to allow proper time for debate on important issues such as tuition fees, the Hutton report and the local government finance settlement? Has he forgotten the Government policy announcements saved up for the recent recess, referred to in early day motion No. 742?

[*That this House notes with regret that the Government chose to save up many policy announcements, such as the reform of the examination system, substantial changes to the Civil Service and drug testing for school students, so that they could be made outside Parliament during the half-term recess; expresses its concern at this downgrading of Parliament and abuse of the stated purpose of the half-term break; and calls on the Government to make important announcements in Oral Statements to the House, so that honourable Members have the opportunity to hold the Government to account.*]

That was done so that the right hon. Gentleman's colleagues were simply unable to question the decisions made. It is not just that they feel marginalised; the fact is that they are marginalised.

Has the Leader of the House considered further my request that there should be a full review of the way in which the Government treat our Select Committees, as set out in early-day motion 760, given that that is based on the comments of Labour Members, as well as those of other parties? Is it surprising if they feel marginalised, when he refuses to do anything about it?

Has the Leader of the House any news about the timing of the debate on the aviation White Paper—something that hon. Members on both sides of the House care about? Is the reason for the delay that the decisions made were so unpopular? If so, is it not wrong that such an important debate should be kicked into the long grass for the Government's convenience? Can the right hon. Gentleman understand why hon. Members feel marginalised?

Mr. Hain: May I first express my gratitude to the hon. Gentleman for his statements in joining me in condemning the terrorism in Madrid? What has happened underlines the threat from terrorist attacks of that kind that we all face here in Britain, as well as elsewhere in Europe—not just in the United States—and we must be vigilant about them. The Government intend to remain vigilant about the danger of such attacks.

The hon. Gentleman was kind enough to describe me as kind-hearted: I will take that both as a compliment and as a damaging attack on my career prospects.

[Mr. Hain]

On the export of horses and ponies, the Prime Minister responded as he did, but he also said that he would reply, and there is absolutely no inconsistency about that.

On policy development both in the Labour party and in the House, I am in favour of opening up policy debate. Indeed, we are encouraging that process in the House of Commons. This Government are more accountable to the House than any previous Government. The Prime Minister has spent more time in the House answering questions, making statements and leading debates than his predecessor, a Conservative Prime Minister. He attends the Liaison Committee regularly. He is accountable there. No Prime Minister has ever been in that forum before. That is accountability. That is opening up the policy debate.

In addition, Ministers are more open than any of their predecessors in opening up the policy debate. That is what the big conversation is about. This Government, unlike the Conservatives, will face up to the country's future challenges by travelling across the country, as I will be doing later today, when I go to Birmingham to engage in a policy debate with the people about the future challenges that the Opposition refuse to confront.

On Select Committees, we have a proud record in strengthening their resources and in putting them right at the heart of parliamentary accountability, so I will not take any lessons from the hon. Gentleman about that.

On the timing of the debate on the aviation White Paper, the hon. Gentleman has quite properly been asking for such a debate, and there is concern throughout the House. We will hold the debate as soon as it is proper to do so, but we are embarking on a long-term strategy, which the Secretary of State for Transport announced, on the future of our airports and aviation over 30 years. Getting that right is important. Debating it is equally important, and we will do so when the time is right.

Mr. Paul Tyler (North Cornwall) (LD): On behalf of my colleagues and myself, may I entirely associate us with the remarks made by the Leader of the House? We share his dismay and his horror, as well as the sympathy that he expresses to the people in Madrid. As I came into the House, I was not aware whether any perpetrator had been identified. Can the Leader of the House give us any indication of whether it would be possible, if and when the perpetrators are identified, for a Minister to come to the House to make a statement? Of course if those in al-Qaeda, rather than the Basque separatists, are the perpetrators, there are implications for our security in the House and in this country, as part of the European Union. I hope that he will agree to that.

We are delighted that the Leader of the House has agreed to hold a short debate on Equitable Life and the Penrose report, but may I suggest that we need a full day's debate in Government time on the whole issue of the regulation of financial services and the protection of consumers? The extremely damaging and very important report on endowment mortgages from the Treasury Committee today shows that the financial services sector is simply not well regulated. Regulation, which is a Government function, is simply not doing the job. It is not just a question of Equitable Life because, as the Select Committee has told us, 60 per cent. of those receiving advice about endowment mortgages might have received inadequate—mis-selling—advice. The Select Committee identifies a black hole of £40 billion.

The whole regulatory regime is now on trial, and I think that the Leader of the House would agree that it is no longer possible and desirable simply to blame the regulatory regime under the previous Government. We must consider how the regime is operating now. Can we therefore have an indication from him as to how soon we can have a full day's debate in Government time on the whole regulatory regime?

Mr. Hain: I thank the hon. Gentleman for his remarks about the Madrid atrocity. We do not have any evidence about those responsible, but the atrocity was of such a scale that that point needs to be taken into account.

On the hon. Gentleman's important questions about Equitable Life, he will know that the events in question happened under the previous Government and they were very serious. That is why Lord Penrose issued his report, why the Financial Secretary to the Treasury made a statement earlier this week and why Lord Penrose will appear before a Select Committee of the House next week to take the matter forward. We are also having the debate that I just announced.

The regulation of financial services has constantly been kept under review and I very much welcome the Treasury Committee's report on endowment mis-selling. People have suffered from mis-selling over the years, and the problem goes back many years before our term of office. However, I make no party point as it includes our term of office, and that is why, soon after coming to office, we reformed the whole regulatory system by setting up the Financial Services Authority. That has resulted in action against 24 firms charged with endowment mis-selling leading to their paying £673 million to 430,000 customers. Complaints by individuals have resulted in a payment of a further £200 million. As a result of the new regulatory regime, extra action is being taken, but we will keep the matter constantly under review, especially bearing in mind the Select Committee's report.

John Austin (Erith and Thamesmead) (Lab): May I draw the attention of the Leader of the House to early-day motion 254?

[That this House welcomes the decision to terminate Connex's ownership of the South Eastern railway franchise and that this service will now be run by the public sector, through the Strategic Rail Authority; further welcomes the fact that this is the first passenger service to be brought back into public ownership since privatisation; is concerned, however, that despite the poor record of privatised train operators, the SRA is proposing automatically to re-privatise this service by inviting private sector tenders for this service without considering a public sector option; and urges the Government to use its powers under the Transport Act to retain the South Eastern franchise in the public sector to help promote an integrated public railway system and ensure a better deal for the passenger and tax payer.]

The motion relates to the rail franchise for south-east London and Kent, and the Leader of the House will be aware that my constituents have the only passenger rail service that has been taken back into public ownership. Has he seen today the report published by the Strategic Rail Authority on national rail trends? It shows figures on punctuality and that the publicly owned operator, South Eastern Trains, has had the best improvement of any of the train operating companies in London.

Given the improvement to the service that the public sector has begun to deliver, could the Leader of the House request that the Secretary of State for Transport come to the Chamber to make a fresh statement on the future of South Eastern Trains now that we have clear evidence that there is no need in the public interest for the Government to re-privatise that franchise?

Mr. Hain: My hon. Friend has made his case in a compelling way. He will also agree that 1,400 more train services run every day compared with when we came to office. More than 2,000 stations have been improved; 19 new stations have been opened; bus use is up by 15 per cent. since 1997; and more than 1,500 new rail vehicles are already in service. That shows all the investment that we have been putting in and will continue to put in over the 10-year programme of our investment plan.

Mr. Roy Beggs (East Antrim) (UUP): My colleagues and I join in expressing our sympathy to those who have been murdered and seriously injured in Spain. We have had to live with this kind of atrocity. Fortunately, we now share a measure of peace.

The Leader of the House will be aware of the recent great black Britons poll in which the Crimean war nurse, Mary Seacole, emerged as the winner. The courage and service of this West Indian-born original lady of the lamp has, however, largely gone unnoticed. For that reason, I tabled early-day motion 744.

[That this House recognises the results of the recent 100 Great Black Britons poll organised through the Every Generation website; notes that the poll plays a vital role in celebrating the United Kingdom's black culture and heritage; further notes that the campaign is an excellent medium through which citizens of the United Kingdom can learn about the contributions made by black people to the country; pays tribute to the poll winner, the late Mary Seacole; recognises the valuable work undertaken by the West Indian-born nurse tending to wounded soldiers during the Crimean War; further recognises that her dedication to providing assistance to the wounded is exemplified in the effort she made to overcome discrimination and prejudice which led her to travel to the Crimea at her own expense; notes that other than being awarded a Crimean medal for her work, Mary Seacole has been largely unrecognised for over a century; supports the recent calls by the Royal College of Nursing for a statue to be erected in London in her honour; and calls on the Government to provide funding for such a statue.]

The motion calls on the Government to provide funding for a statue in honour of the late Mary Seacole. I am delighted that, to date and in a very short time, 74 colleagues in the House have signed it. It also has the full support of the president of the Royal College of Nursing, Mrs. Sylvia Denton OBE. Will the Leader of the House take note of the early-day motion, bring its contents and broad-based support to the attention of the relevant Government Departments, and ask for consideration of the feasibility of, and funding for, an appropriate statue of that great lady?

Mr. Hain: I would be happy to take the hon. Gentleman's eloquent request forward. I wish the Mary Seacole memorial statue appeal, which has been in existence for a while, every success at securing a suitable site and statue to honour her memory.

May I also thank the hon. Gentleman for his statement on the Madrid atrocity? He is quite right to remind the public that we have been through experiences of terrorism ourselves in the north of Ireland and also on mainland Britain. However, we must bear it in mind that the scale of this atrocity is so huge and horrible that the Spanish people deserve not only our condolences, but our support in dealing with the problem.

Mr. Tony McWalter (Hemel Hempstead) (Lab/Co-op): Does my right hon. Friend agree that given that the Penrose report showed that Equitable Life was a mutual in name but not in nature, perhaps we need a longer debate so that we can consider how we could implement some of the recommendations made by the Co-operative Commission? It suggested that if a body claims to be a mutual, it should actually be a mutual. I hope that my right hon. Friend will draw the attention of his fellow members of the Cabinet to the fact that we will need to do more to implement the commission's recommendations if the honourable term "mutual" is to be properly respected in the future.

Mr. Hain: My hon. Friend makes a strong point. I know that those in government who are responsible will want to take careful note of what he said and to bear it in mind for future policy development.

Sir Nicholas Winterton (Macclesfield) (Con): The Leader of the House rightly indicated the Government's support for Select Committees, but there is no point in Select Committees producing reports unless they are debated. May I raise with him again two reports by the Procedure Committee, which I chair, namely those entitled "Procedures for Debates, Private Members' Bills and the Powers of the Speaker" and "Sessional Orders and Resolutions"? Both reports are important to the House, so can he give any indication of when the Government will reply to the reports and when—hopefully—we may get a debate?

Mr. Hain: Yes, it is quite legitimate for the hon. Gentleman to chase me on the matter because some time has elapsed since the two important reports were published. I have written to him about this, and I am consulting the Home Secretary on the demonstrations outside the House. I hope to be able to give the hon. Gentleman some welcome news in the not-too-distant future.

Ms Julia Drown (South Swindon) (Lab): May we have a debate on Niger and Ethiopia, both of which are due to have top-up debt relief yet are not receiving it because it is being blocked by the US, with which we are supposed to have a special relationship, as well as

[Ms Julia Drown]

Germany and Japan? Ethiopia stands to lose $35 million of support every year, and that support is desperately needed for life-saving services. The country has faced a historical drop in coffee prices and another mammoth drought. Please may we have a debate on the matter so that we can find out what else can be done to relieve the desperate suffering of many people in Ethiopia and Niger?

Mr. Hain: It is now 20 years since "Live Aid", so it is quite appropriate for my hon. Friend to point to the continuing tragedy that exists in Ethiopia and, I am afraid, too many African countries. She will be aware that there has been a massive expansion of British Government aid and development assistance to Ethiopia. That went up from £19 million to £57 million over two years, which indicates our firm commitment to tackling world poverty, ensuring that we tackle the wider issue of debt, and trying to resolve the problems to which she draws our attention.

Bob Spink (Castle Point) (Con): The Leader of the House spoke movingly about the scale of today's Spanish atrocity. Is he aware that 16 March is the anniversary of Halabja, when Saddam Hussein slaughtered 6,250 men, women and children and commenced the Anfal destruction of 4,000 Kurdish villages, during which 182,000 Kurds were murdered and slaughtered in an unbelievable act of genocide in which chemical weapons of mass destruction were used on civilians? May the House have a debate in which we can remind people why it was right to remove Saddam Hussein and the evil that he continued to perpetrate?

Mr. Hain: If I may say so, that was an excellent and well-put question. I echo everything that the hon. Gentleman said, and in the ensuing debate about process, comings and goings and the difficulties that terrorist attacks continue to create for the stabilising of Iraq we should remember that the Halabja atrocity, as he said, showed not just what Saddam was capable of but what, in fact, he committed. We should also remember that Saddam Hussein is the only tyrant in history to kill 1 million Muslims. Nobody else has done so, and we should bear that in mind when we debate the Iraq war and its aftermath.

Mrs. Alice Mahon (Halifax) (Lab): The Leader of the House will be aware that the Government are redeploying 60,000 Government jobs to the regions. He will know that in Halifax we have a wonderful business and arts complex called Dean Clough, which was once the largest carpet factory in the world. Nearly 3,000 people are already employed there, but there is space available for more. Could we have a debate on redeployment to the regions so that Members can say that there are wonderful places in their constituencies for jobs to come to?

Mr. Hain: That would be a well-attended debate. Halifax is wonderful, and has a wonderful Member of Parliament, but I do not think that it is as wonderful as Neath, which, I am sure, will bid for its share of those jobs. To be serious, yes, the Government are committed to making sure that as many jobs as possible are transferred from congested London and the south-east to English regions such as my hon. Friend's and to the nations of the United Kingdom.

Sandra Gidley (Romsey) (LD): Given that the right hon. Gentleman represents Neath, he may not be aware of problems with NHS dentistry in the south-east, particularly the abhorrent practice whereby a new NHS dentist opens, attracts a client list and, a year or two later, decides to go private. Children will only be treated if their parents sign up as private patients. Will the right hon. Gentleman find Government time to debate that issue, so that we can consider whether there should be a minimum length of contract when an NHS dentist sets up?

Mr. Hain: The hon. Lady will have an opportunity to table a question at Health questions next week, and I hope that she takes advantage of that. The issue is clearly important, but she will bear in mind the fact that after long years of decline in dentistry, we have 2,000 extra dentists and are continuing to invest in the service and train more people to make sure that a first-class dental service is available to everybody in the country.

David Winnick (Walsall, North) (Lab): On 25 February, I supported the Government's position on those detained at Belmarsh, and I believe that I was right to do so. However, does my right hon. Friend accept that there is bound to be concern about the way in which the remaining four United Kingdom citizens held by the Americans will be tried—if, indeed, they are to be tried? There is a strong feeling in this country that a military commission is not the most appropriate way to try such people. Will he therefore find an opportunity for a statement, if not a debate, on the subject, because it is essential that in the war on terror we do not lose the fight for hearts and minds? Justice must be done and, as they say, must be seen to be done. A military commission to try those four UK citizens is not, as I said, the most appropriate way of dealing with the matter.

Mr. Hain: I understand my hon. Friend's point, and am at one with him about the fact that justice must not be compromised in the war against terrorism. That is one reason why the Home Secretary launched an open consultation. As a Government, we must confront the need on the one hand to guarantee security from terrorist attacks of the kind that took place in Madrid today and which could occur in Britain at any time—we must be very aware of that—and on the other the need to safeguard individual rights. That balance is extremely difficult to strike in today's world, and we must continue to pursue that consultation with, I hope, understanding and contributions from all interested parties.

Sir Teddy Taylor (Rochford and Southend, East) (Con): Would the Leader of the House be willing to have a debate next week on graft, corruption and fraud in the European Union, which is out of control? Instead of laughing, Members should consider the individual who was appointed co-director of a campaign to help poor people in Paraguay and spent £1.5 million of the money on the purchase of cars, houses and women. Is it not

scandalous that public money, which costs us £1.4 million every hour of the day, is used in that way, and that nobody seems to be able to control it?

Mr. Hain: Any fraud or corruption anywhere, including the European Union, whether in Brussels or elsewhere, must be stamped out, which is one reason why Commissioner Neil Kinnock undertook an effective programme of work to reform the structure of the European Commission and tackle the bureaucratic sclerosis that led to the problems described by the hon. Gentleman. We will continue, however, to be vigilant in tackling those problems.

Mrs. Lorna Fitzsimons (Rochdale) (Lab): May I, too, send condolences from my constituents and myself to the families of those killed in those horrific attacks in Madrid and wish Godspeed to the injured?

Would my right hon. Friend secure time for a debate on the growing but undiagnosed problem of the use of drugs in the British Muslim community? I bring to his attention an insightful piece for "Newsnight" last week by the journalist Imran Khan that highlighted programmes by drug action teams in constituencies such as mine. They are jointly funded by the police and the local council, and target young Muslims who conceal their use of drugs from others because of cultural and religions considerations and do not use the well-funded services that the Government have provided to fight the pernicious menace of drugs. Does my right hon. Friend accept—*[Interruption.]*

Mr. Speaker: Order. The hon. Lady should leave time for the Leader of the House.

Mr. Hain: I pay tribute to my hon. Friend's vigilant work on the problem of drugs infecting proud communities that have not previously been infected by that menace. She does her best to tackle that problem, and it is crucial to maintain spending on drugs programmes operated by the Home Office and the NHS to counter the spread of drugs. The planned cuts announced by the shadow Chancellor in Home Office spending of up to £1 billion in the first two years, together with the fact that the NHS would be robbed of £2 billion under the patients passport scheme, would put such projects under strain.

Mr. Andrew Mackay (Bracknell) (Con): The Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for Sunderland, South (Mr. Mullin), when replying to a recent debate on Zimbabwe in Westminster Hall, made it clear that the Foreign Secretary wanted a debate on the Floor of the House and was discussing that with the usual channels. I thank the Leader of the House for his positive response to my question last week, but can I push my luck by pursuing the issue of Zimbabwe a bit further on a slightly different field and urge him to arrange time for a Minister at least to make a statement on the cricket tour? After the meeting in Auckland this week, it is essential that the Government state categorically that the English cricket team should not go to Zimbabwe. That would put an end to the matter, and would be appreciated by Members on both sides of the House.

Mr. Hain: I thank the right hon. Gentleman for continuing to bring to the attention of the House the dreadful situation in Zimbabwe under the misrule of Robert Mugabe. As for the cricket tour, we made it clear that that is ultimately a decision for the English cricket authorities, and there has been regular contact with them as they have sought advice on the situation. I wish to make it clear, as other Ministers have done, that I do not support the tour. If I were in the unlikely position of being selected, I would not go, and many cricketers up and down the land feel exactly the same way. I am sure that Lords will bear that in mind when it makes that decision—I am referring to the respectable face of Lords, not the problems that we have been having in the upper House.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): The Prime Minister is to be warmly congratulated on his decision to come to the Liaison Committee twice a year, and I hope that he will consider expanding the number of his visits so that we can have more sessions. The purpose of Parliament is to study legislation and to ensure that it is of the very best quality. Is the Leader of the House content with the fact that so many timetabled Bills seem to need amendment at various stages because we do not appear to be discussing legislation in the Chamber in the way that we once did?

Mr. Hain: We are always looking to improve the scrutiny of legislation and to address any problems that might arise from time to time. I am sure my hon. Friend will understand that through the introduction of pre-legislative scrutiny, which is an historic move, there is now the opportunity to scrutinise Bills in advance to a greater extent than there ever was. Under the existing rules of procedure and timetabling motions, there is a great deal of scrutiny. It has put an end to the endless filibustering in which we have all indulged in opposition, and focused discussion on the real issues involved in Bills before Standing Committees.

Sir George Young (North-West Hampshire) (Con): What has happened to the Government's Bill to reform the upper House, or is the Leader of the House losing his appetite for constitutional reform? Can he give me an assurance that when we do get the Bill, the long title will be broad enough to permit an amendment in this House to enable an elected element to the upper House, or is this to be another occasion when the views of Back Benchers are marginalised?

Mr. Hain: I have certainly not lost my appetite for constitutional reform—on the contrary. I urge the right hon. Gentleman to hold his horses for a while, and he will find out that the Bill will be published. As to the amendments that will be selected for debate, that is not a matter for me. That is a matter for the Speaker and the House authorities. We shall have to await the publication of the Bill and see what amendments do or do not arise.

Mr. Tom Watson (West Bromwich, East) (Lab): In the spirit of the big conversation, will my right hon. Friend consider a debate on how we involve young people in political parties? Will he also agree to meet the

[Mr. Tom Watson]

officers of Young Labour and Labour Students, who were a little taken aback to read of his comments supporting the wholesale reform of their institutions? Is he prepared to distance himself from the comments of his special adviser, who told me yesterday that he thought those organisations were fundamentally undemocratic?

Mr. Hain: As my hon. Friend knows, I have spoken to many meetings of Young Labour and Labour Students throughout the country. I think that they are great organisations. We ought to encourage them and bring them much more into the mainstream of the party. We ought to encourage a better link between Young Labour and Labour Students so that when students leave university, they stay in the Labour party rather than peeling off. I shall, of course, be happy to meet them, although I am not sure that that is a responsibility of the Leader of the House.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): On behalf of my party and my Scottish colleagues, I fully associate myself with the remarks of the Leader of the House regarding the outrage in Madrid. The right hon. Gentleman will know that the Richard report is imminent, and I know that he will be thinking about the way in which it should be debated. There are concerns—legitimate concerns—throughout the House about what may or may not be in the report. Will he consider not only holding a Welsh Grand Committee debate, but securing Government time for a full debate so that all Members representing Welsh constituencies may air their views fully?

Mr. Hain: I shall obviously take full account of what the hon. Gentleman says. As he knows, the Richard Commission report is due at the end of the month. I have no idea, nor does the hon. Gentleman, what its recommendations will be. We have discussed the matter, and I shall take note of what he says and of any opportunities to discuss it. He will understand that it is a report to the National Assembly for Wales, not to the House, although the Assembly, the Welsh Assembly Government and its First Minister, Rhodri Morgan, may well make representations to us following the report as to any changes that might need to be implemented by way of legislation in the House. We shall have to wait for that period before we decide how we handle the matter.

Kevin Brennan (Cardiff, West) (Lab): May we have a wider debate about the financial services industry, particularly the almost daily scandals that are the legacy of an era when laissez-faire went mad, leading to the modern equivalent of the South Sea bubble? Will my right hon. Friend take the opportunity to make it clear that there is a difference between scandals such as Equitable Life and the mis-selling of endowment mortgages, and the issue of the Allied Steel and Wire workers and others in occupational final salary pension schemes? They were compelled to join their schemes, they were never given any sort of health warning, and they have no means of redress other than the Government. Does my right hon. Friend recognise the difference in that case?

Mr. Hain: Policyholders of Equitable Life and members of pension schemes like that of the ASW workers and many others have been severely short-changed, and in the case of ASW workers, robbed of pensions to which they may have contributed over a period of 30 years and which, after all, are deferred wages. The Government are aware of the scandal that led them to suffer and we are seeking to address it. We have to be careful of the read-across of potentially billions of pounds to claimants right across the field. That is where the difficulty arises.

Mr. Heald: So?

Mr. Hain: So, as regards Equitable Life, there will be a debate and we will continue to take the matter forward. The shadow Leader of the House makes facial contortions and heckles me from the Front Bench. What does he suggest? Does he suggest that potentially hundreds of millions and billions of pounds are lavished in that way? If so, how does that square with his party's commitment to cut public spending in order to make room for tax cuts? That is the question he will have to answer one day.

Mr. David Heathcoat-Amory (Wells) (Con): As the Leader of the House knows, in a few weeks 73 million people from eastern Europe will get an unrestricted right to come and live and work in the United Kingdom. The Government have very belatedly introduced a requirement that those migrant workers register with the Government. Will he confirm that the office that will administer the new scheme is the same Sheffield office that earlier this week was discovered to be running a covert immigration policy, about which the Minister for Citizenship and Immigration, the right hon Member for Stretford and Urmston (Beverley Hughes), apparently knew nothing? Will the Government organise an early debate on the matter and introduce the regulation governing the scheme so that we can examine it and prevent another immigration scandal?

Mr. Hain: I understand, as my right hon. Friend the Minister for Citizenship and Immigration made clear, that those problems arose in that office without any authorisation from any Minister, senior managers or the director general. Without authorisation from any of those senior figures, guidance was issued locally to staff. I am interested to see that the individual who has now been suspended, and who appeared shoulder to shoulder with the Leader of the Opposition, is reported in *The Independent* this morning as having sent e-mails to the BBC suggesting that Islamic fundamentalists should

"be silenced by nuclear weapons".

I suggest to the Leader of the Opposition that he should be a little more careful about the people with whom he walks shoulder to shoulder in future.

Jim Sheridan (West Renfrewshire) (Lab): I bring to the attention of my right hon. Friend the recent decision by the Automobile Association to withdraw its only

major operations centre in Scotland, with the loss of 240 quality jobs in my constituency. Will he join me in calling on the company, which is committed to consultation with its employees, to hold a wider consultation with those in the rural communities, whom that organisation uses to advertise its services? The membership should also be consulted before the decision is put into practice.

Mr. Hain: I am sure that the Minister and the Secretary of State will take careful note of what my hon. Friend says. In my view, prior consultation in such circumstances is always not just the wisest, but the only policy that should be adopted.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): I commend the Leader of the House for the strong and timely sentiments that he expressed earlier in reply to the question from the hon. Member for Castle Point (Bob Spink) about the persecution of Kurds in Iraq.

The right hon. Gentleman knows that those who campaign in Iran for Kurdish autonomy have also suffered persecution and occasionally been put to death. May I therefore draw his attention to the growing public concern in Scotland about the case of three Kurdish refugees in Glasgow, who are entering a life-threatening stage of their hunger strike in protest at the decision to send them back to Iran, where they believe that they will be put to death because they were activists who sought autonomy for Kurdish people in Iran? May we have time next week for a Home Office Minister to explain the Government's policy on the three men?

Mr. Hain: Obviously, the situation is serious and potentially tragic, and the Home Secretary will monitor it closely. However, the hon. Gentleman will understand that to drive down the number of illegal asylum seekers—I do not comment on the case that he raised—the Government have to be vigilant and would come under attack from his constituents, let alone other hon. Members, if we were not.

Andrew Mackinlay (Thurrock) (Lab): Will the Leader of the House find a parliamentary occasion on which to celebrate widening the European Union on 1 May? Perhaps it could coincide with the state visit of President Kwásniewski. We could thereby bring some balance to the current debate by reminding hon. Members that in the darkest days of 1940, of the few pilots who fought above this place, 13 per cent. were Poles and Czechs, and 17 per cent. of the kills were by Poles and Czechs. If that was so pivotal, not only for us but for democracy, the men who made the blood sacrifice above here won for their grandchildren the right to participate in the free club of the European Union and the free market. It ill behoves us to say for 50 years, "Look how wonderful things are this side of the curtain, with the market economy and capitalism", but when asked, "Can we join?", to reply, "Hang on. Not so fast. Hold back." That is happening. We need to remind *The Sun*, the *Daily Mail* and *The Daily Telegraph* that, but for those people who fought in 1940, there would be no *The Sun*, *The Daily Telegraph* or *Daily Mail*.

Mr. Hain: I say, "Hear, hear" to that. I hope that those newspapers' editors will bear my hon. Friend's comments in mind. He is right that it is a historic occasion—we are witnessing the reunification of Europe, which was so bitterly divided by the second world war and the cold war. All our friends—the Poles, the Czechs, the Hungarians and many others from the 10 accession countries—are joining us in the rest of Europe where they should always have been allowed, tasting the freedom and smelling the free air rather than being trapped in the shackles of the Soviet empire.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): Following the assertion of the Leader of the House a few moments ago that the Government are the most accountable in living memory, will he provide a debate on ministerial standards? In the past few days, I have received a response from a Home Office Minister to a letter that I wrote on 8 January 2003. Does the right hon. Gentleman agree that it is unacceptable for Ministers to take such a slap-happy approach to correspondence with Members of Parliament of any party? Will he emphasise to Ministers that that is not only unacceptable but that we have a right to insist on timely and informative responses from them on all occasions?

Mr. Hain: Of course, the hon. Gentleman, like every other hon. Member, has that right. I know nothing of the case that he raises although I understand that it came up in a debate in Westminster Hall. The Government have a pretty good record of responding promptly to Members' letters and questions. If the odd slip-up occurs, it clearly should not happen.

Paul Flynn (Newport, West) (Lab): May we debate early-day motion 625?

[That this House expects the proposed war on Afghan drugs to replicate the anarchy that similar action caused in Colombia; recalls that destroying drug crops in Colombia has not cut production but has created a state of permanent civil war involving three armies, two of which are funded by drug money; notes that the reduction of 90 per cent. in poppy cultivation achieved by the Taliban has been reversed with this year's record crop; asserts that any future interruption in the supply of Afghan heroin will be immediately replaced by increases from Pakistan, Myanmar and Kazakhstan, leading to the bloody chaos of the Colombia-isation of a huge area of central Asia; and declares that the only practical way to reduce heroin use is by cutting demand.]

The perverse result of our invasion of Afghanistan is not a reduction of heroin poppy production but the biggest crop that it has ever had. Similarly, military action in Colombia has left that country in a state of anarchy and permanent civil war, with increases in drug production in Peru and Bolivia. Is not there a grave danger that, if we pursue our current policies in Afghanistan, and a reduction in production were achieved there, it would mean only an increase in growth in Pakistan, Kazakhstan and Myanmar? Is not there also a danger of that leading to a Colombia-isation of a large part of central Asia?

Mr. Hain: My hon. Friend makes a serious point but I am sure that he would not suggest that our objective of a free Afghanistan with no drugs could have been achieved by allowing the Taliban to stay in control,

[Mr. Hain]

backed up, as they were, by al-Qaeda, rather than by action to liberate the Afghans. Serious problems always arise, as they have in Iraq, when one confronts a despotic regime and tries to rebuild a country, especially from the bottom upwards. That applies especially to Afghanistan, where there was no proper system of government.

I cannot dispute my hon. Friend's point about poppy growing, but our aim is a democratic, free Afghanistan, which is also drugs fee.

Dr. Julian Lewis (New Forest, East) (Con): May I take the opportunity to thank the Leader of the House for the help that he gave those of us who asked a few weeks ago whether Her Majesty the Queen and the Prime Minister would go to Normandy to attend the 60th anniversary of D-day? I ask him to work the same magic for 4 June—two days before the D-day events—when celebrations in Rome will mark its liberation. That was one of the culminating points of the Italian campaign, which cost 45,000 British, Commonwealth and allied lives. Would not it be a wonderful gesture if, on their way to Normandy, the Prime Minister and Her Majesty showed that the people who were fighting to free Europe, even a year before D-day, had not been forgotten?

Mr. Hain: The hon. Gentleman's point is well made and I am grateful for his comments. I am not sure whether any magic was weaved on my part in respect of the decision, but the Prime Minister's office will have taken note of his comments and important point about 4 June.

Mr. David Drew (Stroud) (Lab/Co-op): Last Thursday, the trustees of the Lister-Petter plc pension fund in my constituency announced that they would start to wind up the pension fund. That is likely to result in workers, who have paid in for as long as 38 years, losing 90 per cent. of their pension provision. I sign up totally to the campaign that my hon. Friend the Member for Cardiff, West (Kevin Brennan) is waging. He has been relentless in his support of Allied Steel and Wire workers. I stress to my right hon. Friend that the problem will not go away. Labour Back-Bench Members will continue to campaign until we consider not only what we should do for the future but retrospectively. It is unfair that those workers should be thrown on the scrap heap and have no future. Will he consider methods of drafting something that can be included in the Pensions Bill to ensure that we overcome that serious problem?

Several hon. Members *rose—*

Mr. Speaker: Order. There must be brief supplementary questions if I am to call all hon. Members who wish to ask a question today.

Mr. Hain: I am troubled by my hon. Friend's comments. It sounds as though he has described what may tragically be another appalling case. The Pensions Bill will provide protection for the future, but he is right about the current predicament. That is why the Secretary of State for Work and Pensions is continuing to explore every opportunity to deal with such cases in a way that does not expose the taxpayer to a literally limitless bill. That is where the problem lies.

Mrs. Patsy Calton (Cheadle) (LD): Does the Leader of the House agree that reopening on 16 March the inquest into the death of Dr. David Kelly will allow detailed answers to be sought to the questions that remain after the Hutton report? Will he allow a debate on them at a later date?

Mr. Hain: More questions have been asked and answered on that unhappy affair than on almost any other matter that I can think of.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): Would my right hon. Friend arrange for a wide-ranging debate to be held on the improved services to local communities that have resulted from the significant increases in funding to local councils up and down the country during the past few years? He will not be surprised to hear that when I go round my constituency, I find that people want more police officers on the beat, an improved environment and cleaner streets. Will he acknowledge that such a debate would give Conservative Members the opportunity to explain how their policies would produce significant cuts in the services that the public most value?

Mr. Hain: Yes, that would be a good opportunity, and if it is possible to organise that, we shall try to do so. That would allow us to contrast the different approaches of this Government and the Opposition to local government funding for the years ahead. Opposition policies would result in £2.5 billion worth of cuts in the first two years of a Conservative Government, were they to be elected. That would have a devastating effect on local government not only in Sheffield but right across England, Wales and Scotland. It is very important that the people of this country realise the choice before them.

Mr. Eric Forth (Bromley and Chislehurst) (Con): The Leader of the House is fond of boasting, as he did today, about Ministers who come to the House to answer questions, but he has neglected to say that when Ministers give answers, they are either inadequate or non-existent. Will he conduct an exhaustive search throughout the Government to try to find a Minister who gives adequate, straightforward answers to questions in this place? If he finds such a person—I shall be impressed if he can—will that person then conduct a seminar for other Ministers, with the Prime Minister present, so that we might have some hope in the future of getting answers of any kind from Ministers?

Mr. Hain: I wonder whether that might include Ministers from the period when the right hon. Gentleman was a Minister. For example, on the Equitable Life issue, he did not advocate the improvements in the regulatory system that might have prevented the desperation now felt by Equitable Life

policyholders. I understand that that matter was debated in Westminster Hall, although I do not know whether he took part.

Mr. Forth: No, I was not there.

Mr. Hain: The right hon. Gentleman did not take part in that debate because he is conducting a one-man boycott of Westminster Hall. The debates there continue with or without him, and although I am sure that they would be much more colourful if he were present, if he chooses to boycott them he cannot expect any justice from me when he asks such questions.

Chris Bryant (Rhondda) (Lab): May we have an urgent debate on devolution? The Leader of the House will know that some politicians in this country argue that we should completely change the way in which the national health service and the education system are run, by introducing vouchers or passports for schools and hospitals. Can he tell us how those schemes would apply in Wales and Scotland, where those matters are devolved? Would the Conservative party, if it came to power, have to dismantle the whole devolution settlement to impose those schemes on Wales and Scotland?

Mr. Hain: That is an interesting question because, as my hon. Friend said, the devolution settlement has devolved responsibility for education delivery and policy to Wales and Scotland. If the Conservatives, or anyone else, sought to bring in a schools voucher system, of which we saw a poor example in the old nursery schools voucher scheme—we abolished that immediately when we came to office—there would be a revolt in Wales, Scotland and the whole nation, including every part of England. People do not want to see our schools robbed of money so that children can be taken down the road to private schools, nor do they want to see their hospitals robbed of up to £2 billion because people can take money out of the national health service to go down the road to private hospital provision.

Rev. Martin Smyth (Belfast, South) (UUP): Following that answer, is the Leader of the House aware that the draft disability discrimination Bill refers specifically to England, with references to Wales and Scotland, but explicitly states that it does not extend to Northern Ireland? Is he aware that the disability lobby in Northern Ireland and the Equality Commission for Northern Ireland are concerned about that? Will he consult his colleagues to see whether the Bill can be extended before it passes through the House, so that people with disabilities in Northern Ireland can have the same facilities as those in the rest of the kingdom?

Mr. Hain: Ministers are aware of that matter and will have taken note of the hon. Gentleman's question. We want to see protection right across the United Kingdom, but it cannot always be delivered in the same Bill, given the Northern Ireland settlement, as I know that he will understand.

Richard Younger-Ross (Teignbridge) (LD): Will the Leader of the House ask the Deputy Prime Minister to come to the House to make a statement on the working of permitted development orders? Those orders are allowing the despoliation of the English countryside and seaside. Railtrack is currently completing what I accept is essential safety work and fencing along the beautiful red-stone cliffs of south Devon, which many Members who have used the train to the west country will have seen. The design of the work is an eyesore, involving galvanised steel fencing and posts that can be seen for miles from the sea. If permitted development orders were revised, we could stop such despoliation.

Mr. Hain: The cliffs of south Devon are indeed beautiful, and the hon. Gentleman is lucky if they are in his constituency. Obviously, the reconstruction of our rail network and the investment that we are putting into infrastructure across the country are designed to improve standards, but not at the expense of the environment. I am sure that his point has been noted.

Mr. Peter Luff (Mid-Worcestershire) (Con): May we have an urgent debate on planning policy in relation to telecommunications masts? I do not know what the experience of the Leader of the House as a constituency Member is, but in Worcestershire there has been a sharp increase in concern, probably because of the new generation of masts. Such a debate might enable Ministers to provide reassurance on health issues and to listen to practical suggestions for improvements in the planning process that would ensure that local people's voices were better heard.

Mr. Hain: I agree that it is important that the voices of local people from Worcestershire and the entire country are better heard. There is a balance to be struck between the important extension of new mobile communications and local environmental impact, as the hon. Gentleman will agree. We must get that balance right.

Mr. Alan Reid (Argyll and Bute) (LD): I draw the Leader of the House's attention to the National Audit Office report on "Estimating the Level of Spirits Fraud" that has just been published. It concludes:

> "Neither survey estimate can be accepted as unequivocally reliable, and great care is needed in determining what reliance can be placed on the results at present available."

In next Wednesday's Budget, the Chancellor is considering introducing a strip-stamp scheme for whisky bottles, and his justification is previous Customs and Excise estimates of fraud. The NAO report, however, has quite clearly rubbished the methodology used by Customs and Excise. Will the Leader of the House convey to the Chancellor the view that it would be totally unacceptable to introduce such an expensive, strip-stamp scheme, which would have dire consequences for an important Scottish industry? He cannot possibly introduce such a scheme based on the results of such a dodgy survey.

Mr. Hain: I am sure that, as a Scot, one of the last things that my right hon. Friend the Chancellor wants to do is to damage the Scottish whisky industry, and he will have noted the point that the hon. Member for

[Mr. Hain]

Argyll and Bute (Mr. Reid) has made. Perhaps I can take the liberty of telling the House that a wonderful Welsh malt whisky, Penderyn, was recently launched as the first such Welsh single malt whisky. I hope that the hon. Gentleman and his fellow Scots will taste it in due course, to see what a competitive rival has come from Wales.

Dr. Jenny Tonge (Richmond Park) (LD): Thank you for calling me and for giving me this exercise, Mr. Speaker—as you can see, I need it.

When Members voted on the motion to go to war with Iraq, we were promised progress on the middle east peace process. In view of the high-level visits that we have had in the past week from Israeli Ministers and Palestinian Ministers, and in view of the deteriorating situation in that area, could the Leader of the House arrange for us to have a debate on the middle east peace process in this Chamber, in Government time?

Mr. Hain: The hon. Lady is right to continue to draw our attention to the tragic stalemate—if I may call it that—between Israelis and Palestinians in the middle east, with its awful consequences of terrorism, killings and continued tension and violence. We must never forget what is happening there, which is why the Prime Minister is engaged almost daily in trying to unlock the problems and move forward. If there is a chance for such a debate, we will take it. Of course, the hon. Lady has the opportunity to apply for such a debate at any time.

Point of Order

1.29 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): On a point of order, Mr. Speaker. As you will know, the Opposition have campaigned long and hard to try to provide some support to Allied Steel and Wire workers and others who have lost out in pension wind-ups, and we strongly supported the Bill that the right hon. Member for Birkenhead (Mr. Field) introduced. In those circumstances, is it right for the Leader of the House to be able to turn to me in the middle of business questions, when I cannot respond, to ask me what my party has done or would do about those wind-ups? There is a clear answer, but I am not able to give it in those circumstances. Is it in order for the Leader of the House to behave in that way, or is it possible that I have the right to ask a further question when specifically challenged in that way? One way or the other, it is wrong that the impression should be given that the Opposition do not have policies in an area where we have been leading the campaign.

Mr. Speaker: This is an hour devoted to business questions. If the questions and answers were about the business of the House, we would not get into these difficulties.

Mr. Peter Luff (Mid-Worcestershire) (Con): But no one would come to business questions.

Mr. Speaker: Exactly. Then it would be less than an hour.

ESTIMATES DAY

[2ND ALLOTTED DAY]

SUPPLEMENTARY ESTIMATES, 2003–04

Aviation Servives

DEPARTMENT FOR TRANSPORT

[Relevant documents: Sixth Report from the Transport Committee, Session 2002–03, on Aviation, HC (2002–03) 454—I, and the Government's response thereto, Cm 6047; and The Department for Transport Annual Report 2003, CM 5907.]

Motion made, and Question proposed,

That further resources, not exceeding £1,377,992,000, be authorised for use during the year ending on 31st March 2004, and that a further sum, not exceeding £41,854,000, be granted to Her Majesty out of the Consolidated Fund for the year ending on 31st March 2004 for expenditure by the Department for Transport.—*[Mr. Heppell.]*

1.30 pm

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): When a country neglects one of its most important weapons for economic development—transport—it gets into considerable difficulty. For well over 20 years, this country has ignored the fact that its aviation industry is vital to our development. It is not only a multinational industry, but one that brings in large numbers of people, their money and their interests. It also provides for the British an essential means of developing their industries and their relationships with other countries of the world.

The estimate that we are debating today is one of the most important, and the Government are to be congratulated on having produced a White Paper after so many years of drift and indecision on the part of successive Governments. It is therefore disappointing that their response to the Select Committee's report on aviation was mildly grudging. There are many aspects of aviation policy that need to be debated in considerable depth, but this afternoon I would like to concentrate almost entirely on the gap that the Select Committee has identified in the thinking of Her Majesty's Government.

Let me make it clear that I sympathise with a Government who are seeking to undo 20 years of neglect across the transport system. They are continually being asked to come up with new ideas and new investment on a large scale for the whole industry across the United Kingdom. The reality, however, is that aviation now needs some pretty clear decisions and, above all, some very clear leadership at Government level, not least because we have reached the point at which what we do now—or, even worse, what we do not do—will dominate our economy for the next 10 to 20 years.

I turn first to the development of airports. Whether we like it or not, people are going to continue to move around, and they are going to continue to use aeroplanes to do so. The development of the airports in the south-east of the United Kingdom is directly relevant to our economy. Without an efficient means of moving industrialists, those working in industries and those contributing to our tourist industry, we are going to suffer economically.

The Government seem still not to have faced up to a number of awkward political decisions. We have to decide which of the airports in the south-east are going to be developed, and who is going to develop them. We also have to decide—when I say "we", I mean all of us—who is going to pay for that development. We have to accept that, if we run away from those decisions, a state of happy neglect will not deal with the chaos that will ensue, and the whole of the United Kingdom's economy will pay a very high price.

I want to address one or two simple points. The first is the ownership of the major airports in the south-east. My Committee has considered, in a number of reports, the complex situation that now exists in relation to the remains of what were state-controlled agencies. The Government are in an odd situation, because BAA—formerly the British Airports Authority—which controls the major airports in the south-east is a private company with a need to respond to the interests of its shareholders. Its decisions will be taken on the basis of its relationship with its shareholders, yet it is required to advise the Government on how we should develop our airports and which developments we should push to the top of the queue.

That represents a basic conflict of interest, as my Committee has highlighted, not least because if BAA is not prepared, for its own internal economic reasons, to make clear how it is going to fund the development of airports in the south-east, it will almost inevitably be taking decisions, by default, that will affect the United Kingdom at every level. If, on the other hand, it bases its decisions on where it wants to see development purely on its own economic interests and on the charges that it can level on the airline industry, it will almost inevitably not be capable of handling the advice that it gives to the Government impartially or independently. That is inevitable; it is built into the system.

My Committee suggested that we should consider the existing ownership of BAA and whether the need to produce results for its shareholders had influenced its decisions on where future development should take place. We also suggested that we should consider whether the taxpayer is best served by allowing BAA monopoly control of all the major airport machinery in the south-east. Whether we like it or not, those of us who are concerned about the future of regional airports know that if anything goes wrong with the slots at the major south-eastern airports, the first people to suffer will be those who are flying from the regions of Britain. BAA has a responsibility to maximise the profits that it receives from its airports in the south-east, but it also makes decisions about slot control, about how particular runways should be developed and about whether that would restrict access for regional air traffic. Inevitably, its interests will not be the same as those of the people outside the south-east.

Mr. David Wilshire (Spelthorne) (Con): Before the hon. Lady moves on from the reasons why BAA might or might not want to take particular decisions, does she accept that there is another consideration that BAA must take into account—namely, the interests of the people who work for it? More than 25 per cent. of my constituents who are in jobs depend on Heathrow.

[Mr. David Wilshire]

Surely it is not selfish of BAA to say that it is vital to protect the jobs not only of our employees but of all those who use Heathrow.

Mrs. Dunwoody: I accept that totally, but the reality is that there is no problem with protecting jobs at Heathrow. Many of us would say that it is a viable and developing economic asset to the country, and that it ought to be protected simply because of the amount of business that it generates, alone and unaided.

Mr. Brian H. Donohoe (Cunninghame, South) (Lab): Does my hon. Friend also recall the evidence that the Committee took from the hon. Member for Inverness, East, Nairn and Lochaber (Mr. Stewart)? He made it plain that, unless there was a continuation of the route served by jet from Inverness to either Gatwick or Heathrow, many of the businesses in the highlands would be badly affected and would relocate as a consequence of not having that direct route.

Mrs. Dunwoody: Indeed. We were told time and again that in taking a business decision about where a new factory should be built or where a new business should be expanded, transport—almost inevitably—was one of the first priorities of any of the managements concerned. We took evidence that showed that in some instances, the ability of foreign managements to get to a regional destination not just by changing planes—even though that might be a convenient system—but by flying direct, would influence their decision about where their developments should go. We were constantly told of Japanese managements who, when faced with the alternatives of a site that could be reached easily and a site that could be reached only after experiencing certain difficulties, inevitably chose the site that had mainline connections and offered easy ways of flying in and out of the region. So it is terribly important that we understand the absolutely direct link between access to airports in the south-east for those in the regions, and the decisions that are taken about where developments will be located in future.

I do not want to take too long as I know that many Members want to speak, but I want to consider the hazards that will arise if the Government appear to be influenced by some of the decisions being taken by the European institutions. At the request of the European Commission's transport commission, a study was undertaken of the feasibility and impact of adopting market mechanisms to allocate slots at congestion category 1 airports. Even though most people are not interested in the minutiae of airport administration, they understand that there is no use in having the best and most comfortable plane in the world if it cannot actually be landed at the airport of one's choice at the time when one wants to arrive.

So the allocation of slots at airports, particularly in the south-east, is not only a very fraught matter but an absolutely vital one for airline passengers. The European Union—for reasons that are fairly acceptable in theory, but which will cause enormous difficulty in practice—seems to be moving towards a system through which the only way of deciding whether airline passengers can land at a congested airport will be the price that the airline in question is prepared to pay for the slot, or pairs of slots, on offer.

There are those in this House who believe very strongly that capitalism red in tooth and claw is the only way to plan our transport system. Having looked at the results of some years of that total lack of overall guidance, I beg leave to differ very strongly. But more than that, in a congested island the decisions that are taken about airline slots become even more vital. My Committee has produced a detailed report on the effect on the regions, but we should think about the report produced by National Economic Research Associates, in conjunction with Leiden university and Consultair Associates. That report appears to conclude that, although planned investments may ease the situation, there will be more and more congestion in the next five years, and that the only way to deal with it is to open up the slots to market forces. That is not only very dangerous; it will have an immediate knock-on effect on all regional passengers who want to get to the south-east.

It is extraordinary that I should have to ask Parliament not to accept a policy that will make it virtually impossible for people who live outside the south-east to travel easily and efficiently to their capital city, yet that is what we are talking about. We are not talking simply about ways of expanding the profits of a private company called BAA, but about the right of people who do not live in the privileged south-east to access the city in which most decisions—whether we like it or not—are still taken. Be they decisions in government, law or commerce, such decisions are almost inevitably determined by what goes on in the capital city of the United Kingdom.

We seem to be saying that it is not necessary to plan to ensure a sensible allocation of resources for regional airports; instead, we can just leave it to the market. But the market has already demonstrated that the control of slots at Heathrow, for example, is an absolutely stunning money-maker. We are talking about not £1 million or £2 million, but £5 million and even £10 million. We are talking gold bars. To those who seriously think that we can say to regional airports, "Don't worry about it. Your local authorities will have the right, if they so choose, to subsidise transport that will get you to even the most congested south-east airports", I can only say that that is the most unlikely scenario that I have heard, even in this Chamber.

The reality is that the Government are being advised on airport development by a private company that is committed to making an enormous profit. As far as I can see, such decisions will be governed not by the political, economic and demographic interests of the UK regions, but by a series of political decisions that are all about making money and applying the simple measurement of money to a vital asset.

Mr. Gerald Howarth (Aldershot) (Con): I am slightly disappointed that the hon. Lady's Committee was unable to address the issue of business aviation, which has a contribution to make in relieving prime slot times at our major hub airports. Here, I am making a small plea of behalf of Farnborough aerodrome. It is Government policy, as the Minister has reiterated, that Farnborough should be the business airport serving the

south-east. There has been huge investment in Farnborough, and such business airports have a serious contribution to make in relieving congestion at the major hubs.

Mrs. Dunwoody: I do not in any way disagree with the view that business aviation will not only be a burgeoning field, but will provide very real support to some industries at certain times. But the hon. Gentleman is surely not seriously suggesting that the question of access to major airports for large planes that seat perhaps 150 to 200 people is quite the same as that of offering opportunities for smaller aviation elsewhere in the region. I agree that that issue is vital, but it is not comparable with access to major congested airports.

Mr. Howarth: The hon. Lady seems to have completely misunderstood my point. Farnborough has the capacity for up to 28,000 business aircraft movements per annum, and taking such movements away from Heathrow and Gatwick, for example, would relieve some of the congestion on the very regional access routes that the hon. Lady is keen to defend.

Mrs. Dunwoody: I am glad that I misunderstood the hon. Gentleman, because that gave him a further opportunity to advertise the facilities available at Farnborough. What happens in general aviation at large airports must affect the amount of movement and the opportunities for using other aircraft.

I hope that the Government will come out fighting on a number of fronts. We are up against a fairly tight time scale. If we do not decide which airports in the south-east are to be expanded, it will not simply be a question of airports becoming full, because they are already filled to their upper limits. We cannot deal with the expansion in passenger numbers simply by pretending that they are not there. We shall find that many people are inconvenienced, and start trying to avoid the London airports and taking their business and money elsewhere. We must also resolve to protect the interests of the regions, and ensure that people have the right to fly into the south-east. Those decisions must be made, and made public, as soon as possible.

We must tell the European Commission that we are not clear about its reasons for taking this line in its research, or about the weight that the document carries. If after five years there has been no major development of the south-east airports and regional airlines have been squeezed out of their areas, with a significant impact on the number of people who can fly in and out of the south-east, we shall be left with the worst of all worlds. I do not doubt that a great deal of profit can be made from the buying and selling of slots, although it is extraordinary that we do not even admit that they have a monetary value. It is clear to the airlines concerned that they do.

The Government have started well. They have set the parameters, and have begun to deal with difficult questions from which people have run away for more than 25 years. Unfortunately, we cannot allow the situation to continue. We certainly cannot allow a lack of decision-making to decide where we are to go in aviation. Aviation is a number one industry, capable of producing jobs, money and economic demand. We need to be in the lead; we need to be number one among European countries in deciding how best to serve the interests of our constituents. I think we can do it, but let us understand that we do not have a long time in which to make our decisions.

1.52 pm

Mr. Paul Marsden (Shrewsbury and Atcham) (LD): On 11 February, I told the Minister in Westminster Hall:

> "I also hope that he will deal with the demand for a much wider debate to be held on the Floor of the House as soon as possible." —[*Official Report, Westminster Hall*, 11 February 2004; Vol. 417, c. 447WH.]

I realise that today's debate is probably being held thanks to the Select Committee on Transport rather than the Minister, but I welcome it none the less.

Following the formidable performance of our Chairman, the hon. Member for Crewe and Nantwich (Mrs. Dunwoody), let me say that I understand how important it is to jobs, the economy and tourism that the air industry should cater for future demand. In the short time available to me, however, I shall concentrate on the environment and on sustainable development of the industry, which are issues all too often overlooked. Liberal Democrats believe that airport expansion should be a last resort, and we mean a last resort. There may well be demand for another runway by 2017, although some environmental groups would argue that that should not happen before 2030, but there are many options for us to try before then in an attempt to limit and manage demand.

The problem is that the Government are simply following the last Tory Government's predict and provide policy. They have tried to deny that in Westminster Hall debates, but the White Paper makes it clear that it is precisely what they are doing. They are estimating the probable number of passengers and the volume of goods to be shifted, and trying to build more and more capacity. We must take a stand. If the Government are right in their prediction that by 2030 there will be 500 million passengers and prices will be cut by up to a third, more runways will spring up over the south-east. That would be a disaster for the environment.

What have the Government's experts said? Sir Tom Blundell, chairman of the Royal Commission on Environmental Pollution, said on 16 December:

> "The White Paper fails to take account of the serious impacts that the projected increase in air travel will have on the environment. Earlier this year the government published an Energy White Paper setting out its strategy for tackling global climate change, and set challenging but necessary targets for greenhouse gas emissions."

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): The tenor of the hon. Gentleman's remarks suggests a restriction, or indeed a reduction, in air travel. Does he deny the importance of increasing air travel opportunities for the regions, particularly the Liverpool area of the north-west?

Mr. Marsden: Absolutely not. I was going to point out that expanding regional capacity was one possible

[Mr. Marsden]

solution. Too much is funnelled through the south-east at present. As one born and bred not far from Liverpool, I agree with what the hon. Lady said about that part of the country.

Sir Tom Blundell continued:

"Today's White Paper undermines those targets and continues to favour commerce over vital carbon dioxide reduction measures."

Baroness Young of Scone, chief executive of the Environment Agency, said:

"The Government has committed to a 60 per cent. reduction in CO_2 emissions by 2050."

That seems a long way off, but if we do not make progress soon, we will not meet those vital targets when it comes to climate change. Lady Young went on:

"The Government's own forecasts suggest that by 2030 aircraft fuelled at UK airports could have a global warming impact equivalent to at least 30 per cent."—

one third—

"of current CO_2 emissions from all UK domestic sources. This is a massive growth",

and it will pose a serious problem for the future.

Mr. Mark Francois (Rayleigh) (Con): Is the hon. Gentleman aware of the so-called irradiative forcing effect, whereby chemicals released into the atmosphere by aviation engines do much more harm to the ozone layer at altitude than they would if released at ground level? In fact, the problem is even more serious than many people realise.

Mr. Marsden: I entirely agree. The White Paper acknowledges the achievement of technological advances, for which the industry should be praised, but, as the hon. Gentleman says, serious effects in the stratosphere have yet to be fully recognised.

I should like to know the Government's response to the recommendations of the Royal Commission on Environmental Pollution. It wants the Government to

"impose climate protection charges for aircraft taking off and landing within the EU; restrict airport development to encourage greater competition for available take off and landing slots ... develop major airports into land-air hubs ... support technological development to lessen the damage done by air travel".

Another important suggestion is that international aviation agreements should include an amendment to the Kyoto protocol in regard to the emissions trading scheme.

We must look to the future. The White Paper speaks, worryingly, of a wish to

"maximise the economic benefits whilst minimising/mitigating the environmental impacts".

That does not sound to me like protecting people and the environment first, which is what, in the knowledge of the consequences, I think we should aim to do.

There have been many criticisms from a number of environmental organisations over the last few months. I hope that the Government will begin to address them. The Royal Society for the Protection of Birds has said it recognises that aviation has

"contributed beneficially to the economic development and social life of the UK. However, this was not without considerable costs to the environment ... Adverse impacts include: Climate change"—

through greenhouse gases—

"stratospheric ozone reduction leading to increased surface UV radiation; local pollution—both noise and decreased air quality"

and, obviously, the effect on the ground. That includes the impact on wildlife of expansion,

"airport construction and related infrastructure".

Friends of the Earth has been extremely critical of what the Government have been saying. According to Tony Juniper:

"The Government has sacrificed its environmental responsibilities to satisfy the demands of the aviation industry."

Today's announcement, which is based on the White Paper

"is yet another missed opportunity to put the air industry on a sustainable course."

Mr. Graham Stringer (Manchester, Blackley) (Lab): Will the hon. Gentleman define "sustainable"?

Mr. Marsden: It is that which is not to the detriment of the environment and which can be planned for the future in terms of growth. In relation to managing demand, it is something that balances against demand that is to the detriment of the environment. The Government are not approaching the matter in that way. They are accepting from the outset that there must be a massive expansion in passenger growth, and they are not even beginning to offset that in terms of environmental taxes.

Mr. John Wilkinson (Ruislip-Northwood) (Con): While the hon. Gentleman is on the subject of growth, do he or his party envisage any growth in employment in civil air transport? Is that an aspect of his party's policies to which he attaches any importance? Is not civil air transport a major source of jobs and prosperity in many parts of the country?

Mr. Marsden: I agree totally. That is why I started my speech by recognising its importance for employment, which is recognised particularly in the regions of this country, and perhaps in the highlands and islands. That is the point of trying to find ways to expand regional capacity rather than just increasing capacity in the south-east. As I was about to say, Tony Juniper of Friends of the Earth, with whom I concur, said:

"If the aviation industry was taxed fairly",

and we are not talking about punitive taxes,

"rather than letting it pay no fuel tax"—

although some Labour Members seem to favour giving such advantages to the aviation industry—

"and no VAT, then we would not need any new runways anywhere in the country. But it seems that for this Government and the aviation industry, not even the sky is the limit".

I hope that the Government will rethink their policy, as it will be our children and our children's children who will pay the penalties if we get it wrong.

Mr. James Plaskitt (Warwick and Leamington) (Lab): Will the hon. Gentleman outline the tax proposals that he has in mind?

Mr. Marsden: Certainly, and I am glad to have taken that intervention. Rail operators pay about 3p a litre in

duty on fuel. Private motorists pay about 45.8p a litre in duty on their fuel. Currently, airlines pay no such duty. I suggest, as recommended by the Government's experts, that 3p a litre would not be an unfair tax.

Mr. Donohoe: Having examined this matter in some detail, I think that one of the differences between an aeroplane and a train, a car, a bicycle or any other form of transport is the extent to which an aircraft goes abroad. If it goes far enough abroad, it can pick up fuel, and in those circumstances, it would be able to avoid the consequences of the hon. Gentleman's proposals. What he says does not therefore make an awful lot of sense.

Mr. Marsden: At the end of the day, the reality is that long-haul jets arriving at Heathrow or Gatwick are pretty unlikely to try to hop over the channel to refuel. Yes, some airlines may well try to avoid any fuel tax duty. We must make a stand, however, put our environment first and say that there are times when the polluter should pay. We believe in that for other forms of transport, so why do we let airlines off the hook?

Mr. Greg Knight (East Yorkshire) (Con): Is it not a flaw in the hon. Gentleman's argument that he is against further runway development? Is it not the case that one of the current difficulties is that airports are being used at a level above their efficient capacity, which causes problems? Does he accept, for example, that the scheduled block time on the flight between London and Edinburgh was 60 minutes 10 years ago and is now 90 minutes? Planes are therefore circling airports, adding extra pollution to the environment. If we do not build extra runways, that can only increase.

Mr. Marsden: I totally agree, but a Conservative Government were told about 20 years ago that there would be serious expansion and serious environmental problems in the future, and they did nothing. They continued with predict and provide, with which this Government are also continuing. Had they responded differently, perhaps the right hon. Gentleman's argument would have a little more validity, but we must try to tackle the problem now and manage the precise demand to which he refers. That is why I believe in various environmental management methods, including considering tax increases, that would enable us to do that.

As for the Government saying, "Well, this is what people want," let me quote to the Minister what the Campaign to Protect Rural England says on its website:

"The aviation industry's own figures show that the poorest 10 per cent. of people rarely fly."

In terms of trying to open up the adventures of this world, therefore, it seems that the poorest are the last to be able to benefit. It continues:

"Most of the growth predicted for 2030 by the Department for Transport is by the wealthiest 10 per cent. flying overseas at weekends."

Mrs. Dunwoody: With the greatest respect, I must say that the hon. Gentleman is talking an awful lot of nonsense—and I do not want to be unkind. He is worrying about the wealthiest 10 per cent., but frankly they will not be using congested airports. They will be doing precisely what the hon. Member for Aldershot (Mr. Howarth) suggested: they will have their own planes, or lease or part-lease their own planes, they will fly from small local airports, and they will not be a bit worried about facilities at our major airports. If the hon. Gentleman genuinely thinks that working-class people do not travel on planes, he is more out of touch than I realised.

Mr. Marsden: With the greatest respect to the Chairman of the Select Committee, on which I sit, I may say that if she is seriously suggesting that 6 million out of the 60 million people in this country fly by private, chartered plane, she is sadly mistaken. The figures demonstrate that even Posh and Becks fly occasionally from normal airports like the rest of us.

The point is that I am quoting not my party's figures but the Minister's. He must explain why the bottom 10 per cent. of people—another 6 million in this country—rarely fly. *[Interruption.]* In response to the remarks shouted across the Chamber, I say that nothing will be solved by lowering prices. When it comes to expanding current capacity, every citizen in this country will be extremely concerned about the damaging impact on our environment. To those who mock, I say that we will reap the impact for generations to come unless we start to do something about it.

2.8 pm

Mr. Graham Stringer (Manchester, Blackley) (Lab): The hon. Member for Shrewsbury and Atcham (Mr. Marsden), my colleague on the Transport Committee, shares with the Secretary of State for Transport, Dr. Jonathan Porritt and every other person whom I have asked, an inability to define what is sustainable in relation to aviation. If we look at the original consultation document, we find "sustainable" on almost every page. In the White Paper, however, I found "sustainable" only once, although it may be hiding on other pages. The reason for that is that the Government have realised that "sustainable" cannot be applied to aviation. One simply cannot burn tonnes of kerosene in a huge machine and pretend that that is in some way sustainable, if sustainable means that one will regenerate at the end of the process what one started with. It is not a word that should be used. We can talk about "environmental improvement" or use other words, but it would helpful if we omitted "sustainable" from the debate and concentrated on aviation. I was not going to say that, but I do so having listened to the hon. Member for Shrewsbury and Atcham, who, having sought asylum in the Liberal Democrat party now seems to be seeking it in cloud cuckoo land, as far as understanding what is happening in the world of aviation is concerned.

A good definition of predict and provide is to assess capacity and build to it. If the Government had used predict and provide in aviation over the last 60 years, there might have been something in the fantasy of the hon. Member for Shrewsbury and Atcham, who spoke of the Government building runways all over the place. Not a single new runway has been built in south-east England, and only one has been built in the whole of the UK—at Manchester airport, for which I was partially responsible. What he described simply will not happen. The Secretary of State provided a good definition of why

[Mr. Graham Stringer]

predict and provide did not apply and set out a framework in which the commercial parts of the aviation industry would take decisions about whether to invest in new infrastructure.

I have a final criticism of the speech made by the hon. Member for Shrewsbury and Atcham, and it goes to the core of the false arguments underlying much of the environmental debate. Members must decide whether we get a better environment in a richer country than we do in a poorer country. If we invest in wealth-creating industries such as aviation, which support other industries, will we get wealthier? If we do, will we get a cleaner, better environment? I believe that we will, and I do not believe that the environment—I accept what the hon. Gentleman says about it being a global problem—will be improved by forcing aeroplanes out of the UK so that they have to fly further to European hubs, which will burn more kerosene, more aviation fuel and put more CO_2 and NOx into the atmosphere.

Mr. Paul Marsden: The US has been one of the fastest-growing and wealthiest nations on the planet. Is the hon. Gentleman seriously telling me that it has the most environmentally friendly policies to reduce the environmental damage it has done over the past 50 or 60 years?

Mr. Stringer: I would say that a poor country such as Russia or China does not even have the potential to improve its pollution and environmental mess. The United States is a huge country and some of the environmental responsibilities rest with state and city governments. Some of the toughest environmental legislation anywhere in the world can be found in California and all the way down the west coast, including Washington and Oregon.

Mr. Marsden: In that case, the hon. Gentleman would surely join me in castigating the current American Government for refusing to sign the Kyoto protocol. *[Interruption.]*

Madam Deputy Speaker (Sylvia Heal): Order.

Mr. Stringer: I would like to continue with my speech; I know that other hon. Members want to speak.

I wanted the White Paper to respond to two major questions, the first of which is how London—by which I obviously mean Heathrow—is going to maintain its premier position as a major international hub. The second is how we should deal with the obvious imbalance in this country whereby 20 per cent. or more of traffic originating from the regions is forced into the already overcrowded south-east system. Those are the two questions that I wanted answering more than anything else. We have had 20 years of silence in respect of transport policy, so I congratulate the Government on introducing clear proposals in the White Paper, although I do not believe that they have answered those two difficult questions.

I believe that a third runway at Heathrow airport is absolutely vital for the economy of London and the UK. Heathrow is in direct competition with Frankfurt, Schiphol, Charles de Gaulle and, increasingly, with Brussels and Copenhagen. As a result of overcrowding, the number of destinations that Heathrow serves is already reducing. As passenger numbers go up, the number of destinations goes down. Connectivity within Heathrow—some hon. Members will not like that word, but it has become current—and the punctuality of passenger transfers are worsening. Heathrow has been the premier European hub, but in five or 10 years' time it will not be the premier hub either for destinations or for passenger numbers. Indeed, it is no longer the premier airport for destinations within the UK, because about half of the destinations that it used to serve have gone.

Why is that important? It is vital because of the City of London, which forms the core of the UK economy, and because of tourism in London and the rest of the UK. If people cannot get into London, they will choose to do their financial business in Frankfurt—a major competitor of the City of London—or start their travels around Europe in Paris, Copenhagen or somewhere else.

I am often accused of being too pro-Manchester and too anti-London—I have been accused of worse things in my political life—which is rather unfair, because I believe that London should have all that is appropriate for a capital city to have, and one of its major needs is to maintain its position as having the premier airport. It cannot do without a third runway, and I am afraid that the decision had been dodged on a very strange basis—pollution and NOx figures. If the Minister considered the evidence seen by the Transport Committee, he would find that various professors cast doubt on the objective basis of the evidence. They pointed out that the NOx measurements were a worst-case scenario—they were taken some way from where most people lived—and that all the other projections were done by modelling and calculation, not by direct measurement. The third runway is crucial.

I will not move on from London and the south-east without making two other points. First, the Government—I mean all Governments over the past 60 years—bear the responsibility for not having provided runway capacity in the area, but since privatisation BAA has been a regulated monopoly. If Gatwick, Stansted and Heathrow had been separate and competing airports, there would have been more pressure on the Government to take more sensible decisions about runway capacity. The fact is that BAA can make a profit by providing a worse service by flying bigger and bigger aeroplanes to fewer places. That is not good for London or for UK plc.

The regulation of London airports is also perverse. When many people want to use a scarce resource, it is a perverse regulatory system that charges less and less for that resource. Passengers went to Heathrow because the internal financing of the major airlines meant that, until the funding requirements of T5 came along, it was cheaper to land there. That cannot be a sensible way to proceed.

London is congested and needs another runway, so how can we use the capacity in the regions? That is a difficult question. The Government no longer have the power, as they did when the previous White Paper was written, to direct where aeroplanes land and take off, but I believe that two things can be done.

First, the infrastructure of the major regional airports at Birmingham, Manchester and Glasgow can be improved. Increasing from four to six the number of tracks leading out of Manchester Piccadilly station to Manchester airport by way of Oxford Road station would benefit the airport and allow more heavy rail access to it. It would also remove one of the 16 or 18 pinch points from the national system, with the result that the system would be improved. That is good, sensible politics in respect of the environment and transport, which I commend to the Government. Such an approach would give people more incentive to use the capacity available in the regional airports.

I am grateful to my right hon. Friend the Secretary of State for Transport for allowing me to discuss privately with him the possibility of extending the light rail link to Manchester airport. I hope that some positive announcements will be made about that, but ground transport to the regional airports needs to be very good if we are to promote extra use of their capacity.

My second point is more controversial. The industry has been privatised and in Europe operates in a deregulated environment, yet the Department for Transport retains a protectionist approach when dealing with airlines whose ownership is based in the UK. However, I see no reason why the skies should not be opened up for any of the regional airports, if that is what they want. Although it is unlikely that those airports will get many intercontinental routes, I think that aeroplanes from the Indian subcontinent and elsewhere should be allowed to land there, pick up passengers, and take off again. In that way, those regional airport routes for which there is relatively small demand would be able to become more substantial and thus work in commercial terms.

I understand that the only reason why the Government do not adopt that approach is because BMI, Virgin and BA do not like it, but they have nice protected slots at London Heathrow. Opening up the skies would be a good way to ensure that the economic benefits that accrue from aviation go to the regions and that some congestion is taken out of the south-east.

I do not like to refer to good behaviour by the previous Conservative Government, but when the right hon. Member for North-West Cambridgeshire (Sir Brian Mawhinney) was a transport Minister he opened up the skies from the regional airports to north America. That helped a little bit: some services have arrived here that would not have done so otherwise. The changes that I propose would not be so dramatic that BMI, BA or Virgin would go bankrupt, but they would ease the congestion a little and help the economies of the regions.

I turn now to an example of how the Department is not being very helpful, and I should be grateful if the Under-Secretary of State for Transport, my hon. Friend the Member for Harrow, East (Mr. McNulty), would agree to a meeting on this matter if he cannot reply directly today. Pakistan International Airlines has applied for fifth freedoms to all the regions. That would allow them to fly from Karachi, or elsewhere in Pakistan, stop at Manchester, Glasgow or—most likely—Birmingham, and then fly on to Toronto, Chicago and Houston.

I do not think that that would inflict much competition on BA. Most of the passengers involved would originate in Pakistan. One or two people would get on and off when their plane landed at one of our regional airports, and then the flight would continue on to north America. That would not amount to competition in BA's market—partly because PIA does not serve alcohol on flights—but it would mean that more destinations could be served from airports such as Manchester.

I have spent a long time on my feet, but it is good to have this debate. Aviation is vital to this country, and it is very important that people understand how it works. We are not at the 12th hour today—we are past that. Heathrow is losing its position in international aviation, because the regional connections do not go there. People are going to the European hubs—probably causing more pollution in the process—and they are taking their money with them.

When he came before the Select Committee, I asked my right hon. Friend the Secretary of State for Transport whether an analysis had been made of the negative economic impact resulting from those passengers being lost to the UK economy, and the lack of capacity. I understand that no study has been done. It would be useful for us to understand how much past the 12th hour we are. That would provide an incentive to investing in runways and giving the planning permissions necessary to support the transport infrastructure and the country's economy.

2.25 pm

Mr. John Wilkinson (Ruislip-Northwood) (Con): The House is most grateful to the Chairman of the Select Committee, the hon. Member for Crewe and Nantwich (Mrs. Dunwoody), whose magisterial influence made this debate possible. I regret that we are not having a full debate on the aviation White Paper, which is long overdue. I trust that the Government have not delayed that necessary debate for any considerations stemming from the forthcoming mayoral and European elections.

The Parliamentary Under-Secretary of State for Transport (Mr. Tony McNulty) *indicated dissent.*

Mr. Wilkinson: Heaven forfend: I see the pained look on the Minister's face. Even so, the debate is welcome, and I especially approved of the statement by the hon. Member for Crewe and Nantwich that there was a need for clear decisions on the part of the Government. That is true. We need clear and urgent decisions, but we also need them to be correct. In that regard, I am not over optimistic.

The first of the Government's decisions that I bewail is the decision to allow the EU to be responsible for air service agreements. The right to conclude such agreements with other countries is one of the aspects of national sovereignty that a country such as our own, with so many overseas connections, should hold most dear. I fear very much that our continental partners—if that is the right word—will be very glad that we have handed the British golden goose over to Brussels, so that it can be carved up in their interests, and so that we, and the goose, can be thoroughly stuffed.

The UK is the premier destination in Europe for north Atlantic transatlantic travel. Our economy and our airlines have benefited immeasurably from that. However much the Prime Minister may hobnob in

[Mr. Wilkinson]

Berlin with the federal German Chancellor and the President of France, I suspect that they and their friends in the European Commission will ensure that there is a more equitable—in their eyes—distribution of air services across the north Atlantic that would favour Frankfurt and Paris.

The main problem then would not be congestion at Heathrow, but the direction of the European Commission. We would have no redress against that, and I hope that the Government will reflect on what they have done. In addition, I ask my right hon. Friend the Member for East Yorkshire (Mr. Knight), the shadow Minister on the Opposition Front Bench, to consider the possibility of a manifesto commitment to reverse the evil that the Government have done.

However, I shall not be too scathing about of the Government. At least they have adopted a gradualist approach in the White Paper, which I think is wise, as none of us knows how civil air transport will develop. We cannot predict the oil price, and we do know the full impact that ultra-wide bodied aircraft such as the A380 will have on the patterns of air transport. On a day when we mourn with our Spanish friends a horrific terrorist outrage on the train system of Spain, who knows what the consequence of another terrorist episode directed towards air transport would have upon the industry? We cannot preclude that possibility.

The gradualist approach is right and the Government are correct to make the best use of existing runways. Although the second runway at Manchester is necessary—and I would not argue against another runway at Birmingham and another runway is certainly required at Stansted at an early date—we should nevertheless make the best use of the existing airport system.

We have not yet made the best use of Stansted, which has the greatest potential in the medium to long term. Heathrow is in an ultra-over-congested part of London, where there are serious environmental considerations, which cannot, as the Liberals suggest, be addressed by 3p on a litre of aviation kerosene. Stansted is nearer than Heathrow to the Thames gateway and the East Anglian corridor of economic development, and low-cost carriers such as easyJet and Ryanair have been able to expand there. We should put most of our future development at Stansted and not at Heathrow.

Mr. Stringer: Will the hon. Gentleman give way?

Mr. Wilkinson: No, I will not because I want to be brief. I appreciated the hon. Gentleman's speech, which was serious—unlike that of the Liberal spokesman, the hon. Member for Shrewsbury and Atcham (Mr. Marsden)—but I am conscious that other hon. Members want to speak.

Since the Crossrail project is not yet envisaged for Heathrow, surface transport access will remain poor. The Government admit that a sixth terminal will be required, which will cause ever more congestion to the surface transport system in that area. Although we may have mixed-mode operations, which will help to get more utilisation out of Heathrow, there is a risk that Heathrow's development may be somewhat diminished by a slot auction imposed by the European Union. I hope that the Government will think again about Heathrow.

There is the possibility of air traffic conflicting with traffic out of Northolt, and the Government admit that this is a debateable point. We saw with the arrival of the former detainees from Guantanamo bay in a C-17 how important Royal Air Force Northolt is for the security of the country, and I would not want the development of a third east-west runway at Heathrow to preclude that.

If there is further runway development, it should be at Gatwick. Gatwick has two terminals, and its full potential has not been utilised. The Government are correct to consider the possibility seriously and make preparations by safeguarding space for a new wide-spaced runway at Gatwick. I hope that another runway at Gatwick has priority over any question of another runway at Heathrow.

Finally, I echo the wise sentiments of my hon. Friend the Member for Aldershot (Mr. Howarth), whose constituency includes Farnborough. In using existing facilities, the Government emphasise the importance that the White Paper places on using airports for regional development. It is noteworthy how far point-to-point services, rather than services out of hub airports, have grown in recent years. That tendency will accentuate, particularly with the fuller utilisation of Luton, which we look forward to, Southampton, Manston, London City and all the airports in the midlands and the north—a new one is starting at Finningley. Further developments are envisaged in the north of England, Scotland and Wales, which are all to the good.

In that process, I hope that Her Majesty's Government recognise the benefits of business aviation. My hon. Friend the Member for Aldershot pointed to Farnborough, and I say to him that RAF Northolt's primary function is its critical RAF role, and therefore if there is any overspill of business aviation, it should go to airports such as Farnborough, Biggin Hill and Luton. If the Government continue with their gradualist approach but take the key decision to go ahead with the second runway at Stansted as soon as possible, we can get the balance right. The worst thing that we could possibly do is not only to put the golden goose at risk by handing it on a platter to Brussels, but—this is what the Liberals would do—to actually kill it off with over-taxation.

2.35 pm

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): I, too, welcome the publication of the aviation White Paper after a gap of 20 years. I particularly welcome the parts of the White Paper that dwell on the points highlighted by the Transport Committee report on aviation, which examines the connection between the development of regional economies and transport in general, and aviation in particular.

I note that the estimates refer to

"Promoting a modern, integrated and safe transport system"

but I wonder whether the references to resources for aviation services take account of regional aspects, whether the Department for Transport links up with other Departments to examine joined-up action to enable regional economies to develop to their full

potential and whether the Department recognises the importance of transport links in general and aviation links in particular.

The Select Committee report stresses the importance of air links to regional development and discusses the inadequacy of spending billions of pounds on regional development without making that link. Indeed, the report states:

"There has to be cohesion between regional economic policy and transport policy. It is absurd to put billions of pounds in the regional aid budget and yet not to give any assurance to provide guaranteed air access".

There is nowhere to which that is more relevant than Liverpool and Merseyside in general.

Liverpool and Merseyside are objective 1 areas. That means that they receive large amounts of European funding, which is then matched by public and private sector funding from this country, to promote the regional economy. That funding has already achieved some success: the economy of Liverpool in particular and Merseyside in general is indeed being transformed. We have a major opportunity because Liverpool has been designated European city of culture for 2008, which is a tribute to Liverpool's achievements and recognition of its potential. In fulfilling that potential, it is vital that in the years up to 2008 and beyond we facilitate easy access to Liverpool for the many tourists and business visitors from not only the rest of this country and Europe but, indeed, across the world.

Liverpool John Lennon airport has already shown how to bring success to air travel. It is the fastest-growing airport in the country and has served 3.18 million passengers in the past year. I know that in comparison with other airports, including Manchester International, that might seem a relatively small number of passengers, but the dramatic increase in business is a great tribute to the work of the management and owners. Those numbers are destined to increase significantly to 5.5 million by 2015 and 8.6 million by 2030.

The airport's success has been built on the great increase in its scheduled flights as well as in its charter flights—there are scheduled flights to destinations such as Dublin, Alicante, Geneva, Amsterdam, Madrid, Paris and Barcelona. I say to the hon. Member for Shrewsbury and Atcham (Mr. Marsden) that the rapid expansion of John Lennon airport has opened out the opportunities for air travel for people from middle and lower-income groups, which is welcome and should be built upon—it should not be penalised and seen as something detrimental. That increase in opportunities is welcome and should be encouraged.

During the past month, Liverpool has restored a direct flight to our capital, London, with a VLM Airlines flight to London City airport. That is a success, but it is a shame that Liverpool lost its access to a hub airport in London when British Midland withdrew its flights—for the very reason set out in the Committee's report and mentioned in the debate—not because they were not profitable, but because it was more profitable for the company to use its aircraft for other European flights.

John Lennon airport has shown what it can do to develop the local, sub-regional economy, to bring visitors and to encourage business. What Liverpool now needs, to enable us to make that major leap forward and grasp the opportunities provided by the city's designation as European capital of culture, is access to a hub airport, which would provide interlining, direct bookings and no repeat check-ins from airports all over the world. People could then come to Liverpool easily, from Shanghai to Sydney, New York to New Delhi, Los Angeles to Lagos—in other words, from throughout the world. It is essential that we have that link with a hub airport.

The Government's response to the Committee's report suggests that they recognise the importance of linking regional airports with hub airports in our capital and it suggests some measures to try to make that possible. While I welcome those measures, I do not think that they go far enough. The White Paper mentions public service obligations—PSOs—and the possible introduction of such measures to link up airports such as Liverpool with London hub airports. The White Paper mentions consultation on the detail of what would enable an airport to qualify for a PSO, but there has been no consultation so far. Nor has any guidance been issued on what the criteria might be. Perhaps my hon. Friend the Minister could say when such consultation might start and when the criteria will be issued.

I welcome the reference in the White Paper to the role that regional development agencies might play, including the route development fund, but that is not enough. We need to know more about the resources available, and I would like to see the Bill on the powers for the anticipated directly elected regional assembly for the north-west, which will be published shortly, include some clearer transport powers, so that the assembly would be able to facilitate a direct link.

It is clear that the Government have recognised the points that have been made by the Committee and others about the importance of transport and aviation to regional economies, and the Government have made some suggestions. It says in the White Paper:

"Airports are an important focus for the development of local and regional economies. They attract business and generate employment to open up wider markets."

That is an accurate statement for many regions, especially Liverpool. I hope that my hon. Friend the Minister can say what further steps the Government will take to make their aspirations a reality and enable John Lennon airport—and other regional airports—to play a full part in developing the local economy, to support jobs and prosperity for the people of the region.

2.44 pm

Mr. Mark Francois (Rayleigh) (Con): I am delighted to be able to participate in this debate on aviation services, as I wish to raise several issues relating to aviation in the county of Essex. Since the Committee published its report, we have also had a reply from the Government and the subsequent White Paper on air transport, published in December 2003.

I am pleased that in the White Paper the Government abandoned plans to build an airport at Cliffe, on the Hoo peninsula. As someone who campaigned against Cliffe from the outset, I believe that that was the correct decision. I was always opposed to Cliffe on environmental grounds, particularly because of the

[Mr. Mark Francois]

potential adverse effect on my constituents from 24-hour operation of the so-called crosswind runway, which could have taken night flights directly over my constituency. In addition, I was also opposed because of the effect on wildlife habitats in the Thames estuary, including the bird populations in the area and the related risk of bird strike for aircraft safety. The right decision was reached on Cliffe, and I hope that the matter is now closed.

Bob Spink (Castle Point) (Con): Does my hon. Friend share my concern at reports in the press recently that suggest that the campaigners against expansion at London Heathrow and Stansted now threaten to take the Cliffe decision to the High court to have it reopened? Would not that be a retrograde step? Indeed, it would spoil the arguments of those campaigners, because we in Essex should stand shoulder to shoulder against the inappropriate expansion of our airports.

Mr. Francois: I thank my hon. Friend for that intervention. He was also an active campaigner against any development at Cliffe. I have some sympathy with the protestors against Stansted, and I shall give them some support later in my speech, but reopening the issue of Cliffe is not the way to solve that problem. The right decision was taken, and we should accept it and move on.

The White Paper also encouraged development of smaller regional airports, including Southend. Southend airport is actually located at Rochford, just over my constituency boundary. It has a proud history, having served as a forward operating base for Fighter Command during the Battle of Britain, something that I know will be close to the heart of my hon. Friend the Member for Ruislip-Northwood (Mr. Wilkinson). The airport has developed more peaceful uses over the years and now specialises as a repair and maintenance centre for aircraft, which accounts for more than 80 per cent. of the airport's turnover.

Southend airport's owners, Regional Airports Ltd., and the airport director, Roger Campbell, have done a good job of turning the airport round financially in the last few years, and I pay tribute to them for that. Southend operates a small number of passenger flights, domestically and to the continent, but that may be curtailed in future by new Civil Aviation Authority regulations governing safety zones at the end of runways. Southend's runway has a medieval grade I listed church—St Laurence's—at one end.

To put it mildly, that is a complicated situation, but to cut a long story short, the airport operators applied for planning permission to pick up the church and relocate it several hundred metres away, in order to try and comply with the new regulations. The airport owners insist that the technology is available to do that. However, the idea has not proved popular with the local population and the planning application was resoundingly turned down by Southend council. After careful consideration, the airport operators have subsequently decided not to appeal against that decision, which is a welcome development. However, it raises the question of where we go from here.

Given Southend airport's relative proximity to Stansted, I cannot see it ever becoming a major passenger hub. Realistically, the bulk of the airport's future business is likely to remain in the repair and refurbishment of aircraft, which is already its core business. However, I hope that it may be possible to achieve some compromise that does not involve relocating the church, but would allow passenger flights to continue from Southend. One option, which I suggest directly to the Minister, might be to utilise passenger aircraft such as the BAe HS146—the so-called whispering jet—and the later generation RJ series of aircraft. Those aircraft are already used at London City airport, because they can operate from a short runway and they also have the added advantage of being relatively quiet. If the CAA can interpret the new regulations sensibly and without risking safety, then RJ series aircraft might be able to provide passenger services from Southend without the need to relocate St. Laurence's church. That would be a classic British compromise and I hope that it may yet come to pass.

The Government's proposal for a second runway at Stansted, theoretically available from 2012/2013, would increase the airport's capacity from 20 million passengers per annum to 80 million—a gigantic fourfold increase. The White Paper is extremely prescriptive about the location of the second runway, some distance from the existing one. Consequently, the expanded airport would have a massive footprint, equivalent to the size of Heathrow or larger but deposited in the heart of rural Essex. Expanding the airport's footprint that way would cause severe environmental damage—which, even though my constituency lies south of the county rather than to the north—greatly concerns me. As my hon. Friend the Member for Castle Point (Bob Spink) remarked, it is incumbent on all Members of Parliament for Essex constituencies to stand shoulder to shoulder on this issue.

If a second runway were to be developed at Stansted, Essex would lose a number of beautiful villages for ever and there would be severe consequences in terms of noise and pollution. The proposal is linked with plans for building a large volume of new housing in north-west Essex. Although we are not debating housing—Madam Deputy Speaker would rapidly call me to order if I attempted to do so—there is considerable anger in Essex at the scale of the new housebuilding proposals—which would eventually bring about the concreting-over of large swathes of countryside around Harlow and Saffron Walden. I commend our excellent parliamentary spokesman for Harlow, Robert Halfon, for speaking out strongly against the proposed over-development.

BAA estimates that the cost of expansion—including the new runway, additional terminal space, hard standing, fuel facilities and the panoply of buildings that go with airport growth on that scale—would be between £3 billion and £4 billion. The Government have repeatedly said that there will be no significant public subsidy, so the cost would have to be found from the private sector—chiefly by the BAA itself. However, as many so-called budget airlines use Stansted, they are unlikely ever to pay the higher landing charges that realistically would be needed to recoup the massive cost of expansion. The major carriers, which might in theory

be able to afford increased landing fees at Stansted, have made it plain that they wish to remain at Heathrow and Gatwick.

Moreover, the CAA is opposed to any BAA proposals to allow cross-subsidy from Heathrow or Gatwick to fund expansion at Stansted. The major airlines would understandably be angry if they had to pay even higher landing fees at Heathrow and Gatwick to fund Stansted's expansion for the benefit of their competitors. An article in *The Daily Telegraph* today, headlined "BAA may fight for cross-subsidies", quotes Sir Roy McNulty, chairman of the CAA:

"It seems entirely reasonable that the working assumption should be that the CAA will continue to regulate BAA's designated airports on an individual—or standalone—basis, both up to 2008 and beyond."

Already the proposals seem to be in financial trouble and the business case on which they are based is in danger of unravelling before a single tonne of concrete has been poured.

Partly because of the weakness of the financial case for the expansion, partly because the White Paper is so prescriptive about the second runway's location, and partly because of fears that as the two runways would be so far apart, at some point in the future there might be an attempt to add a third runway between them. Essex county council—supported by other local authorities—spearheaded an attempt to subject the matter to judicial review. I hope that the application will be successful and that, as a result, a second runway at Stansted will not be built.

Mr. Stringer: I basically agree with the logic of the hon. Gentleman's argument, but does he agree with the Select Committee that a solution would be for the BAA to be broken up—so that the three airports would be freestanding commercial enterprises?

Mr. Francois: I will not comment specifically on the BAA's commercial future but leave that for others. My belief is that it is not feasible for the BAA as currently constituted to redevelop Stansted in the way proposed, for all the reasons that I have attempted to elucidate.

There is a way out. Stansted currently accommodates 20 million passengers per annum. Not long ago, permission was granted to increase that number to 25 million. The BAA is currently working on a proposal to increase the figure to 35 million passengers per annum. The maximum capacity of Stansted's existing single runway equates to 40 million passengers. Although there would have to be some expansion of the terminal and other supporting facilities, good design would make it possible to accommodate that number of passengers without the airport's current footprint. Capacity at Stansted could be doubled without building a second runway, so the people of Essex could play a part in helping to expand the overall capacity of UK airports.

I am not suggesting that people who live around Stansted airport would be overjoyed by an increase in passenger capacity from 20 million per annum to 40 million, as that would still present them with a number of challenges—but I believe they would find that preferable to the building of a second runway, with an increase in passenger numbers from 20 million to 80 million.

I accept that, as the Government have said repeatedly, doing nothing is not an option, but facilitating a growth in passenger numbers at Stansted from 20 million to 40 million using the existing runway would be far from doing nothing. It would involve the people of Essex paying an environmental price but not such a tremendous price that they would find it impossible to accept. The compromise solution would mitigate the environmental impact by allowing some economic development around Stansted—but not to an extent that would be unacceptable to people living in Essex and across the border in Hertfordshire.

I repeat: there is a way out. The people of Essex are not being NIMBYish in any way. I hope that the Minister will take my suggested solution on board, so that expansion can occur at Stansted with one runway—without despoiling the Essex countryside in such an awful way.

2.58 pm

Mr. James Plaskitt (Warwick and Leamington) (Lab): It is a pleasure to follow the hon. Member for Rayleigh (Mr. Francois). He and I have spent many Thursday afternoons in each other's company. It is nice to continue our association, even though the Higher Education Bill has finished its time in Standing Committee.

I want to praise the Transport Committee, of which I am not a member, for its report—which provides a comprehensive analysis of the challenges facing the Government in addressing the future of aviation. I congratulate the Government on their White Paper, which is a brave undertaking. It offers a strategy and framework for addressing aviation's future that was previously sadly lacking. The Transport Committee was entirely right to ask the Government to present a strategic view of managing growth in aviation, to think long term, to avoid piecemeal development, to make the best use of existing facilities, to assess existing airports on a case-by-case basis and to reject new airports on greenfield sites.

I was pleased that the Select Committee report referred approvingly to remarks made by the Secretary of State for Transport in 2002, in the run-up to publication of the White Paper. He said that

"people living near to possible airport development or existing airports want to know where they stand . . . and do not want to be in a position where their uncertainty is prolonged any longer than necessary".

On behalf of my constituents, I wholly endorsed that sentiment, so when the consultation process started, my constituents reacted with some consternation to the inclusion of an option to build a new airport on a greenfield site near Rugby. The effect of that suggestion was to produce blight and much worry and uncertainty, which lasted for about 18 months. The proposal was opposed vigorously by everyone in the local area. There was thus a sizeable measure of relief for my constituents and those in surrounding constituencies when the White Paper declared that the option would not be pursued and that the Select Committee's recommendation to avoid greenfield sites would be accepted.

That experience confirmed exactly the Select Committee's forecast:

"Identifying sites where development is possible in the next 30 years may be unpopular in the short term but it will remove blight and uncertainty for many areas."

[Mr. James Plaskitt]

The House might thus have expected that my constituents and I would be rejoicing at the removal of that blight and uncertainty. We are not. The climate of concern that prevailed during contemplation of an airport at Rugby has returned in full measure. All the doubts and worries about the long-term strategy, which were supposed to be dispelled by the White Paper, are back in force for many of my constituents, thanks to the activities of Coventry airport.

On the very day the White Paper was published, Coventry airport announced the launch of a budget airline operation. It was claimed that the announcement was coincidental, but some of us doubt that. In a debate in January, I had the chance to raise with the Minister the concerns of my constituents about the airport, so I do not need to rehearse all of them now. However, I point out to my hon. Friend that we are but 20 days away from the commencement of the Thomsonfly operation at Coventry airport. It will use Boeing 737s and there will be 150 flights a week, on a schedule that includes night flights.

There is a range of concerns, including noise, the increase in the number of night flights and conflict over airspace, due to increased activity at both Coventry and Birmingham airports. I have already reminded the Minister that the runways at those airports are at right angles. Surface connections with Coventry airport are poor and there is already road congestion around the airport. There is a considerable lack of facilities at the airport to cope with the passenger movement that is envisaged; for example, there is no car parking. The issue that continues to vex us is whether that development is necessary at all, given that Birmingham airport is only 13 miles away in one direction and East Midlands airport is only 30 miles away in the other.

David Taylor (North-West Leicestershire) (Lab/Co-op): My hon. Friend refers to East Midlands airport, which is in North-West Leicestershire. Would he be surprised to learn that at regional airports frameworks for environmental controls over night flights barely exist? A rapidly growing airport such as East Midlands, with 5 million passengers—albeit mostly during the day—has no such framework. Does my hon. Friend support the national pressure for an environmental framework for regional airports with equivalent designation to that for the London airports in terms of CAA control?

Mr. Plaskitt: My hon. Friend is right and I am grateful for that contribution. He puts his finger on one of the issues that causes my constituents grave concern—the problem of trying to ensure that there is any control over what is happening at Coventry airport. I shall come to that point later in my contribution.

Mr. Edward Garnier (Harborough) (Con): The hon. Member for North-West Leicestershire (David Taylor) has lighted on an important point for those of us representing Leicestershire constituencies. However, I hope that the hon. Member for Warwick and Leamington (Mr. Plaskitt) will remember that Leicestershire Members were instrumental in assisting those in Warwickshire to resist the worst effects of the expansion of that county's Rugby airport. I trust that we can rely on his assistance as we try to mitigate the worst effects of the expansion at East Midlands airport, especially of cargo night flights.

Mr. Plaskitt: I am inclined to answer "Only one miracle at a time", and not to intrude in another debate that will, I suspect, take place shortly.

When the new service was proposed, Coventry airport submitted a planning application to build a new terminal and appropriate car parking facilities, but as the Minister knows, the airport intends to get the service under way before any of those developments are in place. Things are even worse than that. Although the planning application had still to be determined, the owners extended the runway and erected a new terminal building, both of which are outside their permitted development rights.

When I discussed the matter with the Minister previously, he rightly pointed out that it was up to Warwick district council, as the local planning authority, to determine the application in the first place. However, since our debate, a major development has changed the situation. Back in January, the then airport owner, Air Atlantique—losing a large amount of money—did a deal with Thomsonfly to offer a cheap platform for its budget airline operation. However, Air Atlantique was unable to deliver its side of the deal; it appears to have suggested to Thomsonfly that it could run roughshod over planning constraints, but is now finding that it cannot do so.

Last month, in only a few hours, Thomsonfly purchased the airport, so the airport operator and the airline are now the same entity. The planning application is still in place, but determination is repeatedly deferred owing to the complexities involved. The unauthorised development on the site is being reversed and a new environmental impact assessment is being drawn up. However, the intention of the new owner, backed by plenty of cash, is entirely clear. The new owner is the TUI group, which also owns Lunn Poly, Britannia Airways and other commercial operations. The company has an annual turnover of €15 billion and it made a profit of €500 million last year—a very different proposition from the previous owner.

Representatives of the group visited the House yesterday to meet me and Members representing adjacent constituencies. The new managing director of Coventry airport is Bill Savage. There is a slight irony in his arrival on the scene as the new promoter of the scheme, because he worked with the Government on the consultation paper and helped them to assess the responses to the consultation process.

The new owner clearly has it in mind to build activity at the airport up to an operating level of 2 million passengers a year. The existing freight operation might be expanded, as might business usage. Taken together, the whole operation would be close to the scale of that at East Midlands airport at present, which would be a complete transformation in the historical nature of such a small rural airport. After all, the White Paper says that Coventry airport has

"a niche role catering for airfreight and flown mail".

However, under the new owner, backed by that company's resources, the airport will go from a relatively placid rural airfield to a semi-East Midlands in only a few years.

The Select Committee said:

"Creeping development over the last two decades has increased uncertainty for people living near airports. It has led to uncoordinated, piecemeal development."

The Committee said that such creeping development had to stop, and I understood that to be the purpose of the White Paper. Indeed, the White Paper claimed to provide

"greater certainty for all concerned in the planning of future capacity".

I suggest that the Coventry airport development as envisaged would be contrary to the White Paper strategy. It has a seemingly unrestricted operational licence. It is not designated. Section 106 agreements can do little more than to ameliorate its impact. Therefore, at present all that stands between my constituents and a semi-East Midlands airport on their doorstep is the planning department of Warwick district council, which is understandably overwhelmed by the scale of the task and the growing level of public opposition. I expect that bigger forces will have to become involved at some point to help us resolve this matter.

In my area and region we recognise the pressure for more air travel throughout the midlands. The White Paper does, and it is absolutely right, but it sets out the strategy for dealing with it: expansion at Birmingham with the possible second runway in due course and some expansion at East Midlands airport. It does not envisage significant expansion at Coventry or indeed any other small airfield in the region.

The Select Committee report says that publication of the aviation White Paper will only be the beginning. When the decision not to proceed with the Rugby option was announced, my constituents felt that that was the end of our beginning. Now, with the Coventry proposals looming large, we feel as though we are facing the beginning of our end, unless it can be stopped. The question is "How?" The airport has an unrestricted operating licence. Its ownership can change hands within a few hours, and completely in private. It seems able to launch a budget airline operation with no consultation whatsoever. Indeed, the first that I or any of my constituents knew about it was seeing advertisements on our regional television.

My hon. Friend the Member for Manchester, Blackley (Mr. Stringer) urged us not to use the word "sustainable", but I would say to my hon. Friend the Minister that these circumstances are not sustainable, and they are not compatible with the planned growth of air travel.

I am grateful for this opportunity to put my concerns to my hon. Friend again. I urge him to take note of what is happening at Coventry, to assist us and to assess what is going on in the context of the aviation White Paper.

3.12 pm

Mr. Alan Reid (Argyll and Bute) (LD): The islands and other remote communities on the west coast of Scotland have suffered population decline for centuries. In order to reverse that decline, we need to increase the frequency of transport and cut costs, in order to improve economic activity and public services in the area. Clearly, aviation has a central role to play, since getting to an island means either using aviation or taking the very slow ferry journey.

That is why I want to use the opportunity of this debate to speak in favour of proposals by HITRANS—the Highlands and Islands Strategic Transport Partnership—to create a network of frequent and affordable integrated air services throughout the highlands and islands and to other destinations, such as Glasgow and Edinburgh. The proposals would also mean improvements in the infrastructure of airports in the islands and new construction work to provide, for the first time, scheduled air services to Oban and from Oban to the small islands of Coll and Colonsay. The market alone cannot build up and sustain such a network. Clearly, Government financial support is required. The scheme already has strong support from local government throughout the highlands and islands, and HITRANS will submit its proposals to the Scottish Executive.

I have high hopes that the Scottish Executive will support the proposals, but, because they will require public service obligations to be put on the routes, they also need the support of the UK Department for Transport. That is because the decision to apply to the European Union for permission to impose PSOs on routes is a reserved power, vested in the Department for Transport. I hope that the Government here will support this exciting new initiative. I stress that it will not cost them a penny; all the costs will be met by the Scottish Executive and local councils, but Government support is necessary when the proposals are submitted to Europe.

The use of PSOs to secure regional air services at affordable fares is commonplace throughout the rest of Europe. France, Spain, Portugal and Norway use them for that purpose. Given that the highlands and islands is the most sparsely populated area of Europe, surely we can do the same here. I believe that the scheme will do a great deal to regenerate the economy of the highlands and islands and reverse centuries of population decline.

Given this exciting new proposal and the need to reduce costs, it is very depressing that exactly the opposite will happen on 1 April, when air fares to the small island airports and to Campbeltown, on the Kintyre peninsula, will go up. Return fares will rise by almost £20 from Glasgow to Tiree and by almost £12 from Glasgow to Campbeltown.

The increase is to pay for security at those small airports. Government policy is that security costs must be met by the aviation industry itself. Clearly, though, if the industry then passes the costs on to the passenger, the increase on each ticket will be far higher at small airports than at large international airports. For each of the airports at Tiree, Campbeltown and Barra the annual cost of security is about £50,000. Until now Highlands and Islands Airports Ltd has absorbed the costs, mainly by putting them on to landing charges at its largest airport, Inverness, thus avoiding putting the costs on to the small airports. However, the big airlines that use Inverness—British Airways and easyJet—have complained about that, so HIAL is being forced to apply the costs to each individual airport, with the result that passengers using them are forced to pay the full cost

[Mr. Alan Reid]

of security there. The increasing costs will be disastrous for the economies of the island of Tiree and for the Kintyre peninsula, because £20 extra on a return ticket to Tiree and £12 extra on a return ticket to Campbeltown will put a tremendous extra burden on those airports and on the local economy.

I was pleased that the Minister told me on Tuesday, in answer to an oral question:

"We propose, however, to introduce a regime tailored for smaller and lighter aircraft and the airports from which they operate, commensurate with the nature of such operations and the risk that they pose. We shall consult the industry shortly."—[*Official Report*, 9 March 2004; Vol. 418, c. 1374.]

That is a welcome step forward, but the matter is urgent. The economies of Tiree and Campbeltown will suffer if the higher costs are in place for long. I urge the Minister to ensure that the review goes forward urgently, and I hope that he can tell the House when he expects it to be completed.

Of course, it is vital that security be stringent and that nothing slip through the net at small airports. I am sure that the promised consultation and investigation will result in a less costly security regime, though one that is still stringent. However, I am concerned that even if there is a small reduction in security costs, passengers at the small airports will still be paying a very high cost for security, far higher than passengers at big airports will pay.

It is important to remember that baggage loaded at Tiree or Campbeltown can subsequently be loaded on to international flights at Glasgow airport, and the security of the whole network is therefore at stake. Accordingly, it is only fair that the cost of security should be spread across all air passengers, rather than the brunt being borne by those who enter the system at small airports. All passengers benefit from security at small airports, because of the baggage put on to onward flights.

My suggestion to the Government today is that the proceeds of air passenger duty should be used to pay for the cost of security at small airports. Only a minuscule amount of the proceeds would be required. Air passenger duty brings the Government £800 million a year, yet, as I have said, the cost of security at small airports is only £50,000. Since the whole airline system benefits from that security, my suggestion would be fair and greatly beneficial to small, remote communities. I hope that the Government will seriously consider it.

3.19 pm

Mr. Kelvin Hopkins (Luton, North) (Lab): I shall be very brief, as we are short of time.

We were absolutely delighted by the Government's decision to permit the expansion of Luton airport. We have lobbied for that for a long time, and we think that that decision is very sensible. Luton airport could accommodate 30 million passengers in time, as opposed to 7 million now, with an extended runway and parallel taxiway and better access to the airport.

I want to emphasise that there are problems with access to the airport. The eastern corridor route is already planned and will be built, but I ask the Government to give serious consideration to pressing for the northern bypass route to be built right round from the A5, across the M1 and the A6, to the A505 and around to the airport. That would enable traffic to come from the north on all those routes direct to the airport, thus taking a lot of traffic off the southern M1 junction in particular.

Another aspect of Luton airport is that it could be developed as a kind of satellite to Heathrow, with a rail link. There is a possibility of an electrified rail link between Luton Airport Parkway station and Heathrow. An existing line goes off at Cricklewood, joining the midland to the western regions. All it needs is a little electrification to become a Luton-Heathrow flyer.

Laura Moffatt (Crawley) (Lab): Does my hon. Friend agree that, to get the best from all our airports, it would be a good idea to link Gatwick, Heathrow and Luton to ensure that we get the best capacity from the existing runways, thus moving aviation forward?

Mr. Hopkins: I agree entirely. Indeed, I support Gatwick second after Luton. We need a planned approach. We have had problems because of BAA's dominance, and the Government have resisted the pressure from BAA and produced a good solution, putting Luton first.

Luton airport can be developed quickly, easily and cheaply. I have written to my right hon. Friend the Secretary of State for Transport to press him not just to permit, but to urge the expansion of Luton airport as soon as possible. Such things cannot be done consecutively—we cannot just expand one airport, see how it goes and then look at the other options—but they could cascade, with Luton being the first. We could then take account of the possible downgrading of passenger forecasts for the future.

The forecasts may not be quite as large as we expect, although there will be substantial expansion. If Luton is expanded quickly, we could get some measure of how far we need to expand the other airports, while we are still in the planning stages. That is essentially what I want to say. I hope that my right hon. Friend the Secretary of State and my hon. Friend the Minister, who has been so helpful, will urge, not just permit, the expansion of Luton, so it can expand very quickly in the near future.

3.23 pm

Mr. John Randall (Uxbridge) (Con): As a member of the Transport Committee, I know exactly what we are talking about when slots are being squeezed out, so I shall speak very briefly. I thought it a great privilege to be appointed to that Committee, until I found that it was a bit of a poisoned chalice because we were discussing aviation. Having Heathrow in my backyard and Northolt in my front garden, I found myself surrounded by people who were advocating doing all sorts of terrible things in my immediate vicinity. I tried very hard to listen to the evidence in an even manner, and it was very interesting.

The Minister, who has been very kind to all the groups around Heathrow and listened to what we have to say, has said that there will be a debate on the aviation White Paper. That will be the time for me to argue why Heathrow should not be developed. He probably knows a lot of the points that I will make, and I do not envy his position one bit.

It is a shame in a way that we have not been able to discuss in depth a lot of what is in the Select Committee report. Perhaps the Minister could consider consumer protection—the bonding of scheduled airlines—as it does not exist at the moment, the principle of fining off-track aircraft, which is still to be looked at, BAA ownership, which we discussed earlier, and air traffic control. All those matters are vital, but we unfortunately tend to get sidetracked, naturally, as they mean a great deal to our constituencies and us, into talking about individual airports and their needs. We have to face up the real problems. Although I would love to live in the never-never land of Peter Pan—the hon. Member for Shrewsbury and Atcham (Mr. Marsden)—we have, unfortunately, to live in the real world and the fact is that people want to travel by air. I would love to restrict that in some way, but we cannot do so by taxation.

3.25 pm

Mr. Greg Knight (East Yorkshire) (Con): I welcome this debate and thank the Select Committee for producing its report. I compliment all hon. Members who have taken part for the high quality of their contributions.

I emphasise to the Minister what my hon. Friend the shadow Leader of the House said at business questions earlier: we look forward to an early debate on the aviation White Paper. If the Minister finds that he cannot answer some of the questions that have been asked today, we hope that we will hear the answers from him during the debate on the White Paper.

It is right to remind the House that we have recently celebrated the centenary of powered, sustained flight, and I congratulate the UK aviation industry on playing a major role in both civil and military aviation during that period. We believe that aviation is crucial to the UK's prosperity. We recognise that air travel is essential for business and economic success, and we appreciate that almost 180,000 people in the UK are directly employed by the industry. Moreover, well over 500,000 jobs depend on UK aviation, and much of our tourism depends on the availability of air travel. Many people in the more remote parts of the country, which we have heard about in the debate, require air services for essential journeys. I therefore applaud the industry for competing successfully in a deregulated market in recent years and opening up air travel to all through lower fares.

The Committee's report is welcome and poses many pertinent questions for those developing our aviation policy. As the Committee reminds us, the UK is the second largest aviation market, after the United States. If that position of strength is not to be threatened, we need to ensure that we make the right decisions.

A number of hon. Members have rightly referred to the environment, and emissions trading is possibly the way forward. The airline industry has accepted the need to look at the environmental costs involved in flying. As the Committee's report makes clear, emissions trading has the support of a number of environmental groups and the Government's technical advisors. Emissions trading would allow airlines to buy and sell permits to a capped quantity of greenhouse emissions, and the Government should certainly continue to pursue the development of such a system. Indeed, with the UK's upcoming European Union presidency, this would seem an opportune time for the Government to push for EU-wide support in that respect, and I hope that the Minister will grasp that opportunity.

I disagree completely with the comments made about taxation by the hon. Member for Shrewsbury and Atcham (Mr. Marsden). In our view, a system of taxes and fines introduced unilaterally in Britain without international agreement would be catastrophic for the industry and one of the worst examples of gesture politics that I can think of, so I hope that the Minister will join me in dismissing that possibility. The Conservative party agrees with the Transport Committee that a fuel tax on aviation could be imposed only internationally, and the likelihood of that happening is extremely remote at present, and it looks as though it will remain remote for the foreseeable future.

The report highlights the importance of striving for better air transport management. As I said in an intervention, it should not be assumed that doing nothing is the answer. As I pointed out to the hon. Member for Shrewsbury and Atcham, a shortage of capacity can in itself harm the environment. The pollution costs of aircraft having to wait in stacks or on airport aprons must be taken into account. The Government must constantly ensure that existing capacity is used efficiently.

We should appreciate that the airline industry, like the motor industry, has made use of developments in new technology to improve efficiency. I understand that the fuel efficiency of aircraft doubled between the 1960s and the 1980s. That trend must continue. There must always be incentives to encourage investment in research and in new aircraft design to help new technology to bring about savings and more environmentally friendly aircraft.

The White Paper accepts that noise from aircraft operations, particularly at night, is widely regarded as one of the least acceptable aspects of those operations, and my hon. and learned Friend the Member for Harborough (Mr. Garnier) is concerned about that. The Government say that their aim is to reduce the number of people significantly affected by aircraft noise, but that any night restrictions must be considered in accordance with a balanced approach. A commitment has been made to introduce new legislation to clarify and strengthen noise controls powers, and I hope that the Minister will say something about the time scale that he envisages.

The report questions the reliability of air quality assessments at Heathrow and other sites. The current assessments may not be sufficiently sound to enable the Government to make crucial decisions about future expansion plans.

Mr. Randall: I hope that my right hon. Friend will agree that the comments of the hon. Member for Manchester, Blackley (Mr. Stringer) about the environmental reasons at Heathrow being dubious were in themselves extremely dubious.

Mr. Knight: I agree. The hon. Gentleman should buy a house near Heathrow, and see whether he still takes the same view after living there for a year. We need to take such issues seriously, and the Government time

[Mr. Knight]

scale may be a little over-ambitious. It assumes full implementation of a tough package of measures to improve air quality, and the Government also talk about road charging. I am not sure that they will achieve that.

Before consideration is given to constructing new airports, it is surely common sense to concentrate on making better use of existing facilities. It is a matter of great concern to a number of us that the number of slots at Heathrow and Gatwick allocated to regional routes has been drastically reduced, a problem was mentioned by the hon. Members for Crewe and Nantwich (Mrs. Dunwoody) and for Liverpool, Riverside (Mrs. Ellman). In the past few years, regional services have certainly been curtailed from various regional airports, including Plymouth, Norwich and my local airport, Humberside. I find that distressing, because services were economically viable, but were dropped because of capacity constraints. Scarcity of slots at the major airports has led to more profitable routes pushing them out. We cannot allow that to continue unchecked, and I would like to know what the Minister is doing about it. Is he having discussions with the industry to see whether progress can be made, either without recourse to using the law or ahead of any use of the law?

The Select Committee report questions the entire structure of the industry, and the Committee was highly critical of the position taken by BAA, which strongly denies all arguments of that kind, although some would say, "It would, wouldn't it?" It stresses the high levels of investment that it brings to the industry, but it is right that there should not be an automatic assumption that BAA, in its present form, is the correct arrangement for all time. I can see why many hon. Members on both sides of the House feel that there is a case for a constructive review.

There are many other things that I would like to say, but I shall have to leave some of them to another occasion because of the shortage of time. However, the hon. Member for Argyll and Bute (Mr. Reid) made important comments about security. It is obviously crucial that all airports, large and small alike, maintain and combine high security with efficient procedures to reduce delays. We will support anything that the Government seek to do on that. The need to keep an eye on security has been brought home to us by the tragedy that has occurred today as the result of an act of terrorism.

I would like to ask the Minister some questions before I conclude. What judicial reviews have been notified to the Government about airport expansion plans since the White Paper was published? Are any discussions taking place between the Government and the bodies involved? Does the Minister accept that demand for slots at Heathrow and Gatwick has exceeded supply for the last four years and that, under his proposals, there will be a wait of another 10 years before anything is done to alleviate the shortage? Does he accept that the loss of access from the regions that I have mentioned could have a damaging effect on the UK economy if speedy action is not taken?

In some ways, air travel has provided a refreshing contrast to the growing problems that have beset surface transport, largely because it has the freedom to respond to increases in consumer demand that Government direction or inaction has denied elsewhere. The air travel industry has shown the fastest growth of any type of travel in recent years, with dramatic reductions in fares and charges. Those improvements have been the direct result of the increased competition made possible by liberalisation of the European air market.

Whatever the Minister says when he addresses the House, I am sure that we all wish the industry well in facing the challenges that need to be addressed as it goes towards its second centenary.

3.37 pm

The Parliamentary Under-Secretary of State for Transport (Mr. Tony McNulty): It will be nigh on impossible to address all the serious issues raised by all hon. Friends and most honourable colleagues in the 10 or so minutes that I have to speak. However, I shall do my best to do justice to many of their comments.

As I think the hon. Member for Uxbridge (Mr. Randall) said, I would welcome a full day's debate on the White Paper. There are several reasons why it has not yet been held. The House may be assured that I am at the front of the queue of those exhorting the business managers—of whom I was once one—to hold such a debate.

I welcome the Committee's report. Although it predated the White Paper by some months, many of the issues in it are, as my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) said, as germane today as they were when it came out. In fact, they are even more germane after the White Paper.

As others have said, the White Paper starts from the premise that the best starting point is the greater utilisation of existing capacity. That must be the right and logical place to start. We will work from there to see where we need to go beyond that. I am heartened by the response to the White Paper, which sets out the framework for the next 25 or 30 years. I agree about the importance of aviation not just to our economy and to regional development, but, in the broadest terms, to the whole country and not just to the south-east.

Although the hon. Member for Aldershot (Mr. Howarth) is not in his place, I shall say in passing—I did not want to forget this—that the White Paper recognises the importance of the smaller sectors of aviation, such as business aviation. I was going to tell the hon. Gentleman that I was grateful to him. I have lost count of how many times I have read the stuff, but this is the first time I have noticed a mistake in it. He exhorted us to remember the importance of Farnborough to business aviation, but paragraph 11.101 on page 132 states that we recognise that there is

"additional capacity to cater for business aviation demand: Farnborough, Biggin Hill, Blackbushe, Fairoaks, Farnborough, Northolt and Southend."

To paraphrase the song, Farnborough is so good they named it twice.

Much of what my hon. Friend the Member for Crewe and Nantwich said about the aspects of where, who and who pays is important, and it is addressed in the White Paper, as is the importance of regional airports and of route development, which many hon. Members mentioned. We can consider how that could be based on

the Scottish model, with public service obligations, and how it fits within the European context. The interconnectivity—another fashionable word that we probably should not use—of all our regions with the economic hub of London is terribly important and is also recognised in the White Paper. I was not sure about what my hon. Friend said about coming out fighting, saying which airports will expand and balancing that with protecting regions' interests. Perhaps I shall discuss that with her later because I think that we have probably done that. She rightly said that there would be no major development in the next five years. The new runways and additional capacity identified in the White Paper will certainly not happen within five years—a time scale of 10 years has been indicated. However, to pursue the point made by my hon. Friend the Member for Luton, North (Mr. Hopkins), that does not mean that existing capacity cannot be optimised in a shorter time, so I wish Luton airport well in that regard, as I have before.

It is unusual in such an important debate for two Liberal Democrats to express about four different views. I take seriously the point raised by the hon. Member for Argyll and Bute (Mr. Reid)—as I did in Question Time on Tuesday—on the connection of what is such a peripheral region with the rest of Scotland, let alone the rest of the United Kingdom. We tried to address such points in the White Paper. Both the Scottish Secretary and the Secretary of State for Transport are speaking to HITRANS and others involved with the highlands and islands.

I take the hon. Gentleman's point about security at smaller airports seriously. To be perfectly honest, I do not have on me the details of the time frame for the consultation that has just started, but I shall write to him about that. We are considering tailoring a package for smaller aircraft that use smaller airports to take account of some of the cost aspects that he mentioned. Security must be absolutely paramount, in the first instance, but there must be scope for tailoring the package to the size of the airport and the planes that utilise it. That is an entirely fair point and I shall write to him about it.

I disagree with the hon. Gentleman's point that someone other than the aviation industry should pay for security. I also disagree with a further point that he blithely put. He suggested that given that there is cross-integration among security measures, we should use air passenger duty to pay for them. However, not two weeks ago, on 1 March, the hon. Gentleman's leader—if I may use that phrase—said that the Liberal Democrats would abolish air passenger duty. The hon. Gentleman would spend it on his local airport, but his colleague, whose constituency is not a million miles away from his in the north of Scotland, would abolish it. That does not really make sense. When the White Paper was published on 16 December, my right hon. Friend the Secretary of State said that it was apparent—this is certainly true of the hon. Member for Shrewsbury and Atcham (Mr. Marsden)—that

"Liberals are in favour of air travel but not airports."—[*Official Report*, 16 December 2003; Vol. 415, c. 1441.]

Mr. Paul Marsden: Will the Minister give way?

Mr. McNulty: I shall not, given the time constraints.

The environment is a serious matter. The environment is taken seriously throughout the White Paper and the balance between the environment and the growth of aviation is mentioned constantly and clearly throughout it. However, the way in which the hon. Member for Shrewsbury and Atcham developed his case was so flawed, simplistic and empty-headed in all regards that it is not worth debating at all. *[Interruption.]* Well, here is the real nub of it. The hon. Gentleman cited serious organisations that we hold in high regard and with which we work closely, but he misquoted them. He then made simplistic extrapolations from their cases in such a fundamentally flawed way as to harm and undermine the environmentalist case. He made probably the weakest and most flawed contribution to the debate, which is a shame because the debate was otherwise useful.

I did not agree with everything that my hon. Friend the Member for Manchester, Blackley (Mr. Stringer) said—I am sorry about the other night's Porto result, but that is by the by. There is a goal called sustainable aviation towards which we can work. We must mitigate impact, even though that cannot be totally absent, but the goal is worth pursuing. I agree about the need to open up skies more readily for some of our regional airports—that is clearly set out in the White Paper—and I shall happily meet him to talk about Pakistan International Airlines, fifth freedoms, Manchester airport and everything else.

I am sorry that the hon. Member for Ruislip-Northwood (Mr. Wilkinson) bewails the EU—well, the EU full stop. I was sorry that he bewailed the EU air service agreements. We are moving toward a stage at which there will be a massive break up of the national carriers—a national carrier is the model of the past. I do not agree with what he said about sovereignty. Given that there are now trans-national and trans-European families of airlines rather than individual families, it must be right to move towards EU designation while retaining the bilaterals until that comes into play. I accept the points that the hon. Gentleman made in his constituency capacity. The hon. Member for Uxbridge also made such points. As he kindly said, there is an ongoing ménage à quatre—me and the "Three Johns from Hillingdon"—in which we discuss Heathrow at length.

The hon. Member for Rayleigh (Mr. Francois) made some interesting points about Southend airport. Happily, or otherwise, I was on top of Southend town hall the other week to have a look at Southend airport, among other things. I know that Freddie Laker ran flights from the airport to the Channel Islands back in the 1960s. I flew on one of the last Laker flights to America, but then the company went bust, so I could not fly back by Laker—that is by the by. His point about the further development of maintenance and other refurbishment facilities, which are the strength of Southend, was well made.

The hon. Gentleman asked me to comment on judicial review—that also goes back to what the right hon. Member for East Yorkshire (Mr. Knight) said. He asked whether we had spoken to anyone and how many reviews were ongoing. With the greatest of respect, I will not go there in any way, shape or form. People are fully entitled to put forward cases for review. They need to be taken seriously, but I say "No comment", and move on.

My hon. Friend the Member for Warwick and Leamington (Mr. Plaskitt) has already made good points about Coventry airport that need pursuing. In

[Mr. McNulty]

the first instance, the points are matters for the planning authority, but if we need to discuss the situation further with him and other hon. Members, we will. Before the hon. and learned Member for Harborough (Mr. Garnier) starts flapping about, I am still happy to meet him and my hon. Friend the Member for North-West Leicestershire (David Taylor) to talk about East Midlands airport and the way forward on capacity and a new voluntary local network, and the options for full designation such as that of the airports in London and the south-east.

Mr. Garnier *rose—*

Mr. McNulty: I will not give way to the hon. and learned Gentleman; I said that to obviate giving way to him at all.

David Taylor: Will the Minister give way?

Mr. McNulty: I will not, with the greatest of respect, but having said that, I will—briefly—because I will then sit down.

David Taylor: When the Secretary of State for Transport launched the White Paper several months ago, he used the phrase

"stringent noise and environmental controls"

on several occasions in the context of growth at regional airports. Is the Minister now able to tell us what shape those stringent controls will take? Will they be based on a national framework, or will they emerge from the fog of some Dutch auction with airports and planning authorities underbidding each other to ensure that the greatest growth takes place in their areas?

Mr. McNulty: It is very rare that I regret giving way to a colleague, but I do on this occasion, as my hon. Friend's question was far too long. It is a question of balance—we must consider whether we are satisfied with voluntary noise restrictions at East Midlands airport, whether we are happy with arrangements if it expands and whether we need to legislate for noise within a national framework, as has been suggested. Those are all in the mix, but it is only two or three months since the first real White Paper—other documents have been called White Papers, but they are not—which strives to achieve a balance between the interests of business, the community, the aviation sector and, crucially, the environment, and goes far beyond the Mickey Mouse suggestions of the Liberal Democrats. We want a substantive package at national, European and international levels so that, contrary to what my hon. Friend the Member for Manchester, Blackley said, the goal of sustainable aviation over the next three years is achievable and the country can go forward with a proud aviation record.

Debate concluded, pursuant to Resolution [3 March].

Question deferred, pursuant to Standing Order No. 54(4) and (5) and Order [29 October 2002], until 6 pm.

Biofuels

DEPARTMENT FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS

[Relevant Documents: Seventeenth Report from the Environment, Food and Rural Affairs Committee, Session 2002–03, on Biofuels, HC (2002–03) 929–I, and the Government's response thereto, HC (2003–04) 270; and the Department for Environment, Food and Rural Affairs Departmental Report 2003, Cm 5919.]

Motion made, and Question proposed,

That further resources, not exceeding £1,251,750,000, be authorised for use during the year ending on 31st March 2004, and that a further sum, not exceeding £613,478,000, be granted to Her Majesty out of the Consolidated Fund for the year ending on 31st March 2004 for expenditure by the Department for Environment, Food and Rural Affairs.—*[Joan Ryan.]*

3.50 pm

Mr. Michael Jack (Fylde) (Con): I am grateful for the opportunity to open our debate on biofuels. The motion deals with an estimate of expenditure for the Department for Environment, Food and Rural Affairs, and the Minister for the Environment, who will reply to our debate, could deal with all outstanding issues on biofuels if the £1.25 billion mentioned in the motion, or at least part of it, could be veered towards biofuels. It is a substantial sum, and I would love to have a debate on everything that that expenditure covers. However, if a small amount could be spared for biofuels, everyone would leave the Chamber feeling even happier.

It is always a pleasure to learn that events are moving in the right direction, as was demonstrated by the front page of the business section of *The Daily Telegraph*. Most of the newspaper is printed in black and white, but there is a pink section in the middle covering business, where a headline said, "Whitehall warms to 'fuel from crops' initiative". I took that as an omen of a positive debate, as we consider the biofuels report by the Select Committee on Environment, Food and Rural Affairs, which is cited as a relevant document. The Order Paper says that the estimate is

"to be considered in so far as it relates to biofuels"

and I am delighted by that close link.

May I put on record my appreciation of everyone who contributed to the production of the report? The subject of biofuels attracted a great deal of interest from people in the fields of agriculture and fuel, the general public, and people with environmental interests, many of whom kindly gave evidence. None of our reports could be produced without the hard work of the Clerks and others who support us, and I thank in particular our specialist, Kate Trumper, for her contribution. I am delighted that the hon. Members for Stroud (Mr. Drew) and for Sherwood (Paddy Tipping) are in the Chamber this afternoon, as they serve on the Committee and take a particular interest in the subject, as does my right hon. Friend the Member for South-West Norfolk (Mrs. Shephard). She was a member of the Committee when the report was produced, and has since been a leading player in subsequent debates on the subject in the House. She serves her constituency and East Anglia well in continuing to advance the cause of biofuel, as does my hon. Friend the Member for South-East

Cambridgeshire (Mr. Paice) and other Select Committee members who have worked hard on the issue.

The timing of our debate is propitious, because it is just a week before the Budget. We live in hope that the Chancellor is prepared even now to say something about further encouraging the use of biofuels. Far from holding out the begging bowl to the Treasury, I want to set out an alternative strategy for developing a genuine biofuels industry in Britain. As I shall outline, the transformation of oilseed rape—raw material which is indigenous to the United Kingdom—into biodiesel is sadly almost non-existent. Production plants currently in operation use the residues of cooking oil to produce biofuels. It is good that some biofuels are produced, but given that British agriculture would benefit from a revolution in fuel production, we appear not to be taking advantage of opportunities to produce and develop a facility for biofuels in this country.

The first comment in our report is that biofuels

"are the only source of renewable power currently suitable for road transport".

Given the Government's understandable commitment to reducing carbon dioxide emissions, we would say that the two naturally go together. In a moment I shall review what the Department for Environment, Food and Rural Affairs says by way of justifying further activity in this area.

I remind the House of a second and crucial conclusion that arose from our report. We pointed out that

"the Government's biofuels policy, to the extent that it has one, appears muddled and unfocused."

It is important to see what the Government said in reply to our Select Committee report. They did not address the issue, apart from disagreeing with us in the nicest way. They stated:

"The Government does not accept that its policy is muddled and unfocused",

yet one has only to consider the number of Departments with a finger in the pie—the Department for Transport, the Treasury, DEFRA and the Department of Trade and Industry. There appears to be no champion of biofuels. Perhaps when the Minister replies, he will put on the champion's hat and tell us how he intends to translate his Department's very positive view of biofuels into a UK biofuels industry.

When Lord Whitty came to give evidence to the Committee, he made it clear, with his usual remarkable candour, that his Department was not only in favour of biofuels, but frustrated at the barriers to developing an indigenous industry that were being put in place by the Treasury.

DEFRA, together with Peter Clery of the British Association for Biofuels and Oils, have produced an excellent little leaflet, which begins by reminding us that biofuels

"can cut emissions of carbon dioxide, a greenhouse gas, by 50–60 per cent. compared to fossil fuels and so can contribute to meeting UK targets for alleviating climate change."

The document goes on:

"The production of biofuels from arable crops would provide a useful new market for rural Britain".

Well, we are cheering, and we have only got to page 3. Then we come to some more telling analysis. Under the heading "Are they available?", the document reports:

"About 700,000 litres (around 600 tonnes) of biodiesel are currently sold each month"—

then comes the let-down—

"produced mainly from recycled cooking oils and available as a 5 per cent. blend from around 100 filling stations. No bioethanol is yet available commercially."

In the same document is a beautiful picture, probably taken in a field in the constituency of my right hon. Friend the Member for South-West Norfolk, of a sugar beet harvesting machine, giving the impression that that is the way forward, but sadly there is no facility to take that harvest of sugar beet and turn it, in this case, into bioethanol.

On the following page the document continues:

"Producing biofuels costs (pre-tax) about twice as much as fossil fuels, depending on the cost of feedstock and crude oil."

DEFRA recognised the need for help, but as our report pointed out, a 20p duty derogation was all the help that came. We put that to the Treasury Minister, the Economic Secretary, who came to speak to the Committee. That number was selected—it was not worked out. I received a parliamentary answer that said that it was chosen—it was selected. The figure could have been 19 or 21, but the Treasury selected 20 because it wanted to give some encouragement, but not to encourage a biofuel import industry.

I am a simple man, and I looked at the logic of that. If there is no indigenous industry, where will biofuel come from as the country moves towards meeting its EU obligations? By definition, it will be imported. Can we not make a virtue out of the necessity of the DEFRA analysis, and start to find ways of producing an industry at home? The document goes on to say:

"In the wider context, the EU has adopted legislation which will require the UK and other European countries to set indicative targets for the use of biofuels. The EU's reference targets are 2 per cent. by 2005 and 5.75 per cent. by 2010."

It is not long until 2005. The Department for Transport, which is in charge of the consultation exercise on the targets for biofuels, knew last May that such an exercise would be held, but nothing has been produced.

Mr. Mark Francois (Rayleigh) (Con): I thank the Chairman of the Select Committee for his courtesy in giving way. May I lend weight to his arm by telling him that farmers in Essex, not least in my constituency, are keen to encourage biofuels? Does he agree that, contrary to the claims of some lobby groups, most farmers are environmentally aware? They care about the environment; the beauty of that is that it represents a win-win for farming and the environment.

Mr. Jack: I am delighted that Essex farmers are so perceptive. They recognise the potential of their set-aside land to grow the crop. I am sure that they are aware of a key finding in the Select Committee report: we asked DEFRA to do more work on the environmental impact of increasing the amount of oilseed rape that is grown under the circumstances that I outlined. I am also sure that perceptive Essex farmers realise that there is more work to do on that. My hon. Friend's comments show the genuine enthusiasm of British farming, at a time of immense change and transition, to seek new opportunities.

[Mr. Jack]

The challenge for farming—the Secretary of State referred to it in Question Time—of having to think through more carefully what it will do in the regime of the single farm payment means that farmers will look to the marketplace for opportunities. Here is a gigantic opportunity. Biodiesel production in the United Kingdom is currently approximately 25,000 tonnes a year. Half of that comes from cooking oil and the balance from imports. That clearly shows that we have the potential to do something about the matter.

Mr. David Heath (Somerton and Frome) (LD): I am listening to the right hon. Gentleman carefully. Does he agree that one of the prerequisites of a viable agriculture industry is a secure market to which to sell? Does he believe that, for bioethanol, a component of that might be a regulatory approach to substituting it in conventional petrol rather than fiscal support, which is the alternative mechanism?

Mr. Jack: The hon. Gentleman makes an important point, which I want to develop shortly. There are several ways of achieving the objective that I hope we all share, and they do not necessitate a high cost to the Treasury.

Let us put the production and the targets to which I referred earlier into some sort of context. Cargill produced some interesting data. A document that it sent to me stated:

"If the Government were to follow EU guidelines targeting 2 per cent. biodiesel by 2005, this 400,000 litres per month must be expanded 80-fold to 32 million litres per month."

The first figure reflects the current position. The document refers to the plant in Motherwell where some production of biodiesel will take place. The document states that

"the Motherwell plant will add some 4.5 million litres per month, leaving a further requirement of 27 million litres"

in the United Kingdom to meet the 2 per cent. EU target by 2005. Again, to provide some context, Germany already produces 700,000 tonnes of biodiesel.

The Motherwell factory is an investment by the Argent Energy Group, which has a turnover of some £230 million. The plant is designed to produce 45,000 tonnes a year of multi-feedstock biodiesel. Unfortunately, it will use cooking oil and fats as the initial feedstock. There are signs of investment in the capital to produce the product, but not sufficient to persuade the industry in the United Kingdom.

How do we persuade the Government to move the argument forward, given the targeting required by the European Union, the enthusiasm of UK agriculture to produce the feedstock and the desire of companies such as Cargill and British Sugar to invest respectively in biodiesel and bioethanol? I shall rehearse with the House an argument that I first made last year during debates on the Finance Bill, in which I applied the logic that is used on the renewables obligation in electricity to the parallel situation in road fuels. The House might recall that the renewables obligation requires electricity producers to take a proportion of their generated output from renewable sources, blend it with electricity from other sources and sell it at a uniform price. Although consumers cannot distinguish the sources, because electricity is a homogeneous commodity, they thereby encourage the renewables because of the slightly higher total electricity price that they pay.

My first thought was that the Treasury could apply the same logic to fuel. If there were a derogation of 30p to encourage more investment—which the industry deems sufficient—let us consider what the cost per litre at the pump would be if the Treasury spread out the costs of providing biodiesel. Concentrating first on biodiesel, the 2 per cent. target, with a 30 per cent. derogation, would have a duty cost of £120 million a year, which would in effect require the pump price to rise by 0.6p per litre. If we did the same with bioethanol and petrol, the total cost at the pump would be a further 0.6p per litre. With the 5 per cent. diesel target, we would be looking at a cost increase of 1.6p per litre if the £300 million cost were funded through duty derogation.

That simple piece of mathematics would in effect provide the Treasury with a free good because the users of fuel would pay, as do the users of electricity, for the renewables obligation. However, the argument may have moved forward, because a further development has now been suggested in the context of the Energy Bill that is before the other place. Although the amendment to that Bill to which I am about to refer has been withdrawn, the Minister might care to know that it will return on Report.

The amendment, which has all-party support and was tabled by the noble lords, Lord Ezra, Lord Carter and Lord Palmer, has at its heart an obligation that would

"require all producers selling road transport fuel in the United Kingdom to show that over the course of a calendar year a specified proportion of such fuel was biofuel."

The novelty of that amendment is that it would not legally require blending but would set a target with the force of law behind it, leaving the fuel company to decide in what way it wanted to fulfil the obligation. Users would have to accept an uplift in the cost of the fuel, but it would be up to the fuel company to decide what that would be, commensurate with the inevitable additional costs and investments.

Evidence supplied to me ahead of today's debate suggests that such a move would not attract a tidal wave of imports, and that imports might move to easier fuel duty markets than the United Kingdom. That simple amendment none the less raises the possibility of having biofuels—both bioethanol and biodiesel—at a cost that would be paid by the user, not the Government, although the Government's support would be required to put the obligation to meet the target into law. That possibility should be investigated very carefully.

I return to my starting point, because in his comments on recent meetings with Treasury Ministers on that matter, Mr. Peter Clery, the chairman of the British Association for Biofuels and Oils, has said that he was encouraged by those discussions, in which he had something of a meeting of minds with the Economic Secretary to the Treasury. It seems that this possibility was considered feasible and that the Government may have indicated a degree of support for it. I should be grateful if the Minister would be kind enough to address that issue when he winds up.

On the implementation of the biofuels directive, the European Union has said in a letter to Mr. Clery dated 8 March:

"Member States are free to require each fuel supply company to achieve a given proportion of biofuels relative to the quantity of petrol and diesel fuels that it places on the market on the Member State's territory (without specifying how this should be achieved in terms of blending)."

There we have permission to say to member states, "This is a possible way forward." In simple terms, the Government could adopt the amendment that might come back on Report. The reason why it could come back is that a penalty clause could be applied to fuel companies that do not meet their obligations, and the resulting revenue could go back into a pot to help those that do. It seems simple that all users of road fuels could, through a modest increase, pay for the generation of a new industry in British farming and the production of a fuel that would help us further to reduce CO_2 emissions and meet our global obligations on greenhouse gases, particularly through the reduction of road fuel gases. That would give biofuels a kind of parity with what appears to be the Government's favoured choice, liquefied petroleum gas, which has a 40 per cent. derogation.

I campaigned for assistance with the development of LPG on health grounds. The Government, by giving 40p a litre for LPG, seem to be saying that they value those gains at a greater monetary amount than they value the reduction of CO_2. I find that a difficult intellectual position to accept, when both objectives appear to be of equal merit.

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): I have been listening to the right hon. Gentleman very carefully. In the context of the comparison with LPG, does he agree that there is one fundamental difference, namely the massive infrastructure costs that will have to be borne by the vehicle companies and the fuel distributors? There is therefore justification for a differential.

Mr. Jack: I am not going to disagree with the hon. Gentleman's line of argument, save to say that the current derogation on biofuels is 20 per cent., while that on LPG is 40 per cent. It is difficult to explain why one is twice as much as the other, in the face of the two sets of important objectives.

We now have the potential to use agricultural set-aside land productively, to do much to generate new activity in rural Britain, to safeguard companies such as British Sugar that wish to pioneer bioethanol production in this country, and to give a further boost to manufacturing jobs by virtue of producing our biofuels. At a time when we are considering important issues of energy security, we would have the potential for a further secure supply. When all that beckons, and when DEFRA produces arguments that are irrefutably in favour of this proposition, it is time for the Government to be bold, to take up these ideas—which might well not cost them anything—and to give biodiesel the chance to be developed for the benefit of us all.

4.14 pm

Paddy Tipping (Sherwood) (Lab): I am extremely pleased to follow the Chairman of the Select Committee, the right hon. Member for Fylde (Mr. Jack), and I do not disagree with one word that he said. The strength of the campaign for biofuels is the strength of support that exists on both sides of this Chamber, in the other place, and among the people outside the Palace of Westminster who work in this indigenous industry. I have looked at this issue fairly closely, and there are very few people who oppose the argument advanced by the right hon. Gentleman.

The Government face a serious challenge, which they are indeed taking extremely seriously. They have a good record in moving towards a low carbon economy, and in terms of Kyoto they have been a leader in the field. We will meet our targets, but they will be achieved on the back of reductions in the manufacturing and electricity generating sectors and in the coal industry. If we really are committed to a low carbon economy, the essential task before us is to tackle the transport sector across government.

Despite a fine record in other fields, this Government—and previous Governments—have fought shy of tackling carbon emissions in the transport sector. That is the big challenge that confronts us all. It is a difficult one, and one of the few tools available to us in the short term is the development of biofuels: biodiesel and bioethanol. The problem, which has already been spelled out today, is that myriad Government Departments are involved in this discussion.

The Government helpfully replied to the Select Committee report on 21 January, and the opening page of that response makes interesting reading:

"In common with other policies and issues which are wide-ranging in their impact on the UK, there are a number of Government Departments with an interest in biofuels."

The rest of that page spells out the involvement of those Departments. It is clear to me that despite the Government's response, there is insufficient joined-up communication, and particularly leadership, in respect of biofuels.

I say directly to my good friend the Minister, who is keen on this issue, that throughout the world—in France, Germany, Italy, Spain, north America and, particularly, Brazil—biofuels are taking off. By way of comparison, what do we have in the UK? Let me put it crudely: some chip oil recycling. We must do better than that. I am absolutely convinced that if we are to tackle the transport sector, we need to introduce firm policy proposals for biofuels.

The European Union gives us an opportunity to make some progress. A biofuels directive was published on 8 May last year, but it is still not clear—perhaps the Minister can answer this question today—when the long-awaited Department for Transport consultation document on how we are to achieve our targets will be published. The story is that it will be published in late April. There will be a 13-week consultation period, and the Government should respond to the Commission by the summer, setting out a policy on how we are to achieve our targets of 2 per cent. by 2005 and 5.75 per cent. by 2010. Given the very slow start that has been made in introducing that consultation document, it is clear that we will fall at the first hurdle. We must do better than this.

Mr. Heath: Why should this have anything to do with the Department for Transport, given that a motorist

[Mr. Heath]

using petrol with a small substitution of ethanol will not know the difference? Surely it is a matter for Departments dealing with the environment and agriculture, and for the Treasury. Waiting for the Department for Transport to come up with its reasons is clearly a superfluous exercise.

Paddy Tipping: That may well be so. What is essential is for all the Departments involved to work together. Next week's Budget statement will give us an opportunity to make some progress, and the energy White Paper and the pre-Budget report published last autumn gave biofuels the amber light, but at present we are not moving off the grid. As the hon. Gentleman says, the Department for Transport has yet to issue its consultation paper.

We need, in fact, to go beyond consultation. We need firm policies to deliver a British biofuels industry, and that could be done in a variety of ways. So far, the focus has been on a 20p duty derogation, although the industry says that another 6p or 8p is necessary. Another approach, which may well be feasible, is to consider capital grant and capital allowance. I have discussed that with the Treasury, and it seems to be a possible option.

The real option, though—the option that a sensible Government ought to choose—has already been mentioned today. I refer to the notion of a road transport fuel obligation. It is clear to me that our entire existing fleet could run with an admixture of 5 per cent., or perhaps 10 per cent., with no engine modification. That alone would bring about amazing carbon reductions, at no cost to the Treasury.

We consumers—we who use the car—know, or ought to know, that we are causing serious environmental damage. It must be right for the consumer to bear part of the cost. A small addition, a growing addition, of biofuels creating a fuel mix must be the answer. I have looked carefully at the Lords amendment that has been mentioned. Its content is reflected in early-day motion 538, signed by a number of Members on both sides of the House. It is supported by people throughout the country, throughout the sector and throughout industry.

I think that there is a danger of sucking in imports from, say, Brazil. Adopting a renewable transport fuel obligation with an escalator attached would give us an opportunity, over a period of years, to move from 1 per cent. to 2 per cent., 5 per cent. and even larger percentages. I am indebted to my hon. Friend the Member for Southampton, Test (Dr. Whitehead), who began to advocate that approach five years ago. At the time it was dismissed with derision, but I think we have moved beyond that now. I think the Government are now committed to a low-carbon economy. They must take up the challenge, and move into the transport sector. I envisage no cost to the Treasury. Consumers—drivers—should carry the cost, and it is a small cost indeed. I hope the Minister will take account of what is said here today, of the voices of those in the other place, and of the emerging consensus across the sector in favour of a fuel obligation.

It cannot be right for us to use biofuels imported from abroad. Throughout my county of Nottinghamshire, farmers can produce the goods. At Newark, British Sugar has a factory that could be converted to bioethanol production. We can add value to the rural economy. One of the issues facing the Government, on which they are fighting strongly, is that of helping rural economies to emerge from a tough time for farming. By any measure, biofuels bring together a series of policy objectives to meet our need to create that carbon-reduced economy. Let us stop talking about it, and do it.

4.25 pm

Norman Baker (Lewes) (LD): First, I congratulate the right hon. Member for Fylde (Mr. Jack) on his introduction to this debate. His argument was most convincing, and unanswerable in its logic. I hope very much that the Minister will agree with the sentiments expressed and the logic deployed.

I also hope that the Minister will notice that three speakers, from three different parties, have—or will have—taken the same line. The difficulty is that while in the Chamber this afternoon we will agree on the way forward, and even the Minister may agree on it, those who are of a different mind for whatever reason, or who are unable to make the connections, are not present. No Ministers from the Treasury, the Department for Transport or the Department of Trade and Industry are present. The Minister may report back to his colleagues that there was unanimity in the debate, but will that be enough to convince the relevant Ministers and Departments that they must take the necessary action?

I hope that I am not being too pessimistic, but over the years I have come to conclude that the Department for Environment, Food and Rural Affairs and its Ministers have put forward some good ideas and thoughts, which then seem to run into the sand somewhere in Whitehall and Westminster. Far too often, DEFRA Ministers defend the logical position, but it is not one that they are able to deliver. At DEFRA questions today, the Secretary of State set out a sensible policy on Nirex, which the DTI tried to stop, a sensible policy on abandoned cars, which the DTI is trying to stop—

Mr. Heath: And on milk prices.

Norman Baker: Indeed. The list of sensible policies put forward by DEFRA to which it secures agreement from all three main parties, but which suddenly disappear—we know not why—is almost endless. We all need an assurance from the Minister as to what process will take forward in Government what I think will be the view of all three parties represented in the Chamber today. How will we learn the responses from the various Departments involved to the comments that will have been made today?

In particular, I am concerned that we will in no way meet the EU targets—not the 5.75 per cent. one, and, if we are not very careful, not even the 2 per cent. one, which, as the Minister is muttering from a sedentary position, is due shortly. I am not clear as to whether we will meet that, and it would be helpful if the Minister set out the steps that he intends to take to meet that target.

The Minister has had number of useful suggestions from Members who have spoken so far. I am particularly attracted, as, I think, is the hon. Member

for Sherwood (Paddy Tipping), to the idea of a road transport renewable fuel obligation. He was much too modest to say that he tabled the early-day motion on that, so I put that on the record now. He is right that it has attracted all-party support, however, and that it has a large number of signatures in support. That proposal seems to me the way forward and the way to achieve the objectives. There are difficulties with the alternatives—that of capital grants has merit, and it may support the domestic industry better than any other alternative, but clearly there is a cost to that. There is also the differential, but again, I am not quite sure what its impact would be, and it would cost money, so it is less attractive to the Treasury. The fuel obligation is a simple proposal that delivers the goods, and I hope very much that that will be taken forward.

Genuine concern exists, and not just in the House, about the likely failure to meet that target. Members will have received a letter from the National Farmers Union in advance of this debate.

It states:

"As things stand, there is every likelihood that this target—

2 per cent.—

"will be completely missed, due to the Government's policy on biofuels."

Sadly, I suspect that that is accurate.

There are two reasons for making progress on biofuels to a greater extent than in the past. The first is the environmental argument. I was going to refer to the Government's response, but I should say: the response of the Department for Environment, Food and Rural Affairs, which is what we are debating today, and I wonder how much influence the Treasury and other Departments had on it. DEFRA's response, on behalf of the Government, to recommendation 9 is that

"capturing the environmental benefits of biofuels is the principal policy reason for Government support with duty initiatives. Other considerations such as economic and social factors, though secondary, are also taken into account in the Chancellor's fiscal decisions."

That makes sense—the main objective is indeed environmental. We must do something about climate change, but there is no one big lever we can pull to deliver all the benefits. A selection of levers has to be pulled across various sectors, which all do their little bit to meet our Kyoto targets.

In the road transport sector, we are clearly in some difficulty. Industry has done quite well at cutting its carbon emissions, but the same is not true of road transport, where emissions are rising rapidly and, frankly, the Department for Transport has no plan to deal with them. The 10-year plan, which talked about road traffic reduction—we should remember that that was a Government commitment—has all gone, and we are now seeing big increases in road transport throughout the country. The last figure I saw was about 7 or 8 per cent., and in a parliamentary answer of a couple of weeks ago, the Department for Transport projection was for a 25 per cent. increase in road traffic by 2010. That is in free fall; there is no handle on that from the Department at all. If it cannot control the number of vehicles, then my goodness, it must control the emissions from all the vehicles on the road, if there is any chance of reducing—or even levelling out—the carbon emissions.

If I went on for long about aviation, you would rule me out of order, Mr. Deputy Speaker, but I want to say that our previous debate was a disgrace in respect of the Government's commitment to dealing with carbon emissions from aviation. It is another matter that must be taken into account.

I pay tribute to the Environment, Food and Rural Affairs Committee for its extremely well argued and sound report, which demonstrated that considerable CO_2 emission savings could be achieved through bioethanol. The representations from British Sugar—I imagine that many Members will have received them for today's debate—referred to a possible 70 per cent. saving of such emissions, so there is a great deal to play for. These are big games; I only wish that we move forward and accomplish them.

The Under-Secretary of State for Environment, Food and Rural Affairs probably articulated the Department's position when, in a debate of 15 October 2003, he said:

"Biofuels can provide significant life-cycle reductions in carbon dioxide emissions".—[*Official Report, Westminster Hall*, 15 October 2003; Vol. 411, c. 89WH.]

Those were his words, so DEFRA is clearly signed up to the concept that it could be a sensible way forward to tackle the problem of climate change. If so, however, we have to ask why we are not making more progress. That is the key question for this afternoon's debate.

I have talked about the environment, but there are also benefits for agricultural and rural communities. The right hon. Member for Fylde said that there would be a marginal increase for road users—frankly, it would not be much, but even a marginal increase would have to be offset by the gains to the rural economy from the creation of many jobs. It is not clear precisely how many jobs might be created, but in a previous debate of 20 November 2003, the Minister for the Environment estimated that 6,000 jobs would follow from meeting the 5.75 per cent. target. That is not insignificant for rural communities. The European Commission report of 2001 said that a UK biofuels industry could create 20,000 to 30,000 new jobs, and my hon. Friend the Member for North Norfolk (Norman Lamb) has been particularly active on that issue. There is some uncertainty about the exact scale of the jobs that will be created, but no one is in any doubt that they will be—and often in areas of deprivation or of hidden rural unemployment. We should not lose sight of those benefits.

We are always encouraging farmers to diversify, and biofuels represent a classic way for them to do that. Biofuels are good for the environment, and diversifying into them would help protect rural industries and the rural economy. We should encourage that.

The Minister will be familiar with the Curry report, from both his present and his previous roles. That report states:

"England needs a long-term strategy for creating and exploiting opportunities in non-food crops, including starch and oils".

There are therefore two reasons why DEFRA should be active in this area. The first has to do with the environment, and the second with the rural economy. The Department has two main responsibilities, and both would benefit from adopting such a policy, but it is not being introduced in a coherent way. The exasperation

[Norman Baker]

felt by the hon. Member for Sherwood (Paddy Tipping) at the failure of the Department for Transport to start even a consultation process was evident. It is shared by many other hon. Members, but why is the process so slow in starting?

No one so far has referred to the Environment, Food and Rural Affairs Committee report. The summary states:

"The Government's biofuels policy, to the extent that it has one, appears muddled and unfocused."

Mrs. Gillian Shephard (South-West Norfolk) (Con): My right hon. Friend the Member for Fylde (Mr. Jack) referred to it.

Norman Baker: I am aware that the right hon. Member for Fylde referred to it and used the word "muddled", but I was quoting directly from the report. In any case, if the right hon. Gentleman did mention the same passage, I am happy to repeat it, as I entirely agree with it. The summary goes on to say:

"Different Government departments disagree about the main reason for increasing use of biofuels and about what level of Government support is necessary."

That is the problem. As the hon. Member for Sherwood said, a great many different Departments are involved, including DEFRA, the Department of Trade and Industry, the Treasury, the Department for Transport, and Customs. There are probably a few others as well, and I would not be surprised if the No. 10 policy unit was one of them.

The fact that there is no lead Department in this area is a recipe for chaos and inaction. The same problem was evident in the previous Parliament, in connection with animal welfare. The breadth of responsibilities on that issue was huge: it was spread across many different Departments, and I was one of those who told the Government that they needed to sort the problem out.

To the Government's credit, they brought under DEFRA everything to do with animal welfare apart from experimentation, which is a Home Office responsibility. I hope that a draft Bill on animal welfare will move matters forward, but that example shows that changes can be made and a lead Department identified.

What is the solution in respect of biofuels? Who will bring matters together and identify a lead Department with the clout to take all the measures that the House considers necessary? If we do not give responsibility to a lead Department and sort out the mess in Government, the brutal reality is that the use of biofuels ain't going anywhere.

If biofuels policy is taken forward, I predict that, very late in the day, someone in Government will say, "We're going to miss this EU directive target. We're on the skids and nowhere near it." That will lead to sudden, jerky decisions being taken, with the inevitable result that imports will have to deal with the problem. We will therefore miss the opportunity to help Britain's rural economy.

Mr. Roger Gale (North Thanet) (Con): Does the hon. Gentleman agree that the driving force in this matter is the Treasury, which is patently not enthusiastic? Nick Tapp is a farmer in my constituency, and his enthusiasm for biofuels has enthused me in turn. I raised the matter with the Treasury, and the Economic Secretary wrote back to me to say that, even with a discount of 20 per cent. per litre, 30 per cent. of such fuels were being imported. The implication was that increasing the discount would lead to higher imports and higher feedstock exports by farmers to Germany, with the result that there would be no gain. Does the hon. Gentleman agree that economies of scale will never be achieved as long as that attitude prevails?

Norman Baker: I entirely agree. That argument is covered in the report and in the Government's subsequent response.

Of course, the Treasury is behind everything that the Government do. It need not be worried about biofuels, for the reasons given by the right hon. Member for Fylde. However, if it is going to make decisions on taxation for environmental reasons, it needs to conduct proper analyses of what will happen as a result of the decisions that it takes.

When the Treasury introduced taxation differentials for liquefied petroleum gas, its motives were good. It felt that it had to respond to pressure for taxation differentials for cleaner fuels, but it did not think through the consequences or weigh the advantages of LPG by comparison with biofuels. The Treasury does not feel able to back down on that, because the LPG industry is saying, "You promised us the differential. We want some certainty, and you can't move the goalposts." The Treasury has some sympathy with that view. As a consequence, it has got into a bind that it cannot get out of.

Mr. Miller: The hon. Gentleman must take another factor into account. LPG is particularly popular in some rural communities such as those in Cornwall, where it is more readily available than in many other counties.

Norman Baker: I take that into account, and it is only right that, having been given some signals, the LPG industry should not be left high and dry. My point is that the Treasury is allowing that particular consideration to get in the way of a biofuels policy.

Mr. Heath: I do not want to depress my hon. Friend or the House too much, but I fear that the sclerosis on that particular topic has being going on for some time. I clearly remember a similar debate in which the hon. Members for Southampton, Test (Dr. Whitehead) and for Sherwood (Paddy Tipping) participated. In that debate, there was also consensus from both sides on the way forward. In the last Parliament, when the right hon. Member for Gateshead, East and Washington, West (Joyce Quin) was Minister of State in the Ministry of Agriculture, Fisheries and Food, MAFF expressed a clear view that it wanted to progress the issue, yet nothing has happened in the intervening period that could be construed as a viable policy for biofuel, and that is the problem.

Norman Baker: I agree with that statement, which brings me to my final point—I am conscious that other hon. Members want to contribute, and rightly so. The Minister must tell us what will happen at the end of this

debate and what he will do with the consensus that he will take away from it. What is the relevant mechanism in the Government? How will he deal with his Treasury colleagues? What clout has he got with other Departments? What will the outcome be? We need to know the process—if he does not know the outcome, at least he can tell us about the process.

I regularly say that I have got a lot of time for the Minister—I am sure that he welcomes my saying that in front of his parliamentary colleagues. If I can use a metaphor, however, I fear that he has been put at the wheel of this particular vehicle but other Departments have not put the fuel into it, and he must sort that out.

4.42 pm

Mr. Anthony D. Wright (Great Yarmouth) (Lab): The biofuels sector is the least developed part of the sustainable energy industry, largely because the current price of fossil fuel has made further development uneconomical to date. It is essential that we do as much as possible to reverse that. We must ensure that biofuels are supplied quickly and effectively to the transport market where there is significant demand for them. I therefore call on the Government to provide more resources for the development of a fledgling industry.

Although it is essential that individual biofuels are viable in terms of their environmental impact and the net environmental gain of their large-scale production, we must not undermine the many benefits that such fuels could bring to our environment and economy. As I have said before, the use of bioethanol and biodiesel as fuels for road vehicles could have a large-scale impact on reducing carbon emissions and greenhouse gases in the UK. Bioethanol produces 50 per cent. fewer carbon dioxide emissions than other fossil fuels. According to the Sheffield Hallam study, Biodiesel from oil seed rape produces savings of 72 per cent. to 86 per cent. in carbon dioxide emissions and 56 per cent. to 80 per cent. in greenhouse gas emissions compared with ultra low sulphur diesel. Such savings are in line with the Government's commitment to reducing CO_2 and greenhouse gas emissions by 12.5 per cent. by 2008 to 2012.

The transport sector contributes nearly a quarter of the UK's emissions of CO_2, and it is imperative that we set up an effective emissions reduction strategy to counter the 5 per cent. growth in emissions from 1990, cut CO_2 emissions and meet urban air quality standards. That strategy must include a greater focus on the potential of biofuels.

A commitment to fuel diversification through biofuels would lead to the development of a vibrant new industry with a consequent increase in economic activity, job creation—estimated by a June 2003 report by the East of England Development Agency to be in the region of 12,000 new jobs—and associated socio-economic benefits. Fuel diversification in favour of the sector could provide an alternative avenue to already depleted North sea oil reserves, leading to greater fuel security. That all depends on the sector's growth and the Government's commitment.

I welcome the fact that the Government will introduce a new rate of duty for bioethanol from 1 January 2005, set at 20p a litre below the rate for sulphur-free petrol. I also welcome the alternative fuels framework introduced in the 2003 pre-Budget report that outlines a clear set of principles to determine future decision making for the development of biofuels across Departments. The rolling three-year period of certainty in the differentials in duty rates for alternative fuels is another welcome and transparent part of that framework. I would also like to note that the Government's reply to the Environment, Food and Rural Affairs Committee's report on the matter is encouraging.

I was pleased to note that the Government fully accept the Committee's recommendation that DEFRA should, as a matter of urgency, carry out an economic appraisal of the effect that a UK-based biofuels industry would have on farming. Further, I am pleased that DEFRA will publish detailed workings of that evaluation. DEFRA's central science laboratory has already assessed the impact of biofuels on habitats and biodiversity in the UK. It states that

"biofuel production from a broad mix of arable crop feedstocks will have a neutral effect on the farmed environment".

However, more scientific evidence must be collected on the effect of the large-scale production of biofuels on the environment and biodiversity.

I encourage the Government to look for new and innovative ways to turn the sector into a vibrant new green industry in the UK. We must meet the EU Commission's target of 2 per cent. for the volume of biofuel to be used in the UK by 2005, and of 5.75 per cent. by the end of 2010. I hope that DEFRA—and the Department for Transport—will take those targets into account in consultations on meeting those requirements and will provide more resources for the industry, because time is of the essence. We need effective and proactive joined-up Government, not a lack of support for the admirable goals that I have laid out.

The Government have stated, in response to the Committee's report on biofuels:

"The Government fully agrees that fiscal incentives should always be considered alongside alternative methods of support, such as capital incentives, grants or regulatory solutions. The Government keeps all types of support under review."

Clear steps can be taken now by the relevant Departments, in consultation with each other, to build the industry through such measures, quickly and effectively.

Most important for DEFRA to consider, in my opinion, is the fact that the current regional selective assistance provided by the Department for Transport, while perfectly sensible in its own right, is not flexible enough to encourage national growth of the biofuels industry. It would be far more advantageous to establish a scheme similar to that which is already in place for bioenergy and wind farms. I would be interested to know what the Minister believes the potential of such a national scheme might be, as opposed to the regional assistance that can be provided at present.

Other problems that must be thought through relate to the common agricultural policy, which allows payments of €45 a hectare for growers of energy crops. That will not have any significant impact on bridging cost differentials between bioethanol and fossil petrol. In its consultation with other Departments on that

[Mr. Anthony D. Wright]

matter, DEFRA must also consider the benefit of other initiatives, such as the renewable transport fuel obligation. That scheme, if introduced, would require producers selling road transport fuel in the UK to show that a specific proportion of each fuel sold over the course of one calendar year was a biofuel. Such a step would be a bold and successful move and must be thoroughly assessed. According to the estimates of British Sugar plc, such a scheme could have a starting proportion of biofuels of 1 per cent. for 2006, increasing annually by 1 per cent. until 2010. The mandatory inclusion of that quota would ensure that the requirements of the EU directives were met, that there was a market for the new product and that oil companies played their part in the development of a new UK industry.

While the Government should be congratulated on introducing a new rate of duty reduction for bioethanol, they should be bolder in setting a duty reduction in the region of around 30p a litre on that fuel. While it is true that such increasing duty reductions will lead to greater importation of biofuels, a measured introduction of further reductions over time, in conjunction with the establishment of the industry in the UK, would have a positive effect. Certainly, the lack of such an incentive is hampering the industry's growth at present.

The threat of imported biofuels with lower environmental credentials could seriously undermine the fledgling industry. The real risk, however, is that UK producers with strict environmental standards will be undercut by less satisfactory non-EU imports. I find unsatisfactory the response of the Government to that threat, as outlined in the seventeenth report from the Environment, Food and Rural Affairs Committee. The Government state that they

"anticipated that there will be limited international trade in refined liquid biofuels in the medium term. However, the Government has always considered that a higher level of duty derogation on biofuels could encourage imports of biofuels."

They add that

"auditing the environmental impact of biofuels in the countries in which they are produced is extremely problematic and it is unlikely that a cost-effective and robust system of regulation could be introduced."

I do not criticise the Government on the specific issues raised in those two comments but question their willingness to consider how to alleviate the threat of an influx of imported goods if the duty reduction is increased. It seems that there is more willingness to forgo the idea of a larger reduction than to tackling the problem head on.

As to the current exclusion of ethyl tertiary-butyl ether from the fuel duty rebate, experience in other European Union member states indicates that the preferred method of introducing bioethanol into the fuels market is by converting methyl tertiary-butyl ether to ETBE plants. Currently, the 47 per cent. bioethanol that makes up ETBE is not covered by the fuel duty rebate. Does my hon. Friend the Minister believe that addressing that anomaly would be another positive step in developing an effective biofuels market?

There must be an increase in Government resources for the development of a strong UK bioethanol industry, whose development could be quick and successful. The production technology for such an endeavour is well known, and the industrial will is present. I encourage the Minister to take on board the comments raised today and to examine ways in which more resources can be freed up, to put the bioethanol industry on a sound footing for the future.

I also hope that the draft transposition strategy for the biofuels directive, including targets for the level of biofuels used in the UK for 2005 and 2010, will indicate clear Government support for the development of the industry. We are not looking for excessive subsidies in the long term but for a promising start. The Government must act expeditiously to ensure that farmers and processors are sufficiently pre-warned of future biofuel targets.

4.53 pm

Mrs. Gillian Shephard (South-West Norfolk) (Con): This debate illustrates perfectly the cross-party alliance on this issue. The Select Committee report was unanimous, the issue has stimulated several early-day motions and there have been well-supported debates in this Chamber and Westminster Hall. The Minister can be in no doubt about the size of the political lobby in favour of more help for biofuels. Treasury Ministers have also received many delegations. Last week the hon. Member for Sherwood (Paddy Tipping) and I met the Economic Secretary, and an all-party lobbying group has been formed in Norfolk, of which the hon. Member for Great Yarmouth (Mr. Wright) is a valued member. That group is supported by Members of the European Parliament, all Norfolk local authorities, the University of East Anglia institute of food research, British Sugar, hauliers, fuel and petroleum companies, the Royal Norfolk Agricultural Association, and others.

The Government say that they support the case for more help for biofuels. After all, they introduced the 20p a litre reduction in the 2003 Budget, which will be implemented in January 2005. The Government's own Commission on the Future of Farming and Food recommended in the Curry report that duty on biofuels should be reduced.

The Government have signed up to the European Union biofuels directive, which requires the UK to notify the EU Commission in just four months from now the volume of biofuels that it will use by the end of 2005. The Department for Transport has provided rather coy answers to questions on how it proposes to meet that timetable but it is there. Then there is the Government's energy White Paper, which refers to a commitment to produce

"an assessment of the overall energy implications of a hydrogen economy and of large scale biomass-based fuels".

There is no lack of Government commitment but a lack of action. All their commitments and the 20p duty reduction have resulted in very little. Indeed, one witness to the Select Committee rather shamingly described the results as

"an extremely small cottage industry."

That is correct. We make biodiesel from used cooking oil, and there is no bioethanol production for road use. That is the situation after all those commitments and the 20p reduction. The system does not work.

What will happen? It is useful that we are holding this debate a week before the Budget. In his pre-Budget report, the Chancellor indicated that there might be some movement in the Budget. He said:

"I propose also to consult on a new framework for the tax treatment of green fuels: that we make a commitment to prior announcements, three years ahead, of incentives to increase usage and thus promote investment in new fuel-efficient technologies. The Budget will announce the way forward on that measure."—[*Official Report*, 10 December 2003; Vol. 415, c. 1066.]

Everyone in the House is already in agreement on this matter, so I am sure that we all expect next Wednesday to be an extremely positive day. Let us hope that will be the case.

The Government could do several other things, as other Members have outlined; they could introduce duty reductions, capital grant schemes or mandatory inclusion levels, which is the subject of an amendment in the other place to the Energy Bill, of which my right hon. Friend the Member for Fylde (Mr. Jack) spoke so fluently. Some of us who lobbied the Economic Secretary gained the impression that the mandatory inclusion route might be announced next Wednesday. In passing, I pay tribute to the patience and courtesy of the hon. Gentleman in his dealings with the many, many lobbying groups that he has met in connection with the issue.

It is clear that the Treasury has taken charge of the matter, and I have no doubt that the Minister for the Environment will want to explain the strength and vigour of the arguments that he has used, face to face with the Treasury, in advancing the case for biofuels. I hope that he will also be glad that there is such strong cross-party and national support for such moves.

The Select Committee report had to point out that

"the departments involved do not speak with one voice . . . we deplore the fact that the Government has not nominated any one Department to lead on biofuels and consider that this is a prime reason for the slow progress that has been made".

It noted that the Government had

"expressed support for biofuels but the mechanisms used to promote their use have had little effect so far".

That is indeed the position.

Despite the fine words and the commitments to environmental goals that are repeated so often, production of biodiesel is a cottage industry, and we have no bioethanol production at all. Meanwhile, our competitors are forging ahead and rapeseed is exported from the UK to be re-imported as biofuel—at what cost to the environment, no one dare calculate.

Next week's Budget will give the Chancellor the opportunity to put all those things right. Time is running out. Imported biofuels are already on sale on our forecourts. I know that the Minister is with us in spirit, and even in action and in bio-spirit. The time for pronouncement is over. He is persuaded of the rightness of the cause, in terms of sustainability, security of supply and consistency of action with the Government's objectives.

As I said, the time for pronouncement is over—the time for action was yesterday. That should be the message from the House to the Chancellor.

4.58 pm

Dr. Alan Whitehead (Southampton, Test) (Lab): I think that it was the hon. Member for Worthing, West (Peter Bottomley) who said in a newspaper article some while ago that to get the attention of the House for an idea, one has to enunciate it at least six times. This will be the fifth time that I have spoken in this place about an ethanol escalator, so I am optimistic about the progress of the idea.

I am gratified that everyone in the Chamber agrees that some such device—an obligation for an escalating mix of biofuels with conventional fuel—might be a way forward.

The word that has been used this afternoon is "action", but perhaps the right word is "traction". How do we get traction for a series of proposals that perhaps now have the merit of being obvious? That is, farmers can grow biofuel crops; a European Union directive is coming forward; there is a pressing and urgent need for further action on transport with regard to climate change; and we have an industry that in principle could make both biodiesel and bioethanol. The issue is one not of experiment, but of making these things happen.

The alternative fuels market has been a little confused about what will be the winning fuels. Hon. Members may share my experience of wondering which car to buy in order to be a "goodie"—in order to drive a car that is environmentally more sound than one that I might have possessed before. The messages that have emerged over the past few years would have caused one to buy a different car every six months.

Simply placing bioethanol into existing petrol tanks and driving about in the same cars, with the immense gain that that would represent in terms of CO_2 emissions and all the other benefits, is perhaps a much more stable and secure way forward in making a change in fuel. We do not need to imagine that, because we have the experience of Brazil. In its first attempt to introduce ethanol into its market, Brazil set up separate petrol pumps, made arrangements for new cars to be produced and introduced 85 per cent. ethanol into petrol pumps across the state. That did not work very well overall.

What has worked much better is the escalator method that Brazil has introduced, increasing the amount of ethanol in petrol to, I think, 23 per cent. to 24 per cent.—far greater than anything proposed today. That has been a success, whereas the attempt to introduce a parallel system of fuelling vehicles was not. Therefore, I believe that the escalator that has been suggested this afternoon, and which we have discussed previously, is the right way forward.

Ethanol is also the right way forward in that it can be not only a fuel in its own right, but a transitional fuel towards a long-term hydrogen fuel economy. When we envisage such an economy, we realise that one of the problems is that many people who talk about it neglect to say that one of the prime ways of making hydrogen, at least for the foreseeable future, is from mineral fuel. Therefore, one does not solve the problem of CO_2 emissions; one simply places it one stage up the chain.

Recent work at the university of Minnesota has demonstrated methods of making hydrogen directly from ethanol. Among other things, the use of hydrogen for fuel can be reduced by using ethanol to create it. Therefore, any investment we may make in introducing it now also leads in the long term to a hydrogen fuel economy, if that is the direction in which we are going.

The other advantage of an ethanol escalator of perhaps 1 per cent. a year over a period of time, as my hon. Friend the Member for Great Yarmouth (Mr. Wright) suggested, is that it would gear up the industry

[Dr. Alan Whitehead]

to create the ethanol that can go into petrol. Indeed, bioethanol can be made from a variety of sources and in a variety of ways. Sugar cane is used in Brazil. Sugar beet or wheat is used in the UK. A company called Iogen has recently proposed setting up a plant in the UK—it might not do so because of problems with the market—to make ethanol from the fermentation of straw. So an escalator that would bring that industry on stream and give it the traction needed to bring its products to market would be the right way forward.

In talking about possible ethanol imports, we might reflect for a moment about the fact that, for a number of years, we in the House have happily talked about importing large quantities of mineral fuels to run our vehicles. We are about to become a net importer of mineral fuel again, yet we do not seem to find that particularly remarkable. Even if we did import some ethanol, it would not come from oil-producing countries. The pattern of importation would be different. Indeed, that could support some economies that are not oil rich and do not have the ability to take oil out of the ground.

For all those reasons, I believe that an ethanol escalator represents the right way forward. The Government are seriously thinking about those issues, and I am proud of the fact that the energy White Paper identifies, for the first time, the need radically to reduce our carbon dioxide emissions as part of our energy policy. An escalator would be a way to ensure that that policy is pursued in respect of road transport, and I hope that it comes to fruition shortly.

5.6 pm

Mr. James Paice (South-East Cambridgeshire) (Con): Unsurprisingly, I will join the general consensus about the need to support biofuels, but I want to address the issue from a slightly different angle, by pointing to a fundamental inconsistency in the way in which the Government have dealt with the correct obligations that they undertook at Kyoto.

My main thesis is my concern about climate change and the need for this country to do all that it can to help to minimise its impact, so I want to consider biofuels as part of the whole energy scenario, rather than concentrate on the narrow issue of road transport. We risk getting it wrong by narrowing our focus to road transport. I want to consider biofuels straightforwardly against the fundamental objective of reducing the impact of climate change. Of course we cannot ignore other issues, such as the security and reliability of supply, the environmental impacts of whatever steps we take and the economics—the cost of saving carbon dioxide and the impact on the rest of the economy of whatever decisions we take—but I start from a fundamental belief that biofuels have a significant role to play.

The energy White Paper shows that the Government are planning a massive expansion of wind power for electrical generation, yet on 17 September in evidence to the EFRA Committee, the Economic Secretary said that the likely cost per tonne of carbon saved through offshore wind generation is the same as for biofuels. I ask the Minister to take back to the Government a question: why is there such a rush for wind power, yet such reticence about biofuels? Wind power is highly inefficient and unreliable—no one can guarantee that the wind will always blow in any location—and it has high maintenance costs. Most importantly, it has an atrocious environmental impact.

The environmental footprint of wind power must be considered. I am glad that the hon. Member for Great Yarmouth (Mr. Wright) is here because his constituency contains one of the earliest fleets of windmills, which I have seen on several occasions, and they have a significant impact on the environment. I defy all those hon. Members who represent constituencies where planning applications for wind farms are in the pipeline—there are many of them—not to say that there is huge local resistance to them. They are all opposed.

There is also the issue of substitution. The Government are running down nuclear power and replacing it with wind power, but they are not actually reducing carbon dioxide emissions at all. Whatever one's views about nuclear power, it does not generate carbon dioxide. I happen to be pro-nuclear but, even if one is not, one cannot pretend that running it down has an impact on the global environment. The rush to wind power is singularly unwise.

Hon. Members have rightly referred to bioethanol and biodiesel and about the levels that can be put into existing engines. The figure is between 5 per cent. and perhaps 15 per cent. for bioethanol, but I understand that there is no upper limit for the maximum inclusion rate of biodiesel. We have discussed the duty derogation and, although I know that I am probably renowned as a bit of cynic, it really is a piece of green trickery by the Government.

By introducing a 20p derogation, the Chancellor is able to claim green credentials in the full knowledge that that would not cost him anything. The derogation is not enough to trigger a realistic industry. As the hon. Member for Sherwood (Paddy Tipping) neatly said, all we have got is a bit of chip oil. We have not got a serious industry, and we will not have one with the derogation that we have at the moment.

The Economic Secretary, in his evidence, seemed to be very worried about sucking in imports and subsidising industries elsewhere. We have discussed agriculture and there has been a substantial increase in food imports, but the self-same Minister said that security of supply was not an important factor. I think he is wrong, but that is what he said. Therefore, worrying about whether the supply is from imports or domestic production would not seem that important. I passionately care about domestic production and, given the right incentives, I am convinced that we could have one.

Norman Lamb (North Norfolk) (LD): Will the hon. Gentleman give way?

Mr. Paice: I am sorry, but I shall not give way because other Members wish to speak.

I wish to turn to a point that my right hon. Friend the Member for Fylde (Mr. Jack) covered in a different way—the fundamental difference between the Government's policies for power generation and for

road transport. The consumer pays for the introduction of renewables for power generation—whether that is wind power, wave, solar power or any other method—but, in the case of biofuels and road fuels, the Government wish to use a duty derogation. That is a total inconsistency from a Government who go on and on about joined-up government and working together.

Cargill plc has said to me and, I am sure, to other Members that a 2 per cent. market share for biodiesel with a 28p derogation would cost £108 million, whereas a derogation of just 1.5p on a 95:5 blend would cost the same, but would satisfy 37 per cent. of diesel requirements. I put it to the Minister that there are alternative ways of addressing this fundamental problem without necessarily going down the wholesale route of a massive derogation.

I want quickly to touch on the agricultural impact of an expansion of biofuels. Much has been said about that, and some environmental bodies have questioned whether that would be in the interests of our national environment. My principal concern is climate change, but I shall not debate issues involving the common agricultural policy. However, I believe that the reforms that are in train are, in principle, going in the right direction.

If we have biofuels, there will obviously be a new market for wheat, sugar beet and oilseed rape. That must be good. Whether it would have a significant impact on the price—that is the fundamental issue for whether there is large-scale expansion in the acreage of those crops—is more questionable. In the past two years, the wheat price has varied by 100 per cent. Two years ago, it was £55 to £60 a tonne, but the price reached literally double that even though it has fallen back a bit now. It is therefore difficult to foresee what will happen to prices, and that is the case without a biofuel industry. It is difficult to be precise.

For sugar beet, we are looking at the seed quota, but that is a wholly unsubsidised element of the sugar beet crop, so it is not a serious issue. The situation might have the greatest impact on the ultimate price of oilseed rape, but if we went down the derogation route, its price would be constrained by the duty relief. However, it would always be open to the Government to reduce the derogation if that were the way in which things went.

The hon. Member for Southampton, Test (Dr. Whitehead) referred to our mineral oil imports. No Minister of any Government can ever forecast what the oil price will be, so the questions of the economic impact on agriculture, whether the acreage would expand and the likely cost of developing the industry depend on crystal ball gazing into what the real price of oil will be. If any hon. Member can say what the oil price will be in the next five years, they frankly deserve to be awarded everything available—none of us knows.

I know that other hon. Members wish to speak. It has been said over and over again that the Minister is on our side, but he must take a message back to the Government. It is his bad luck that he is here to account not only for himself, but for the whole Government's woeful response thus far to biofuels. He must go back to his colleagues and say, "There is great inconsistency in how we are approaching the use of energy vis-à-vis its impact on climate change." It does not make sense to encourage the widespread use of wind power that will be paid for by the consumer—it will not necessarily reduce global warming one iota because it will be introduced largely at the expense of nuclear power—yet at the same time to refuse flatly to do what is necessary to generate a market for biofuels.

At the end of the day, I do not mind whether the market is achieved through a duty reduction rather than a renewables obligation, although I personally prefer the incentive approach to that of regulation. I do not like the idea of using capital grants because they tend to be regionalised and we are not considering a regional issue, but a national one. Additionally, East Anglia, which is the biggest arable area in the country, receives little money through capital grants because it is reasonably economically prosperous. I am not raising that as an issue, but it demonstrates why regional capital grants are not the way forward. I do not mind which of the other two ways forward the Government ultimately choose, but for goodness' sake let us choose one and get on with it.

5.17 pm

Mr. David Drew (Stroud) (Lab/Co-op): I shall make three main points in the small time available, but first I congratulate the Chairman of the Select Committee on the way in which he presented the case in the report. The Committee has a reputation for churning out a certain quantity of reports, but this report shows that we can also produce the quality. The debate has been useful.

My three points are fairly simple. I want to touch briefly on imports. There is a danger that the Government seem to be uniquely capable of achieving a lose-lose situation. When we heard evidence from the Financial Secretary—I do not want to chide him specifically—we were told that the market was seen to be the main determinant of the best way to produce biofuels, and that if that meant through imports, so be it. That is not good news for the domestic industry. The Government's response to the report, through the Department for Environment, Food and Rural Affairs, argues that it is not terribly interesting to consider the environmental audit of what happens in other countries. We are signed up to Kyoto, which is an international agreement, so perhaps we should take account of not only our domestic industry, but the damage that we might do to other parts of the world. That is a problem, and we should have the strength of our convictions to do things locally—the Government also argue that—and perhaps more effectively.

For the fifth time of asking, I congratulate my hon. Friend the Member for Southampton, Test (Dr. Whitehead) on pushing forward the bioethanol escalator, but I wish to counterbalance the idea that we can achieve what is possible by simply blending that in with existing supplies of fuel.

My hon. Friend the Member for Sherwood (Paddy Tipping) and I visited the BMW plant in São Paulo, where we learned that biofuel production kick-started the Brazilian motor industry. Brazil will have a great hegemony in future vehicle production, because it is the first country to invest in such fuel. It has proved that biofuels work, and we should learn a lesson from it. However, we should opt for blending, and not pursue biofuels as an alternative.

[Mr. David Drew]

As the hon. Member for South-East Cambridgeshire (Mr. Paice) said, biofuels provide an opportunity to overcome our reliance on traditional forms of energy. The Brazilians, of course, were not environmentally driven initially—they were scared to death that the Americans would turn the petrol pumps off, and wanted something else to increase their energy supply. We should not underestimate either the physical need for such fuels or the need for fiscal incentives.

Other hon. Members have skated over the need for stability, but I shall be blunt about it, whether it is achieved through financial incentives or exhortation. I visited the Arbre plant with the all-party group on renewable and sustainable energy. We have gone backwards, as we had a state-of-the-art biomass plant near Doncaster, which failed because there were no incentives for farmers to supply raw materials. There were no stable contracts, and we need to overcome that problem. We have taken a backward step, but we need go forward. My hon. Friend the Member for Southampton, Test and I have worked together, and have discovered problems with renewables obligation certificates. We must give producers a guaranteed price so that there are stable conditions for trade and investment in future. That is crucial to biofuels, as it is to other forms of renewable energy.

5.22 pm

Mr. Richard Page (South-West Hertfordshire) (Con): I should declare an interest, because for a couple of years I had ministerial responsibility for renewables until I was given a little more time with my family, although not quite as much time as some of my hon. Friends. I am very much in favour of renewables, provided they are introduced in a sensible way and not at a completely uneconomic cost.

The hon. Member for Southampton, Test (Dr. Whitehead) is quite right—hydrogen is the way forward, and the electricity supply need not be a problem. All we need do is introduce a sensible programme of nuclear power. We would then have a base load, and would never have a problem with the electricity supply again. The Government are blinkered about anything to do with nuclear power, but it would be contentious to develop that argument.

Biofuels form part of the energy pie, but the flipside of that pie, if there can be such a thing, are the costs of pollution, CO_2 and global warming. I promise not to be diverted down the route of making general points about renewable energy production, but biofuels play a part in such production. I welcome initiatives to reduce pollution and CO_2 to achieve climate control, but they should involve an appreciation of the commercial world in which our industry competes. It is fine to say that we want reductions in emissions and carbon trading, but not if countries from which we import do not impose the same burdens—responsibilities may be a better word—on production. If we do not acknowledge that, it would be small wonder if plants continue to relocate to countries that do not operate such levels of control. Do we wish to increase the number of our industries that relocate overseas? Over the past seven years, more than 600,000 manufacturing jobs have gone abroad, and we should consider whether we want gratuitously to increase that figure.

Hon. Members have pointed out that biofuels have the virtues of a closed carbon cycle. The crop is grown, thanks mainly to the sun, which itself is a diminishing resource. There is not much we can do about that, but it should not worry even the younger Members of the House. The carbon from the atmosphere is locked into the crop, burned and locked in again—a balanced cycle and everything is hunky-dory. The process has the advantage of low pollution, it does not add to present CO_2 levels and it can usefully employ set-aside. It could have dramatic price advantages, subject to Exchequer approval. As my right hon. Friend the Member for Fylde (Mr. Jack) said, there is sufficient tax headroom on the cost of fuels to allow the Chancellor to be quite generous.

The Government have helpfully signed up to the target for biofuel usage of 2 per cent. by the end of 2005. Unfortunately, that is the end of the good news. The target of 10 per cent. renewables by 2010 is, to put it bluntly, for the birds. It is completely unrealistic, unless the Government suddenly announce some secret scientific advance, such as that photovoltaic cells will have a conversion rate of three times the present level, or that after all these years a way has been found to harness wave power. I even heard one Minister, who had better be nameless—enough Ministers are in trouble already—say to an audience of energy enthusiasts that if we do not reach the 10 per cent. target by 2010, it will be the responsibility of everybody in the energy business, not of the Government.

I think that there is a reasonable chance that we can meet the target of 2 per cent. for transport usage in 2005, but if we miss it, I put the blame squarely on the shoulders of Government. The 10 per cent. level for renewables by 2010 is capricious; the 2 per cent. target is achievable. I shall not repeat what my right hon. Friend the Member for Fylde said about the Government's present position, other than to endorse his words when he called it muddled and unfocused. I say amen to that.

The NFU brief issued to hon. Members has been mentioned. The union believes that farmers, who have had a very rough time, could take advantage of the move to biofuels and put their set-aside land to productive use to reduce pollution levels. I support that.

How do we go forward, following on from what my right hon. Friend the Member for Fylde said? The hon. Member for Sherwood (Paddy Tipping) called us used chip oil recyclers, and he is not far off the truth. Burning fuel oil is not the cleanest activity. As someone with some experience in transport oils, I would regard it as a positive sales pitch to be able to say that there were biofuels in the mix, and that customers would be helping the environment. My hon. Friend the Member for North Thanet (Mr. Gale) mentioned the problem that the Exchequer has with a product going abroad and coming back in the form of biofuel. The DTI has grant facilities and support facilities, and I see no reason why it does not start—through the challenge process, say—competitions to build plants in the UK. Once there were plants, the feedstocks would come to this country, go through those plants and be sold in this country. That would be the start of a virtuous circle.

We have done that in the past. I remember that we gave support to chicken dropping electricity manufacturing—I think chicken litter is the polite word, although in the Department we used another word,

which had better not be used in the Chamber. It works, and we exported some of those plants abroad. Why not support the bioethanol and biodiesel plants? It would overcome the problem of going abroad.

I should have liked to spend considerably longer on this important subject, but the fact that we are under time constraints shows Members' interest in it. I hope that the Minister will take note of that. I am sure that my right hon. Friend the Member for Fylde is right. Let us blend the biofuel with fossil diesel, with a price obligation in place; let the Government positively support biofuel production plants in the United Kingdom, and—who knows?—they might meet a target. That must be a bonus.

5.30 pm

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): I thank my hon. Friends in all parties for their courtesy in allowing me time to contribute. I want to begin by considering the phrase, "muddled and unfocused" debate, which many hon. Members used. It understates the complexity of the picture.

I should perhaps technically declare an interest because I shall comment on the benefits of liquefied petroleum gas, from which I benefit as a user. I have also contributed to creating a new carbon sink in my area by planting 850 trees last year. I therefore have a reasonable track record in making some positive contribution.

We all agree that there is no such thing as clean fuel. Even solar energy requires large amounts of glass to produce it, and that involves energy costs. We must exploit the best available technologies and, in the context of fuel that is used for generation, we must consider a balanced fuel policy. I believe that attempts in the vehicle industry to move towards becoming carbon free can technically succeed. I have had the privilege of driving two hydrogen-powered vehicles. One was a concept vehicle but the other was derived from a body that is used for a people carrier today. I am pleased that it will be in the United Kingdom next month. I hope that members of the Select Committee on Environment, Food and Rural Affairs will look at it. It is a Vauxhall-built vehicle.

I praise the work of the right hon. Member for Fylde (Mr. Jack) and my hon. Friend the. Member for Southampton, Test (Dr. Whitehead). However, I want to criticise one sentence in the Select Committee report. Paragraph 53 states:

"In our view, the environmental performance of biofuels is at least as good as that of liquid petroleum gas."

That does not compare apples with apples. I am grateful to the right hon. Member for Fylde for acknowledging that differences, including the distribution costs of LPG, need to be taken into account.

I am proud that my constituency makes a big contribution to the good aspects. People view it as the dirty constituency, which makes all the things that pollute. However, recent work by the Environment Agency—it has not yet been published but I have permission to cite it—examines the total local impact figures of several vehicles that are currently on the roads. I am pleased that the first seven models on the list are Vauxhalls, which are built in my constituency and powered by LPG. Those are the cleanest vehicles available today, using today's technology. Taking into account overall pollution, not simply carbon issues—a whole well-to-wheel analysis has to be done—those vehicles come out on top in an urban environment.

I am certain, on the basis of my knowledge of the industry, that there is an important place for the biofuels technologies that have been discussed today. We need to support those technologies, and I accept the Select Committee's analysis in that respect. However, on our route to an affordable hydrogen economy—I am told that I could not afford to insure the two vehicles that I have driven because their capital costs run into millions of pounds—we must ensure that the transitional steps work. There is a problem with that, because we need to incentivise vehicle manufacturers, fuel producers and consumers, but at the same time, the Treasury has to raise income from somewhere. I say openly that I was delighted that the right hon. Member for Fylde was frank and honest about the possible increased costs of his proposal, but it was only a couple of years ago that Brynle Williams—who is now a Conservative Welsh Assembly Member—and his crew were leading protests against fuel duty. We will have to deal carefully and sensitively with the market issue, but I acknowledge that the right hon. Gentleman's point is important.

During the past few years, we have achieved just over 1,000 LPG filling points around the country. There are still gaps: LPG is not available down the Worcestershire stretch of the M5, for example, and it is also thin on the ground in rural Worcestershire, as I have discovered when trying to visit my daughter. However, as I said in my intervention on the hon. Member for Lewes (Norman Baker), it is readily available in Cornwall. The gaps need to be filled, and we need to keep the incentives going to fill them.

I am anxious that we should not allow this debate to submerge the importance of maintaining another good, clean, proven technology that involves vehicles made here in Britain and supports British jobs. Just like the jobs in East Anglia that the right hon. Member for South-West Norfolk (Mrs. Shephard) mentioned, those are British jobs, and we must support them. We must ensure that we do not incentivise one part of the market in a way that damages another. We must get the balance right, and the concept that my hon. Friend the Member for Southampton, Test dreamed up, and which the Committee has developed, might provide us with a route forward.

I urge my hon. Friend the Minister to acknowledge that in determining the best way forward we must continue to provide incentives to both LPG and the other fuels that we have discussed. I have already made that point to my hon. Friend the Economic Secretary. Those incentives must take into account the driving forces—if hon. Members will excuse the awful pun—that encourage fleet buyers to buy, and must also ensure that the costs surrounding the distribution of the fuels are met. If we get those parts of the equation right, we will continue to encourage important work, which UK plc can capture ahead of many of our European competitors, on the transition to a hydrogen economy. I am certain that we can deliver that transition..

5.39 pm

Mrs. Caroline Spelman (Meriden) (Con): I should like to begin by paying tribute to the work of the Select Committee in preparing this report, and to all hon. Members present for speaking with such a high level of understanding on this subject. I feel that I am among cognoscenti. Also, I think that this is the first time I have spoken at the Dispatch Box on an occasion when no one has dissented on the matter under discussion. That is quite extraordinary.

If I were to summarise the debate, I would have to say that there has been a tangible sense of frustration on both sides of the Chamber at the lack of progress in this area. The hon. Member for Sherwood (Paddy Tipping) said that we were in danger of falling at the first fence, in terms of making progress on biofuels. My right hon. Friend the Member for South-West Norfolk (Mrs. Shephard) said that at present we have nothing more than a cottage industry and that the time for action was yesterday. The hon. Member for Stroud (Mr. Drew) said that we were in danger of ending up with a lose-lose situation. All those remarks sum up our real frustration. I shall be adding a very positive view of biofuels, so I shall wait with great interest to hear whether the Minister is going to dissent from the consensus that has broken out to the effect that action is long overdue.

I should also like to make it clear that I stand at the Dispatch Box having spoken about this issue to my colleagues on our DTI and Treasury teams, as well as our Transport spokesman, who is part of my multi-departmental team. We speak with one voice on this subject, and I think that that is what is lacking elsewhere. The Chairman of the Select Committee, my right hon. Friend the Member for Fylde (Mr. Jack), called for a champion on the subject. The Chamber seems to be full of such champions, but we have one very big opponent. It is pretty clear that the opposition is coming from the Treasury. All the other Departments have said very nice things about bioethanol, but the plain fact is that they are in hock to the Treasury. This reality reminds me of an old adage that sums up exactly why there has been such inaction: when everyone is responsible, no one is responsible. That certainly seems true in this case.

I must declare an interest. Twenty years ago, I wrote my PhD setting out the economic case for bioethanol. I said at the time that the price of oil would have to rise to $35 a barrel before bioethanol could ever be economic on straight competitive terms. It is a sad fact that that situation has not changed. I can hardly believe that so much time has elapsed without any underlying movement in the fundamental economics between the fossil fuel and its equivalent alternative of biological origin.

Some important facts should lead the Minister to do all that he can to persuade the Chancellor not to dismiss the case for these biofuels on purely economic grounds. The biofuels are from a renewable source, while fossil fuels are not. The incredible reluctance in this country to explore biofuels more positively undoubtedly stems from the fact that we are in the quite luxurious position of having our own indigenous source of fossil fuel. We are therefore in a somewhat different position from our European competitors. It is therefore all the more surprising that one of the economic barriers to considering the opportunity for biofuels should exist in the context of our having the highest percentage of tax on gasoline of any European Union member state, despite our indigenous fossil fuel supply resulting in our having the lowest pre-tax cost of gasoline in the European Union. That seriously reduces the Treasury's room for manoeuvre when considering the biofuels option. Such a contradiction is worth mentioning in this context.

One of the reasons given for the long-standing resistance to biofuels is the fact that we are a major oil producer. However, it is worth noting that in January this year, the UK trade in oil was at a deficit of £37 million for the first time for more than 12 years, and that a deficit has been recorded showing a decline of £416 million from the previous month. So the situation is changing. That underlines the point that biofuels offer a strategic, if not immediately cheaper, alternative. That is another strong reason for their serious consideration.

Several Members have pointed out that biofuels give the Government an opportunity to reduce carbon emissions by offering a closed carbon cycle. According to British Sugar, a saving of up to 70 per cent. can be achieved through the use of biofuels. The Government signed us up to Kyoto—a decision that my party entirely supports—but as a result of going beyond the Kyoto requirement to cut carbon emissions by 12.5 per cent., to 20 per cent., we as a nation will have to work much harder to find where these carbon savings can be made. That is another reason to look closely at the biofuel option.

Instead of being clear on this issue, the Government have set this higher target—a gold-plated target—without giving any real thought as to how to achieve it. That is at serious odds with important decisions taken in other departmental areas. For example, we should consider the implications of the aviation White Paper, which will blow our Kyoto compliance right out of the water.

Today, I received a very interesting answer to my parliamentary question to the Minister about the impact that the aviation White Paper will have on our capacity to reduce carbon emissions. It stated:

> "International flights from the UK do not currently count in the national inventories of greenhouse gas emissions as there is no international agreement yet on ways of allocating such emissions between countries."

So we have an extraordinary situation whereby all aircraft emissions released into the atmosphere above this country simply do not count. So that's all right then, is it? It clearly is not, and a source of real concern to many Members is how on earth the Government will square the circle of their plans for expansion and their commitment to reducing carbon emissions.

We have had a substantial discussion, and if we are all agreed that biofuels offer the way forward, the next question is whether they should be imported. It is clear from what a number of Members have said that if nothing more is done, the most likely scenario is that the fuel will be imported from Brazil, where the sugar plantations are enormous and the wages are lower. Because of those factors, it will be very difficult for us to compete, notwithstanding the freight costs. I support those Members who have called for an opportunity to secure a domestic source of biofuel.

There is a very real opportunity for diversification that is not to be missed, at a time when farmers face the most radical reform to the common agricultural policy that I can remember.

We must however heed the National Farmers Union's warning that set-aside payments and payments for the growing of energy crops will simply not be enough to kick-start the domestic industry. It will take more than that, and the Minister has heard a number of constructive suggestions as to how that can be achieved. We urge him to seize the opportunity to get this point across to the Chancellor just before the Budget, because it is clear that that is where the sticking point lies.

I cannot complete my contribution without pointing out that, if we are all agreed that biofuels offer a way forward for strategic, environmental and wider rural and economic reasons, we must acknowledge that the way in which the crops are produced is very important to the overall economic argument. There are concerns that if biofuel feedstocks are grown en bloc in a concentrated manner, some of the environmental benefits that can accrue could be undermined. I want to pay tribute to the work done by English Nature and the Royal Society for the Protection of Birds in looking at biofuel production's impact on biodiversity—both plant and animal diversity. It is right to record that the question of how we produce such crops is just as important.

Let me end by challenging the Government. I entirely agree with my hon. Friend the Member for South-East Cambridgeshire (Mr. Paice), who criticised the Government for their obsession with wind farms as renewable technology to the detriment of biofuels. Why the rush to wind power, and why the reticence on biofuels, he asked? There is a distinctly un-level playing field. There is no doubt that wind farms are increasingly unpopular, partly because they seem to cause environmental damage. It is not just a question of their appearance in the countryside; as ScottishPower made plain to me, linking them to the grid would require the building of swathes of pylons. No one could argue that that has no environmental implications.

I urge the Government to seek the opportunity provided by next week's Budget statement. I urge them to think again about adopting the comprehensible, comprehensive policy on renewable energy that is currently lacking, and to give biofuels the chance that has been ignored for far too long.

5.51 pm

The Minister for the Environment (Mr. Elliot Morley): I congratulate the Select Committee on its report, and echo the comments that have been made about the effective way in which its Chairman, the right hon. Member for Fylde (Mr. Jack), put its case. I can honestly say that I have attended few debates during which the case has been made so persuasively, and Members have spoken with such authority. We heard from my hon. Friend the Member for Sherwood (Paddy Tipping), the hon. Member for Lewes (Norman Baker), my hon. Friend the Member for Great Yarmouth (Mr. Wright), the right hon. Member for South-West Norfolk (Mrs. Shephard), my hon. Friend the Member for Southampton, Test (Dr. Whitehead), the hon. Member for South-East Cambridgeshire (Mr. Paice), my hon. Friend the Member for Stroud (Mr. Drew), the hon. Member for South-West Hertfordshire (Mr. Page), my hon. Friend the Member for Ellesmere Port and Neston (Mr. Miller) and, of course, the hon. Member for Meriden (Mrs. Spelman). All their contributions made a great deal of sense, and I shall try to respond to them. One or two specialist points were made, and I shall deal with those if I have time.

The right hon. Member for Fylde set the scene very effectively. I was particularly interested to hear what he said about sugar, but let me put this to him and to the right hon. Member for South-West Norfolk. Has the present sugar regime been unhelpful in terms of support for innovation and new markets such as the market for ethanol? It is quota-controlled, which is quite restrictive. Is there an argument for reform? I am thinking of the part C quota, which was mentioned earlier. I was also interested in the right hon. Gentleman's comments about spreading the costs of duty across all fuel duty. There is a good deal of merit in what he said, and I shall return to it shortly. I shall also return to what he said about the Lords amendment.

I hope I can respond to the main points made today as positively as they were made. The hon. Member for Lewes said that I had been put at the wheel of a vehicle with no fuel. Well, I am often put at the wheel of a vehicle, but it usually contains something that is about to blow up in my face as the vehicle starts moving. In that respect, this debate is a bit of an improvement.

I am sympathetic to what has been said, as are the Government. Of course some issues need to be addressed, and they are complicated, as my hon. Friends have pointed out; but the Government's objectives for biofuels were stated clearly in the energy White Paper. I agree with my hon. Friend the Member for Southampton, Test that the production of hydrogen from ethanols may have a role to play in the future, along with that of other biofuels. They represent an important potential way of achieving the goal of zero-carbon transport. We have made good progress in relation to industry, but transport poses a big challenge.

As to why we should support renewables from wind, it is that those will make a contribution. We will need a range of contributions to meet our targets for boosting renewables, to which biofuels can contribute. I do not dispute that for moment. I do not want it to be thought that wind energy is the be-all-and-end-all of the Government's approach, which it is not. Its contribution is perhaps more important than was being argued, however.

Norman Lamb: Have the Government carried out a recent assessment of the extent to which a domestic industry for bioethanol will be in place when the duty reduction is introduced next January? I understand that no domestic production is anticipated with a 20p reduction in duty.

Mr. Morley: An assessment has been made of the potential for jobs and the economy in relation to biofuels generally, and I will come to that point in a moment.

[Mr. Morley]

We recognise that bioethanol and biodiesel from virgin crops can reduce carbon dioxide emissions by about half when compared with conventional fuels. In the case of biodiesel from waste vegetable oil, the life cycle benefits can be even higher. Achieving 5.75 per cent. substitution of biofuels for fossil fuels would save 2 million tonnes of carbon per annum in relation to the indicative targets that have been set by the EU. Environmental considerations are not the only issue, however. There is also the issue of new markets.

The question is: how can the Government support this process? I am glad to be joined in the Chamber by the Economic Secretary to the Treasury, my hon. Friend the Member for Wentworth (John Healey), which demonstrates the interest of the Treasury in these issues. Members are aware of the existing 20p per litre cut in duty, and it was announced in Budget 2003 that duty on bioethanol would be reduced by a similar amount from January 2005. Those measures have encouraged the production of 2 million litres of biodiesel per month, so it is not right to say that there has been no effect. There is a potential for 115 million litres per year from waste oils, and I am pleased to see the development of new plants such as Argent, which is producing biodiesels from tallow and waste oil, which in turn will make a big contribution. The pre-Budget report in December gave a commitment to a rolling three-year period of certainty for the reduction in the duty rate, which is important.

Duty incentives, however, are only one way. Support grants exist for capital investment, which is important in relation to new development and new plants, and those are available through regional development agencies. Under last year's common agricultural policy reform agreement, crops for biofuels continue to be grown on set-aside land and will receive payments under the new single farm payment scheme, which is a form of inducement. From 1 January 2004, energy crops grown on non set-aside land can receive an additional €45 per hectare energy crops payment, which is another contribution. We also want to see the development of bioethanol from lignocellulosic feedstocks such as straw and wood, as those are expected to reduce the cost of delivering the environmental benefits, which we are committed to support.

Several Departments have an interest in promoting biofuels, and we work closely together to ensure a co-ordinated approach. A number of Cabinet Sub-Committees deal with energy policy and consider the issue of biofuels and the implementation of the energy White Paper, including this issue. As to support, I have outlined exactly the kind of approach that we have taken. We recognise that the biofuels directive can have an effect, although the targets are indicative—it should not be assumed that they are currently the Government's targets. Consultation will take place; it will be available soon.

The biofuels obligation is one of the most important proposals. I want to make it clear that the case was persuasive, and although we could not support the form of the amendment tabled in the other place, the Government are not opposed in principle to some form of biofuels obligation for road transport. We will therefore have to consider the issue in more detail, and weigh the merits of the obligation against those of other possible options. We will consider that as part of the process of consulting on the implementation of the biofuels directive. When that consultation is made public, therefore, it will include the issue of an obligation, which will be welcomed by many Members. We will explore how we can take that forward. DEFRA is also doing other work on the impact of biofuels on biodiversity, conservation and farming; the central science laboratory work on estimates of jobs that could be created and sustained by the biofuels industry, including ethanol; and work on setting out how the various—

It being Six o'clock, MR. DEPUTY SPEAKER *interrupted the proceedings and the Question necessary to dispose of proceedings was deferred, pursuant to Standing Order No. 54(4) (Consideration of estimates).*

MR. DEPUTY SPEAKER, *pursuant to Standing Order No. 54(5) (Consideration of estimates), put the deferred Questions on supplementary estimates, 2003–04.*

ESTIMATES

DEPARTMENT FOR TRANSPORT

Resolved,

That further resources, not exceeding £1,377,992,000, be authorised for use during the year ending on 31st March 2004, and that a further sum, not exceeding £41,854,000, be granted to Her Majesty out of the Consolidated Fund for the year ending on 31st March 2004 for expenditure by the Department for Transport.

DEPARTMENT FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS

Resolved,

That further resources, not exceeding £1,251,750,000, be authorised for use during the year ending on 31st March 2004, and that a further sum, not exceeding £613,478,000, be granted to Her Majesty out of the Consolidated Fund for the year ending on 31st March 2004 for expenditure by the Department for Environment, Food and Rural Affairs.

ESTIMATES, 2004–05 (NAVY) VOTE A

Resolved,

That, during the year ending on 31st March 2005, a number not exceeding 45,325 all ranks be maintained for Naval Service and that numbers in the Reserve Naval and Marine Forces be authorised for the purposes of Parts I, III, IV and V of the Reserve Forces Act 1996 up to the maximum numbers set out in HC 283 of this Session.

ESTIMATES, 2004–05 (ARMY) VOTE A

Resolved,

That, during the year ending on 31st March 2005, a number not exceeding 128,195 all ranks be maintained for Army Service and that numbers in the Reserve Land Forces be authorised for the purposes of Parts I, III, IV and V of the Reserve Forces Act 1996 up to the maximum numbers set out in HC 283 of this Session.

ESTIMATES, 2004–05 (AIR) VOTE A

Resolved,

That, during the year ending on 31st March 2005, a number not exceeding 57,415 all ranks be maintained for Air Force Service and that numbers in the Reserve Air Forces be authorised for the purposes of Parts I, III, IV and V of the Reserve Forces Act 1996 up to the maximum numbers set out in HC 283 of this Session.

ESTIMATES, EXCESSES, 2002–03

Resolved,

That resources, not exceeding £15,975,062.02, be authorised for use to make good excesses of certain resources for defence and civil services for the year ended on 31st March 2003, and that a sum, not exceeding £1,188.38, be granted to Her Majesty out of the Consolidated Fund to make good excesses of certain grants for defence and civil services for the year ended on 31st March 2003, as set out in HC 351.

SUPPLEMENTARY ESTIMATES, 2003–04

Resolved,

That further resources, not exceeding £24,448,658,000, be authorised for use for defence and civil services for the year ending on 31st March 2004, and that a further sum, not exceeding £10,013,491,000, be granted to Her Majesty out of the Consolidated Fund to meet the costs of defence and civil services for the year ending on 31st March 2004, as set out in HC 349 and 350.

Ordered,

That a Bill be brought in on the foregoing resolutions: and that the Chairman of Ways and Means, Mr. Chancellor of the Exchequer, Mr. Paul Boateng, Dawn Primarolo, Ruth Kelly and John Healey do prepare and bring it in.

CONSOLIDATED FUND (NO. 2) BILL

Mr. John Healey accordingly presented a Bill to authorise the use of resources for the service of the years ending with 31st March 2003 and 2004 and to apply certain sums out of the Consolidated Fund to the service of the years ending with 31st March 2003 and 2004: And the same was read the First time; and ordered to be read a Second time on Monday next, and to be printed. [Bill 71].

NOMINATION OF SELECT COMMITTEES

Motion made,

That the Standing Orders be amended as follows:—

(1) In Standing Order No. 15 (Exempted business), line 18, leave out from 'committees' to 'which' in line 20 and insert 'to which that paragraph applies'.

(2) In Standing Order No. 121 (Nomination of select committees), line 10, leave out from 'under' to ', or' in line 13 and insert 'the Standing Orders of this House (with the exception of the Liaison Committee, the Committee of Selection, the Committee on Standards and Privileges and any Committee established under a temporary Standing Order).'—*[Mr. Ainger.]*

Hon. Members: Object.

Post Office Closures

Motion made, and Question proposed, That this House do now adjourn.—*[Vernon Coaker.]*

6.3 pm

Mrs. Patsy Calton (Cheadle) (LD): I am grateful that the Speaker has once again come to my aid in allowing me to raise a matter of concern for communities in my area and across the country. The subject is the role of Post Office Ltd. and Postwatch in taking decisions on post office closures. I believe that it is important to hear whether the Minister feels that he can take action against the injustice and misinformation that abounds around the euphemistically named "network reinvention", which is closing community post office facilities with only passing reference to community needs. I am grateful to my hon. Friend the Member for Hazel Grove (Mr. Stunell) and to the hon. Member for Stockport (Ms Coffey) for their presence. We are all affected by post office closures, and I hope that, with your permission, Mr. Deputy Speaker, they will take part in the debate.

As far Cheadle is concerned, the process was flawed from the start. The information sheets supplied by Post Office Ltd. were riddled with errors, and Members of Parliament were not consulted in advance. Indeed, Postwatch told me on 4 December that Post Office Ltd. would not start consultation just before Christmas. However, it did just that, on 17 December. I applied for additional time, and was refused. Other areas were given extra time because the effects crossed constituency boundaries, but that was also true of my area. Postwatch appeared to have no powers over the process.

For more than a year, I have disputed the categorisation of Woodford post office as an urban facility. The 2000 performance and innovation unit report defines an urban settlement as one with more than 10,000 people. Yet Woodford is separated by carefully protected green belt from the urban sprawl to which Post Office Ltd. persists in referring, and it has just over 1,000 inhabitants.

The map used by Post Office Ltd. is wrong in detail and misleading in its entirety. A glance at the unitary development plan map, or even at an A to Z, would show the errors. The Greenway road post office in Heald Green serves an older and elderly population, and is located in one of the recognised pockets of deprivation in our area. Fortunately, Mr. and Mrs. Saleem, who run the nearby Long lane post office at the junction of Merwood avenue and Wilmslow road, are determined to carry on, even though Post Office Ltd. did not use it as a receiving branch.

Turves road post office is closing because the sub-postmistress has decided to go. I know that, because she told me that she would be going, whether or not Post Office Ltd. agreed to closure. We do not have an official date for that, although a handwritten notice in the post office states that it will happen on 22 March. Turves road post office was a receiving branch for another closure at Cheadle road. That office closed only six weeks before the present consultation process began.

The setting for the Turves road branch is such that it could be used as a model for a modernised post office at the centre of its community. It has a large surrounding population and is located in a run of shops as active as any in the area, now that the superstores have taken the weekly shoppers away. Of those responding to our campaign, 80 per cent. are over 55, some 40 per cent. have mobility problems and up to 20 per cent. lack cars. Many people chose to live in the area so that they could remain independent for as long as possible.

Other shops will suffer after the post office closes. The main receiving branch is up a steep hill, with no public transport and a car park that is full at all times. The post office in Jacksons lane, together with the Macclesfield road and Norbury offices in the constituency of my hon. Friend the Member for Hazel Grove, serves a very large population. Most of the customers are older people, but there are a good number of young people and their parents.

Saving at the post office is still regarded as an important part of a child's upbringing. The post office to which people will have to go is in a shop and already has queues that take 20 minutes to clear. It is difficult to reach and does not make good provision for disabled people.

None of that seems to matter to Post Office Ltd. It is driven by the Government to become profitable. Although that is not in itself a bad aim, what is the human and social cost? What will be the cost to other small businesses that are supported by customers paying bills, collecting money and doing their shopping? What will be the cost to the Post Office's customer base? People must be close to avoiding using post office branches. By what process will Post Office Ltd. make itself profitable?

My office received around 4,000 responses from individuals in the form of petitions and reply slips. Around 350 people came to public meetings. My office put together a 15-page report for Post Office Ltd., which was delivered on 27 January. It is difficult to see how we could have done more to alert Post Office Ltd. and Postwatch to the concerns of local communities. Representatives of Postwatch attended our meetings, and I was grateful for that, but they were dismissive. I was told that they were "not afraid" of me any more, that they were "not impressed", and that they had heard "nothing new". I am sure that there was a reason for saying all that. We have seen little evidence of any concern for the consumers whom Postwatch is supposed to protect.

The basic message from Post Office Ltd. in its correspondence with me was that the closures had to be carried out, that Post Office Ltd. was sorry that people were upset, that it was a shame about the inconvenience to customers, and that the closures were going ahead anyway. In my family, we call a response like that "sending out the cockroach letter". That is based on a joke, which we have long since forgotten, about a travel company writing to unhappy customers. Meanwhile, Postwatch sits on the sidelines, like a reluctant referee, giving information only when directly asked. The computer-generated letters come thick and fast, and occasionally someone personalises them with an extra paragraph; the process is a joke.

I want the Minister to tell us that he will act on the way in which our communities are being treated. He must know that the Post Office ensures that post offices close by offering sub-postmasters and sub-

postmistresses deals that they cannot refuse. An average of £55,000 for each sub-postmaster and sub-postmistress was paid out in the quarter to December 2003, and more than £38 million was paid out in total. That money could have been spent on expanding and diversifying the service in line with the performance and innovation unit report of 2000.

The Minister will be familiar with early-day motion 725, which calls on the Department of Trade and Industry to halt forthwith the network reinvention programme of post office closures while an investigation is carried out into flaws in the notification, consultation and decision-making process. I have written to the Clerk and Chairman of the Trade and Industry Committee asking them to investigate that. I am disappointed that no concessions have been made on the process, which proceeds with unseemly haste in spite of admissions from Post Office Ltd. that changes will be made to future constituency reinventions. That is no comfort to my constituents.

I am disappointed by the Minister's response to my letter pointing out how Members of Parliament and Stockport metropolitan borough council were misled into thinking that Eddie Herbert from the north-west was working on our consultation responses, when a decision was in fact made the same day in Skipton to close one of the post offices. The Minister's letter states:

"When Eddie Herbert wrote to you on 16 February that feedback was still being considered, neither he nor his POL colleagues would have known whether all the outstanding issues would be resolved at the first stage meeting that was taking place that day."

However, Eddie Herbert said on 16 February:

"I am still considering the feedback received in relation to the closure of Jackson's Lane and Turves Road".

How could Post Office Ltd. present the case for closure to Postwatch members when the man in charge had not finished considering the consultation responses?

Meanwhile, Judith Donovan of Postwatch, who was present at the meeting of 16 February, wrote on 23 February to say that

"an escalation meeting . . . will be arranged".

Perhaps she used the wrong tense. When the decision was made in Skipton by Post Office Ltd. and Postwatch about our communities' post offices, hon. Members did not have the date, the time or the venue. We did not know and could not know that a meeting was occurring. Post Office Ltd. decided what would be presented to Postwatch committee members. Hon. Members do not know whether corrected information was supplied, what arguments—if any—were put forward, whether public views were put forward adequately, or whether alternatives were examined.

The primary role of Members of Parliament must be to stand up for their constituents. I call on the Minister to do as my early-day motion asks, to halt the flawed process forthwith and to apply the principles of fairness with a dash of imagination, which our democracy depends on. I challenge him to halt the process and to allow all the key players—Post Office Ltd., Postwatch, Stockport metropolitan borough council and the public—to produce the business case and the energy to get behind our local post offices, allowing our community the chance to find imaginative ways to make our post offices thrive. At least some post offices can be made into profitable assets, both socially and in business terms. Post Office Ltd. will destroy its customer base if it carries on in this vein.

Post Office Ltd. should be required to transmit a clear, strategic, coherent vision of the future of the post offices at the heart of local communities, and Postwatch should have powers to ensure that public money is spent in the interests of the public and more wisely than has occurred so far.

6.14 pm

The Minister for Energy, E-Commerce and Postal Services (Mr. Stephen Timms): I congratulate the hon. Member for Cheadle (Mrs. Calton) on securing this debate. She has been very active in voicing her concerns and she has conducted detailed scrutiny of Post Office Ltd.'s proposals for her constituency. We have exchanged correspondence on several occasions in the past year. I am also grateful to the hon. Lady for giving me notice of the concerns that she wished to raise in this debate. I am pleased to see my hon. Friend the Member for Stockport (Ms Coffey) in her place: she has also spoken to me a lot over the past few months about these issues.

The hon. Member for Cheadle explained clearly and fully her concerns about the impact of the closures that will take place in her constituency and the consultation process that preceded those decisions. The performance and innovation unit report that she mentioned showed starkly that our network of post offices has not kept pace with the changing needs of its customers. Too often, post offices have become dingy and shabby as a result of a lack of investment. Nor has the Post Office been able to take advantage of its highly trusted status as the provider of financial services. It was losing business and facing big challenges. The PIU report made it clear that if it did become apparent that it was necessary to reduce the number of branches in urban areas, it should be done in the way that we have suggested and the House has agreed to.

I was not entirely clear from the hon. Lady's remarks whether her argument was that in her constituency the wrong offices will be closed, because of problems with the process, or that none of them should be closed in any event. I suspect it was the latter, and we all sympathise with that point of view. None of us likes to see the closure of post offices, which inconveniences people. However, the realities of the Post Office's position are that the process is unavoidable. If we did not do it, branches would shut haphazardly and in an unplanned way, and that would cause far greater problems for her constituents and those in other urban communities than the present arrangements.

Mrs. Calton: The Minister presents two stark alternatives, but there is—in the words of his leader—a third way. That third way has arisen out of the consultation responses from other shopkeepers and the public. Other alternatives can be examined and it is not necessary to create a desert for whole suburban communities. It would be wrong to treat suburban

[Mrs. Calton]

communities as amorphous, with no defining characteristics. Communities should be respected, but they are not being respected—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The hon. Lady must remember that interventions are one thing, but speeches are quite another.

Mr. Timms: It is a given of the process that at the end of it at least 95 per cent. of urban residents will be within a mile of their nearest post office. It is not about the creation of deserts. Indeed, the reverse is true: it is to ensure that there are no deserts that we are undertaking this careful process.

The process itself is unavoidable. Simply moving a post office into another establishment does not tackle the problem. At the beginning of the exercise, there were more than 1,000 urban sub-post office branches that had 10 other such post offices within a mile. The network was too dense, given what has happened to the business of post offices in the past few years. Our response was to acknowledge the need for a reduction in the number of urban branches, and to invest in technology. Banking services are now offered at every post office branch in the country following Government investment of £0.5 billion—unprecedented in the history of the Post Office. Funding has also been provided for improvements at receiving offices. For the first time, there is support for an investment programme for urban sub-offices. Both approaches will give the network the viable commercial future that the Post Office needs.

Sub-post offices have always been private businesses. The hon. Lady said that sub-postmasters have been offered deals that they cannot refuse. In reality, the payments made are those that sub-postmasters might reasonably have expected if they had sold their businesses a few years ago. Reductions in the use of sub-offices in recent years mean that the prices sub-postmasters may obtain for their businesses have sharply declined. We took the view that it was fair that compensation should reflect the prices sub-postmasters might have expected a few years ago—not more generous prices but comparable, which is fair. The individuals concerned have worked hard in serving their communities over many years. It is not right for the hon. Lady to suggest that compensation payments are excessive. They simply reflect the prices that sub-postmasters would have expected if they had sold their businesses a few years ago.

Mrs. Calton: My point was not so much that compensation payments were excessive, but that the money could have been more wisely spent.

Mr. Timms: The hon. Lady referred to a deal that sub-postmasters could not refuse. The payments are based on the reasonable expectations of sub-postmasters if their businesses had been sold not long ago. As for whether that money should have been spent differently, the basis of the House's approval for the programme was that the rationalisation of sub-offices in urban areas would give the whole network a viable future in serving all our communities for many years to come.

Postwatch has been critical of some developments in recent months and raised concerns about the consultation experience with me earlier—as did hon. Members. Postwatch has been a doughty and effective defender of communities. In a large number of cases, a decision has been withdrawn or reversed following representations from it or hon. Members. I do not accept the hon. Lady's criticism of Postwatch, which has recognised that rationalisation is indispensable if we are to secure a viable future for the post office network throughout urban communities.

Ms Ann Coffey (Stockport) (Lab): Part of the fundamental difficulty with the consultation exercise is the basis on which it has been undertaken, because closures were proposed against criteria that had already been set. In future, it would be helpful if Postwatch could share its observations on proposed closures with hon. Members. I was not aware of Postwatch's views on proposed closures in my constituency.

Mr. Timms: My hon. Friend makes a helpful point. I will take it up with the chairman of Postwatch, with whom I regularly discuss such points. I am inclined to agree with my hon. Friend that when Postwatch reaches a conclusion as a result of discussion with hon. Members and members of the community affected, it would be entirely reasonable for that information to be made known to MPs with whom Postwatch has been in discussion.

As I said, one of the recommendations of the performance and innovation unit was that if the Post Office decided that fewer offices were needed in some urban areas, the Government should consider providing funding to compensate affected sub-postmasters adequately for the loss of their business. Thus, in November 2002, following parliamentary approval of the funding, the programme that we are discussing commenced.

The network is made up of about 16,000 post office branches, split almost evenly between urban and rural communities—more than all the banks and building societies in the country put together. In many places, that network is dense, with damaging results for the individual businesses of sub-postmasters at a time when the number of people using post offices has been in decline. The heart of the problem was that the Post Office was locked into a shrinking customer base; its task now is to continue to serve those customers with excellence, but also to win new customers. It needs to access expanding banking markets, taking advantage of the technology that the Government's investment has provided, rather than remaining locked into dwindling markets, as in the past. That is the key to future success.

Mr. Andrew Stunell (Hazel Grove) (LD): Does the Minister agree that social inclusion is an important criterion? The closure of post offices, such as those in Cherry Tree lane and Offerton in my constituency, seriously undermines the Government's intention to promote social inclusion.

Mr. Timms: In almost every instance, the closure of a particular office causes inconvenience to some people. The purpose of the whole exercise, and why we provided substantial funding to Postwatch and why the Post

Office itself is committing so many resources, is to ensure that the right post offices are closed. When Members raise concerns that the wrong office has been chosen and a different one should be closed instead, I always tell them that the case should be put to Postwatch and to the Post Office. As a result of the process, I hope that we end up with the right decisions.

Those decisions will not be welcomed by everyone. The closure of any post office will cause inconvenience to some people, but I think that the hon. Member for Hazel Grove (Mr. Stunell) will accept that business realities for the post office network over recent years make it necessary to introduce rationalisation of that kind, to give the network a viable future and to ensure that it can continue to serve our communities. As I said earlier, it is a given of the exercise that, at its end, 95 per cent. of people living in urban communities will be within a mile of their nearest post office branch. That is the basis of the exercise.

Last week, I visited a directly managed post office in my constituency. The staff pointed out that for the first time in many years they can see that the organisation for which they work is being turned around. New customers are coming in to use the Post Office banking services, whereas, in the past, the number of such customers was in decline.

In a couple of weeks, the Post Office's first financial service products will be on sale at branches throughout the country. Personal loans will be sold through the Post Office, new products will be available and new markets will be opened up. In that way, through the commitment of the new management team at Post Office Ltd.—the staff at my local branch told me that they thought the new team was doing a superb job—through the investment we are making and through the painful, but necessary, process of rationalisation of the post office network in urban areas, we shall see a viable and attractive commercial future for the network in all our urban communities, for the benefit of all the people who live in them.

PETITION

Consumer Protection (New Homes)

6.30 pm

Mrs. Marion Roe (Broxbourne): I wish to present a petition, containing over 1,100 signatures, which draws attention to the fact that, at present, buyers of new homes do not benefit from adequate consumer protection, and points out that they should be entitled to have a third-party representative check their home for quality, prior to completion.

They should also be able to delay completion should the home not conform to standard, and if defects are not rectified they should have a legal right to withhold a retention until the works are completed.

At the moment, insurance companies set the standards acceptable for new homes, and there are not legal requirements to adhere to these standards.

My petitioners list their recommendations to Government on how to change this unacceptable situation.

The petitioners, therefore, request that the House of Commons urge the Deputy Prime Minister to establish an inquiry into the building of new homes, looking at quality standards and consumer protection, investigating the possibility of Government-set standards for new-build properties and the creation of a regulatory body and league tables in this area.

To lie upon the Table.

ADJOURNMENT

Resolved, That this House do now adjourn.

Adjourned accordingly at twenty-nine minutes to Seven o'clock.

House of Commons

Friday 12 March 2004

The House met at half-past Nine o'clock

PRAYERS

The Second Deputy Chairman of Ways and Means took the Chair as Deputy Speaker, pursuant to the Standing Order.

[SIR MICHAEL LORD *in the Chair*]

Orders of the Day

Cardiac Risk in the Young (Screening) Bill

Order for Second Reading read.

9.33 am

Ms Dari Taylor (Stockton, South) (Lab): I feel privileged to have the opportunity to bring my Bill to the Floor of the House for the consideration of Members and Ministers from the Department of Health. I realise that I am lucky to have secured the fifth position on the private Members' Bills list. Many Members have congratulated me, wished my Bill good passage and told me how lucky I am. Many have been in the House for 20 years and more yet have never surfaced in the selection process, despite their reputation and considerable knowledge of specific policy areas. It is indeed a privilege to have the opportunity to put on the record the fact of sudden death in the young, and the medical knowledge and experience that could—and I believe should—inform medical practice through screening.

The short title of my Bill is Cardiac Risk in the Young (Screening). Its substance refers to the tragedy of sudden death in the young from a variety of cardiac problems. If diagnosis of the condition had taken place—the condition is clearly visible through screening and its symptoms are known—its potential to be fatal would have been recognised by a cardiac specialist. A different lifestyle, drug support, a small surgical operation known as an ablation, or the fitting of an implantable cardioverter defibrillator device could have been suggested and might have resulted in a life being saved.

Before I outline the detail of the Bill, I should say why its substance—the knowledge and experience of cardiac specialists and their research teams that in some cases inform the medical response to sudden death—is important to me. The inspiration for the Bill was a tragedy. Two years ago, just after new year, the son of a very close friend of mine died. Levon Morland was 22 years old—young, athletic, a keen sportsperson, in a demanding job, and showing no sign of a health problem that could be fatal. In fact, Levon and his family knew that he had a heart condition: Wolfe-Parkinson-White syndrome. He had been screened and had visited a cardiac specialist. An operation to correct his condition was available, but it was nasty, so as the specialist suggested that his condition was no more than a nuisance, Levon was more than keen to just get on with his life. He no longer has a life to get on with.

Levon's parents, Jeff and Sandra Morland—a friend to many in the House—his twin brother and the rest of the family were and remain grief stricken. They never stop feeling guilty, saying again and again, "What if? What if we'd done . . .?" The critical fact for me and for the Bill is that it was not up to them to do anything. The potentially fatal condition should have been clearly and factually explained. A lifestyle package of drug support, radiofrequency ablation or a pacemaker—various treatments could have been prescribed to control the problem or reduce the risk. Levon's first-degree relatives should have been given a clear understanding of the nature of his condition. As it was genetic in his case, they too were at risk. He should have been reassured that all that could be done medically was being done. He should have been led to understand that even without warning symptoms, Wolfe-Parkinson-White syndrome could be fatal.

David Wright (Telford) (Lab): One of the tragedies is that the treatment for the condition can be carried out quickly. Does my hon. Friend agree, therefore, that it is very sad that the problem was not identified and dealt with speedily?

Ms Taylor: My hon. Friend's intervention is timely. From the symptoms and the diagnosis, it is clear that treatment should have been undertaken. My young friend should never have been told, "It's a bit of a nuisance. Get on with your life." My hon. Friend is right—the treatment is quickly put in place, and that should have been done.

Levon Morland should have been able to understand and to accept that, even with full medical support, his condition could be fatal—he should have been left under no illusion. Because I know the family, I know that no such advice was given. Levon was merely told, "Your condition is a bit of a nuisance. Get on with your life."

Mr. Eric Pickles (Brentwood and Ongar) (Con): As the hon. Member for Telford (David Wright) said, Wolfe-Parkinson-White syndrome is relatively easy to treat. However, in a case in my constituency the family of a toddler who was diagnosed with the condition were told that it was a relatively common condition, and that although it would be a bit of a nuisance everything would be okay. Everything was not okay. That demonstrates the importance of the hon. Lady's Bill in relation not only to screening, but to increasing understanding among the medical profession.

Ms Taylor: I thank the hon. Gentleman for that intervention. It is crucial to have an educative process. I do not want to find the established heart community disputing the clear evidence that too many hon. Members will present to the House today.

Mr. David Stewart (Inverness, East, Nairn and Lochaber) (Lab): Does my hon. Friend agree that although screening is a vital tool, it is not suitable for the whole population, but should be aimed at high-risk groups?

Ms Taylor: My hon. Friend is absolutely right. Repeated electrocardiogram screening can be an expensive procedure, and that has to be controlled. It is

[Ms Taylor]

equally important, of course, that if an inherited condition exists, families—first-degree relations—should have the opportunity to be screened. The Bill does not ask for a national screening programme, but many countries have those for young people at different stages of their lives and for families with potentially fatal conditions.

Levon Morland received a diagnosis statement from a professional cardiac specialist. I want to ensure that such a casual and uninformed statement about a life-threatening—in Levon's case, life-taking—condition can never be made again. Levon's death has left a mark on our community in the north-east. We all want to support the Morland family because we know that the pain of his death will not go away. The best support that we could give—I press this on the Minister—is to ensure that full and effective medical treatment is provided. I hope that the Government will acknowledge that and deliver it.

If that untimely death was not bad enough, and it was, I was soon afterwards told of the death of another young man in my region—a 19-year-old from Redcar who died suddenly while out enjoying himself with friends after a day on the golf course. Ian Bowen, who lived with his parents Maralyn and Kenny, died from Wolfe-Parkinson-White syndrome that had been diagnosed but not treated. Ian suffered from an additional electrical connection between the atriums and ventricles of the heart. He had been diagnosed with the condition and had regularly consulted his cardiologist, but was repeatedly reassured that it was not serious, would not affect his life, and was nothing to worry about. He died suddenly just 10 months after visiting the doctor complaining of feeling his heart racing. One can imagine his family's complete shock and utter devastation.

My hon. and learned Friend the Member for Redcar (Vera Baird) is unable to be in the House today, but asked me to express her support for my Bill, to press the Government for a positive response, and to emphasise the belief that all people should receive the best medical service available and should never be left wondering, "Was there anything else that could have been done?" She sends her sympathy to the Bowen family, who live in her constituency.

My hon. Friend the Member for Monmouth (Mr. Edwards) is also unable to be here, but wrote to me about his constituents, Mr. and Mrs. Berzolla, whose case has persuaded him to support the Bill.

I have mentioned the concern, sympathy and support of two hon. Members. I had to stop other colleagues giving me additional comments to pass on because there were so many. I decided that that it would be sufficient to mention two and to assure the House that there are many more.

After that tragedy upon tragedy, I soon became aware of the number of deaths that have occurred. Such tragedies happen not only in Britain, but in other parts of the world, including Europe; we constantly see them reported in the press. Cardiac Risk in the Young has produced a very able and academically organised booklet that outlines the scale of the problem. We are talking about four deaths a week.

Dr. Ashok Kumar (Middlesbrough, South and Cleveland, East) (Lab): How accurate are the assessments of how many people die from the disease per week? Are we sure that it is so many, or is it guesswork?

Ms Taylor: The figure of four is no more than a best guess that comes from pathologists' reports. Unfortunately, many sudden deaths that do not involve accident or suicide end up being recorded as death from cardiac failure or from natural causes. I press my hon. Friend the Minister to accept that better analysis of cause of death is required to provide an accurate picture.

Mr. Kevan Jones (North Durham) (Lab): Is it not also the case that many such deaths are put down to accidents? For example, many fit and healthy teenagers who die in swimming pools have their deaths put down to drowning, but the real cause is a heart condition.

Ms Taylor: That is absolutely correct. Many youngsters' conditions remain undiagnosed, although they have presented symptoms to general practitioners. They are sent away with statements such as, "You are probably suffering from stress", "It could be depression", or "It may be asthma." That is a serious problem. Although the symptoms are well documented academically, they are not generally known to GPs.

Mr. David Stewart: On a similar subject, does my hon. Friend agree with the analysis in the magazine, "Heart", that suggested that 80 per cent. of deaths among athletes follow vigorous exercise?

Ms Taylor: Many hon. Friends are demonstrating their knowledge of the problems. That is right: the young people involved are often keen athletes who are putting a strain on their heart. They have shown symptoms that, sadly, were undiagnosed. They could still be competent athletes—some have Olympic potential. They require control mechanisms so that they live to enjoy their athleticism. Sadly, that does not happen.

I want to mention some people who died suddenly without necessarily receiving a diagnosis to explain the reason for their deaths. I shall begin with some of the stars of the world. The Hungarian footballer Miklos Feher played for Benfica in Portugal and died at the age of 24. A Georgian football player died in his sleep. He was 23 and had shown no sign of illness. Later, he was found to have suffered from a cardiomyopathy. The same condition killed the Cameroon international football player, Marc-Vivien Foe, and Terry Yorath's young son, Daniel. Those are high-profile cases, which show that young, apparently fit people throughout Europe as well as Britain suffer from the tragic fate that we are discussing. All those cases presented comparable characteristics.

Tim Loughton (East Worthing and Shoreham) (Con): I hope that my intervention is not untimely. It is on a related subject. The hon. Lady is making a forceful speech, as she did when she addressed Cardiac Risk in the Young—CRY—earlier this week.

Constituents of mine lost a 17-year-old son from sudden arrhythmic death syndrome only a few weeks ago. A fit teenager suddenly died. My constituents were subject to a police investigation because of the sudden

nature of the death. It is bad enough to lose a child out of the blue, but it is doubly distressing to be subject to investigation, albeit for understandable reasons. Will the hon. Lady take it on board that other aspects need to be considered and that parents who have suffered a terrible tragedy and have the blow compounded need to be treated more sensitively?

Hon. Members: Hear, hear.

Ms Taylor: The House has responded to the hon. Gentleman. Unfortunately, the circumstances that he mentioned are replicated time and again. When a young person dies, the immediate thought is, "Was there drug abuse? Were the parents involved?" That is an outrage. Sadly, that occurs even when symptoms that suggested a condition were left undiagnosed. I shall stress that continually. The hon. Gentleman made a timely intervention.

We are considering young, athletic people who die suddenly, sometimes with little or no medical warning. There is often no prescribed medical treatment and no acknowledgement that the disease that killed a young person is genetically inherited. According to the coroner, the majority die of cardiac failure—natural causes. That is unacceptable.

Ms Meg Munn (Sheffield, Heeley) (Lab/Co-op): Later, I hope to have the opportunity to talk about a constituent who has a specific heart condition. There appears to be a range of heart conditions that can lead to sudden death. Will my hon. Friend cover that point? The issue is especially complex because not only one heart condition is involved, and the affected families could suffer from a range of conditions that could be difficult to detect.

Ms Taylor: My hon. Friend has anticipated a part of my speech. Of course, I shall respond to that point in detail as I progress.

To emphasise the importance of the issue, I point out that *The Independent*, *The Mail on Sunday*, the *Daily Mail*, *The Daily Telegraph* and the *Daily Mirror* often produce reports that outline the problem of heart defects that strike the young and the fit. It is a common theme of many of the articles that I have read. I suggest to my hon. Friend the Minister that if such cases are reported again and again, one would like to believe that the medical fraternity must recognise the problem and begin to accept that there must be better and different solutions. The Bill would introduce screening procedures that would help to prevent sudden death.

I have mentioned some of the stars who suffered sudden death, and I should now like to refer to some cases of the stars in our homes who have been affected. Ewan Bellamy was 31. He was returning from New Zealand with his pregnant wife when he suffered sudden death. His family requested that its members should be referred to a specialist for screening. The local national health service trust denied the request.

Ellis Curran, a fit and healthy 28-year-old, had shown symptoms. He died in his wife's arms after playing with his children. Tests showed that he suffered from a hypertrophic cardiomyopathy—an inherited condition that is well known and well documented throughout the medical profession. He showed symptoms but received no treatment. Earlier, I mentioned Marc-Vivien Foe, who had shown clear symptoms, including chest pains that were more severe than would ordinarily be expected. The condition was undiagnosed, and the post mortem showed that he died from hypertrophic cardiomyopathy.

Joanne Fotheringham was 24 and lived in the Western Isles. She went to bed and never woke up. A statement said that she died from an undetected heart condition. With all our medical competence, do we seriously accept that an academically well-documented medical condition should go undetected?

Alison Linforth was a bright and sparky 16-year-old from Birmingham. On the first day of her A-level course, she sat down and died at her desk. The pathologist told her family that she had died of Long QT syndrome. The coroner's verdict was natural causes. That is unacceptable. She had complained of chest pains but they were not investigated.

Lisa Harley was a 27-year-old nurse. She had complained of tiredness and fainting, which is closely associated with a potentially fatal condition. She was diagnosed with depression and died of a heart condition. We all know from medical evidence that an implantable cardio defibrillator could have saved her life. After her death, the family insisted on screening for the rest of its members. Her sister was diagnosed with Long QT syndrome. She was fitted with an ICD. Her heart stopped last October but the device kicked it back into action.

Several doctors dismissed Alex Edwards's symptoms. He was a 12-year-old promising young cricketer. His problem was undiagnosed. Laura Moss was 13 and a national swimmer, who was tipped as a future Olympic champion. She died at the poolside, watched by 200 school friends. Her parents watched the young female from Weymouth die. Youngsters are showing symptoms of potentially killer diseases. Again and again, the medical profession does not diagnose or respond to them.

Miss Anne Begg (Aberdeen, South) (Lab): Obviously, in many cases the symptoms were not picked up. As general practitioners are in the front line of the medical profession, does the Bill contain anything that will help them to pick up the symptoms to do the necessary screening and ensure that the proper treatment is provided?

Ms Taylor: I can respond positively to my hon. Friend. Clause 1 clearly identifies how crucial GPs are in the train of diagnosis to preventing or defining a potential problem. In relation to that, the proposal in the Bill is that the conditions that we know to be tied into potentially fatal diseases should be clearly chronicled so that general practitioners are able to understand what a young person might be suffering from. So, yes, the Bill responds to the problem that my hon. Friend has just outlined.

Dr. Brian Iddon (Bolton, South-East) (Lab): I congratulate my hon. Friend on highlighting the fact that there are many preventable deaths among young and older people. It has been well known for a long time

[Dr. Brian Iddon]

that approximately one in five Down's syndrome babies are born with a heart defect, but until just a few years ago there was no routine screening of such babies, either at birth or shortly afterwards. As a result, many of them died in the early years of their life. Will my hon. Friend join me in congratulating the Down's Syndrome Association for highlighting these problems? I, in turn, would like to congratulate the charity Cardiac Risk in the Young—CRY—on stimulating the introduction of this Bill through my hon. Friend. Does this not illustrate the important role that charities play in bringing relatively unknown problems to the Floor of the House, which can result in the saving of quite a few lives?

Ms Taylor: Yes, those charities make an excellent contribution. I am only too pleased to be associated with all the work that the Down's Syndrome Association has done. I hope that my charity, Cardiac Risk in the Young, will be equally successful. We are here to try to persuade the Minister that we should be recognised.

I shall return to the examples that I was giving to the House. David Staff, aged 17, who lived in Blackburn, the constituency of my right hon. Friend the Foreign Secretary, was found to have suffered from hypertrophic cardiomyopathy. He was a runner and his father was the marshal of the race that he was taking part in when he died. These are cruel details, but hon. Members must try to get their head around them. Christiaan Smith, aged 24, from the Gower constituency, was told that he was suffering from flu symptoms. A few days later, he was found slumped at the bottom of the stairs. His mum, Pauline, said:

"Our buoyant, effervescent son, so full of life, had died from a condition called myocarditis."

The question must be asked: why was that condition not diagnosed earlier, and if treatment was feasible, why was none put in place?

David Elliot, aged 24, lived in the constituency of my right hon. Friend the Prime Minister. This young man was an international triathlete. He died from an undiagnosed heart condition. His sons are now receiving periodic testing from a special paediatric cardiologist, and they will continue to do so until they are 20 years old, so I am delighted to be able to say that something positive has come from the tragedy in the Elliot family. Jim Lorrimer watched his sister's daughter die from hypertrophic cardiomyopathy, an inherited condition that nobody thought could impact on other members of the family. He then watched his 25-year-old son die from the same condition.

I could go on to list many more young people who have died. They were usually athletic, and many died from a hypertrophic cardiomyopathy, which is clearly detectable by screening. Their symptoms were regularly ignored, and neither they nor their first-degree relatives were tested.

Mr. Alan Campbell (Tynemouth) (Lab): My hon. Friend has listed a number of cases, each one a tragedy in its own right. If I understood her correctly, the age range of the people involved was between 12 and 31. Can she tell us how she defines a "young person"?

Ms Taylor: I am not in line to define what a young person is. I think that I am pretty young at 60, frankly. [HON. MEMBERS: "Hear, hear!"] Thank you very much. I appreciate that warm and welcome—and, of course, accurate—response. The medical profession defines people under 35 as young. Because they are young, and especially if they are in their teens or early 20s, it is assumed to be improbable that they could have a serious heart condition. That is the message that I hope to transmit to the House today.

I could outline many cases to the House; all of them are tragedies. They often involve people who were athletic, and whose condition was either undiagnosed or misdiagnosed. In many cases, no treatment was given. The condition is often inherited, but many first-degree relatives do not receive an invitation to be screened and therefore remain unaware that they might have a fatal condition.

Each death sends shock waves round a community. The positive response to the Bill has been widespread. Relatives and friends are desperate to make sure that no one else has to suffer the sudden death of a loved one. I pay tribute to the dozens of relatives and friends who have campaigned for action. Many, if not all, are active in the charity Cardiac Risk in the Young, a body that has focused attention on this issue, organised research, lobbied Members of Parliament and provided central support to the achievement of the Bill. It has been, in part, the inspiration for today's debate. Many of the people involved have written to their Members of Parliament, to the Secretary of State for Health, to the Minister herself, and to the Prime Minister, to say how desperate they are for the Government to support the Bill.

The all-party group on cardiac risk in the young has been outstanding. It has publicised the Bill to families through newsletters and through its website. Even the YMCA, which I managed to contact through my close friend, Councillor Louise Farthing, has taken up the initiative through its parliamentary officer, Rob Smith. It has sent out updates in its newsletter, "In Touch", and many of its members have written in. The response to the requests from the YMCA has been very positive. As I have said, newspapers cover the problem in ways that are distinct to their readership, and there are many examples of newspapers stating—perhaps implicitly, rather than explicitly—that a young person's death from an undiagnosed cardiac condition is an indictment of the medical profession. The campaigning has been widespread, because the impact of sudden death in the young is so widespread.

I am pleased that the Bill has received the support of nearly 100 Members of Parliament, all of whom were prepared to say their piece today. I am absolutely delighted that so many colleagues from both sides of the House are here. I have also received positive comments from the Chairman of the Health Committee, my hon. Friend the Member for Wakefield (Mr. Hinchliffe), who has wished the Bill every success. He has supported its passage and kindly given his advice. He has also promised me that if the Government respond positively to the Bill, he will persuade the Health Committee to carry out an investigation into cardiac risk in the young. He will also carry out an investigation into how the medical community responds to the problem. I thank him for that incredibly positive offer.

Last Wednesday, a parliamentary reception filled the Terrace dining room. More than 200 people attended, including more than 50 Members of Parliament. There were positive speeches from the Minister of State, Department of Health, my right hon. Friend the Member for Barrow and Furness (Mr. Hutton), the shadow Minister for Health, the hon. Member for East Worthing and Shoreham (Tim Loughton), the ITV sports presenter, Jim Rosenthal, the chair of CRY, Greg Whyte, and the founder and chief executive of CRY, Alison Cox. They all made powerful and interesting speeches. Of course, I was persuaded to speak for two minutes, which I did, as I never want to take a liberty.

Tim Loughton: It was a long two minutes.

Ms Taylor: We should not be picky over time.

I want to reassure the House that the Bill refers to two factors: the typical medical response to symptoms that suggest a potentially fatal condition, and the known and proven value of screening that prevents conditions resulting in fatality. From the research and experience of a small number of highly qualified specialist cardiologists, knowledge of the diseases that can cause sudden death is available and has been published in reputable journals. That provokes me to ask why if this knowledge is available, it is not used to inform medical diagnosis and prescribe medical responses?

A desired procedure exists that can respond to problems that can cause sudden death. First, when an individual presents early symptoms to a GP, which could include fainting, disproportionate breathlessness or palpitations, he or she should be referred for screening to a relevant cardiac specialist. Secondly, the specialist, who would have detailed knowledge of cardiomyopathies, ion channelopathies and other conditions listed in the Bill, would perform the screening and pick up those conditions. He would be able to see an extended QT interval for Long QT syndrome, or an enlarged myocardial wall for hypertrophic cardiomyopathy. With careful and expert involvement in diagnosis, such definable problems will be seen using a straightforward screening procedure. Thirdly, a patient's first-degree relatives would be involved, so that they understand that the disease has a genetic relationship to the rest of the family. Clearly, these diseases are life-threatening, and such an inherited condition should be understood by family members.

Tim Loughton: On the point about inherited disorders, does the hon. Lady acknowledge that a particular problem exists in relation to looked-after and adopted children, in which both she and I have a particular interest? It is incumbent on those involved to pass on medical records for children placed in care, and to make available to the relevant authorities the records of the birth parents of adopted children.

Ms Taylor: Again, that is an excellent contribution. The hon. Gentleman speaks to my heart, as I am sure that he realises that my daughter is adopted. We have a full medical record of her family, and we understand exactly what conditions could have impacted on her. Of course, my daughter also knows her natural family, which makes that relationship so much easier. It was a worthwhile intervention.

The conditions outlined in the Bill are rare—I have no problem in admitting that. I also have no problem in stating that invariably cardiac specialists are used to examining a different generation of people with different heart problems. That is one of the problem areas—because their surgeries are chock-a-block with the over-40s and over-50s, sadly, they are missing telltale signs. While screening is simple and cheap, it also requires a relevant specialist who has an understanding of cardiomyopathies and ion channelopathies, and such specialists, who know what they are looking for, must be given the opportunity to look for those conditions when symptoms suggest that they exist.

David Wright: My hon. Friend mentioned earlier what was happening across the rest of Europe, and it would be helpful if she could say whether more comprehensive screening is available in other countries. I understand that that is the case in Italy, and we may be falling behind some of our European partners.

Ms Taylor: My hon. Friend is again correct. I do not have complete knowledge of the availability of universal and national screening programmes throughout the world. I shall refer to that later in my speech, however, with regard to New Zealand.

To illustrate this point about using a specialist who has expert knowledge, who has researched this area and who is aware of the often small and incredibly detailed tell-tale signs, I ask the House to think of the emotional shockwaves when a young person dies after having been told that their echocardiogram was clear, when in fact it was not. Echocardiograms are kept—they can be looked at again—and in such cases, when the echocardiogram has been looked at again, it has been clear that there was a problem. I ask the House: how on earth can a family live with the knowledge that the echocardiogram screening process took place, and the medic missed the problem? I am sure that everyone will understand that that is a living hell for the family, but I suggest to the House that the cardiologist who looked at that echocardiogram would also have found it incredibly difficult to live with himself afterwards.

With the best screening practice, the cardiologist would spot the problem, as they know what they must look out for. I spoke earlier about my good friend who was told, "Get on with your life, this heart problem is no more than a nuisance." We now know that the nuisance killed him—he has no life to get on with. The Bill requests that specialist cardiologists are involved in this screening process, and that they must inform patients of the seriousness of their conditions. Patients must then have the opportunity to make decisions that reflect how and in what way they accept or reject that advice.

With best practice, the relatives would also be invited for screening. I want to illustrate that statement. Not only do we know that the condition is inherited, we also know what is the probability of risk: a child has a 50:50 chance of inheriting a disease listed in this Bill if their parents have it. I have been told again and again, however—and it is documented—that in the specific case it was not until the fourth death occurred that anybody thought to screen the rest of the family. The fact that first-degree relatives have a 50 per cent. chance of inheriting the condition means that screening is vital, not only when someone is diagnosed but after a sudden

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death when there was no diagnosis. Families who have seen siblings or parents die need to be told the actual cause of that death, and the risks to them and the rest of the family. Too often, they are not—the coroner's report records that the death was by natural causes. It is crucial that a knowledgeable pathologist with relevant training determines the cause of death. On many occasions, families have had to fight to get that information, which is totally unacceptable.

I want to talk about each of those problems in more detail. Before doing so, however, let me say that in many cases the cause of most distress is also the cause of greatest hope. If we understand and know where the gap in service is, and we understand that by filling that gap we have a chance to prevent deaths in future, we must surely see this debate as a moment for optimism. We can do something about it. We can find the individuals at risk, treat them and enable them to manage a significantly lower level of risk. Perhaps we can even eliminate the risk altogether.

There are problems to which there are no solutions. I shall be analysing the problems and, where they exist, and the solutions, and explaining how the Bill could plug some of the most important gaps.

I see the first hurdle as the point of diagnosis—diagnosis by a GP who must not shy away from the knowledge that certain symptoms can constitute a warning of a potentially fatal condition, no matter how young and otherwise healthy someone is. Diagnosis is not difficult if the doctor knows what he is looking for. There are often obvious warning signs: palpitations, shortness of breath, fainting or chest pains. All too frequently they are dismissed.

Let me quote from research by Alison Cox, founder and chief executive of Cardiac Risk in the Young. She writes

> "From the personal evidence given to CRY, when a person of 16 years of age presents themselves to a GP surgery or an A and E department, the medics think there can't be anything wrong and they are dismissed. If you have the same symptoms at 60 you are put straight into cardiology. It's ageism in reverse".

Once the GP has realised the seriousness that can normally be picked up by an electrocardiogram or an echocardiogram, that should be his concern. He should explain what treatment opportunity there is, and ensure that it is available to a young person.

An electrocardiogram, or ECG, is commonly used. It is a non-invasive procedure to examine electrical conduction pathways. It can determine the rate and regularity of the heartbeat, the size and position of the chambers, and whether there is any damage. An echocardiogram, or echo, shows muscle thickness and the size of the chambers by means of ultrasound. As well as providing one-dimensional images known as M-mode echo, allowing accurate measurement of the heart chambers, the echocardiogram offers far more sophisticated and advanced imaging. That is known as two-dimensional echo, and is capable of displaying a cross-sectional slice of the beating heart, including the chambers, the valves and the major blood vessels that emerge from the left and the right ventricle.

There are cases in which people have died apparently without cause, having been cleared by ECG and echo. Because both procedures are recorded, it is possible to take a look—and there, perfectly clear to those who know what they are looking for, are the tell-tale signs of the condition that killed those people. The problem lies not just with GPs but with cardiologists. I acknowledge that cardiologists are highly specialised and very capable, but it appears that in some cases they simply lack knowledge of this particular set of conditions, and do not see problems when presented with the results of an ECG.

I stress again that I am making no personal criticism of doctors. I do not want the medical establishment to take me on. I want the medical establishment to understand that what I am saying is academically detailed and uses practical evidence. I ask it to accept that a systemic problem exists: it is not any individual's fault. I realise that hardworking medics prioritise, and that their main clinics consist of people over 50. In such circumstances it is easy to underestimate the problem involved in a 20-year-old's heart condition. The Bill, which emphasises the connection between symptoms and screening by relevant cardiologists, should significantly reduce both the lack of screening and inadequate screening, as well as inadequate interpretation of the results. All those things are central to the cause of death.

Dr. Kumar: I listened carefully to what my hon. Friend said about doctors and the medical establishment. She is making a powerful case. People studying to become consultants and cardiologists may ignore the important factors that she has mentioned, or may be unaware of them. Could they not be included in the curriculum?

Ms Taylor: While I think my hon. Friend's intention is honourable, I think that politicians should be very cautious about telling professionals how to draw up their curriculums. I can suggest and persuade, but it is up to those organisations to define appropriate training, and to ensure that medical practitioners in all spheres understand what they are doing.

We are talking about relevant cardiologists who have clear and specific knowledge of the problem, but are overwhelmed by the work that they are asked to do. That invariably means that they will underestimate the condition of a 20-year-old. I hope that there will be more understanding of the problem as a result of the Bill, and the education process that all of us, not just medics, are undergoing.

The second hurdle involves treatment. The belief that it is not just a question of the symptoms of confirmed conditions but of treatments that do not exist is nonsensical. People have complained that screening cannot be effective because the condition is unidentifiable. As I have tried to prove today, certain highly specialised cardiologists would not agree with that. It simply is not true. While I acknowledge that there is no cure for some conditions, there are treatments that can alleviate or control them, and possibly reduce the risk of death.

There are drugs such as beta blockers, which block the effects of adrenalin on the body's beta receptors. They slow the nerve impulse and travel to the heart. As a result the heart does not have to work so hard, because it needs less blood and oxygen. Beta blockers are also the

impulses that can cause arrhythmia. They are used in cases of hypertrophic cardiomyopathy, arrhythogenic right ventricular cardiomyopathy, Long QT syndrome and Marfan syndrome.

Diuretics—water tablets—can be used for dilated cardiomyopathy. It is believed that the young Irish footballer Cormac McAnallen died from dilated cardiomyopathy, but that was induced by a virus. That is very different from inheriting the condition. Diuretics rid the body of excessive fluid, and can be very effective in improving the performance of the heart.

There are the simple steps involved in surgery—normal ablations or excisions of the heart, or a catheter ablation, which involves the delivery of electrical energy via a catheter inserted in the groin and travelling to the right side of the heart where the arrhythmia originates. That creates a small scar which is incapable of transmitting any arrhythmia, and is used for arrhythogenic right ventricular cardiomyopathy.

Radio frequency ablation is carried out by passing a wire into the heart via the large artery in the leg—the femoral artery. The abnormal pathway is located by the electrical stimulation, and destroyed by passing a high current through it. That treatment can be, and is, used for Wolfe-Parkinson-White syndrome. Pacemakers and implantable cardioverter defibrillators—ICDs—are also used. In some patients with hypertrophic cardiomyopathy, a pacemakers achieve a normal signal. Such a signal may fail, and a pacemaker is there to kick the heart back into action. In cases of rapid heartbeat that cannot be controlled by drugs, an ICD can be fitted, which is similar to a pacemaker. A box is implanted under the skin in the upper chest. The box has fine wires that are attached to the heart to record and deliver electrical impulses, in the absence of normal electrical impulses. It is important that I make it clear that treatment is possible. It is crucially important for us all that the need for treatment be acknowledged, and that it be provided.

If the first problem is lack of diagnosis and the second the lack of treatment, the third is that there are no referrals for families in which such a disease can be inherited. Relatives are not invited for screening, yet three or more people in a single family can die because such conditions are inherited. How can relatives not be at risk when it is known that the disease is genetic? I am afraid that no response or explanation can suggest anything other than a lack of knowledge. I defer to my hon. Friend the Member for Middlesbrough, South and Cleveland, East (Dr. Kumar), who suggested that we consider the role of training in this regard. The Bill does not provide for that, but the information that I have received suggests a lack of knowledge on the part of medical practitioners. These conditions are rare, but they have been well researched and well documented in medical journals. Their rarity only underlines the importance of establishing specialists throughout the country, and of using the solutions that the Bill offers.

There are so many examples illustrating the gap in service provision that I cannot give them all, but I shall briefly outline one that presents both a problem and a solution. A woman named Sandra Pearce asked her GP for screening following the death of her daughter, and was told, "I shouldn't worry if I were you. These things are very rare." I accept that that is so, but they are not rare when the condition is part of an inherited gene. There is a 50 per cent. chance of inheriting such a disease, as I have explained. Her primary care trust turned down her request for testing. Her cousin had come over from New Zealand for the funeral, and on returning, she explained to friends why she had been away. Within 48 hours, her GP was on the phone, advising her to make arrangements for genetic testing. All of us want this medical service to be available in Britain. My Bill asks that this service be recognised, and all will agree that it must be delivered. It is clear that it has great potential for saving lives.

Academic research, and research based on practical experience involving actual medical activity, has been published in serious medical journals. It outlined the conditions that can cause fatality, the accompanying symptoms and the treatments that can alleviate the conditions and cut the risk of sudden death. The Bill is primarily concerned with screening as a process for diagnosing conditions, thus helping to prescribe medical solutions where they exist. However, for the House to understand the Bill's relevance, I need to outline the conditions and relate them to the value of screening.

Let us first consider the group of conditions that come under the heading of cardiomyopathies. Hypertrophic cardiomyopathy is the most common cause of sudden death in those aged under 30, and its prevalence in the general population is one in 500. Today, more than 10,000 people in the UK suffer from this problem. In a healthy heart, every beat results from an electrical signal that starts at the top and passes down through the heart. Hypertrophic cardiomyopathy is caused by an abnormality of the proteins responsible for the contraction of the heart. For reasons that are not clear, the abnormal proteins result in a thickening of the heart muscle, and predispose the sufferer to arrhythmias that can cause sudden death.

Hypertrophic cardiomyopathy is incurable but the symptoms can be ameliorated and sudden death is preventable. In the majority of cases, the condition is inherited from a defective gene in one of the parents. As I have said, there is a 50 per cent. chance that each child will have the disease if the parent presents the symptoms. Those symptoms are well known: shortness of breath, chest pains brought on by physical exertion, rapid palpitations and an irregular heartbeat, light-headedness and black-outs.

Treatments do exist, and although there is no cure for hypertrophic cardiomyopathy, screening enables treatment to prevent complications, reduce symptoms and prevent premature death. Treatments include drugs such as beta blockers, the use of an ICD to record and deliver electrical shocks in the presence of fatal heart rhythm disturbances, and in some cases surgery. Through a surgical myectomy, a portion of the thickened heart muscle is removed, and widening the outflow tract in the left ventricle relieves obstruction.

Arrhythmogenic right ventricular cardiomyopathy, involving a progressive replacement of normal right ventricular muscle cells by fibrous tissue and fat, is the second most common cause of unexpected sudden death in the young. The condition is inherited; indeed, there is a 50 per cent. chance of inheriting the abnormal gene. Diagnosis, involving the use of an ECG and 2-D echo, can be problematic and usually requires a specialist with expert knowledge. The features are often very subtle,

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underlining the crucial role of cardiologists with the relevant specialism. So it is clear that screening can outline the problem and offer solutions.

I offer some startling facts about arrhythmogenic right ventricular cardiomyopathy. Typical symptoms include rapid heartbeat, light-headedness and fainting episodes, occasionally leading to sudden death. Where drugs do not prove successful, the use of an implantable cardioverter defibrillator, a catheter ablation or a surgical ablation may be necessary. So treatments are available and the known symptoms can be detected through screening.

In instances of dilated cardiomyopathy, the main pumping chambers of the heart are dilated and contract poorly. This results in a low output of the blood from the heart. Occasionally, the right side of the heart is also involved, with fluid accumulating in the body tissues, particularly in the ankles and abdomen. Causes can include viral infection or an auto-immune disease. The immune system can be triggered to attack itself, and antibodies against the heart are found in approximately 30 per cent. of dilated cardiomyopathy patients, and in a similar proportion of asymptomatic relatives. In terms of genetics, dilated cardiomyopathy is familial in at least 20 per cent. of cases.

These conditions are well known. The symptoms are shortness of breath, lack of energy, swollen ankles, chest pains and arrhythmias. The treatment after effective screening is there: water tablets and angiotension, which converts enzyme inhibitors to reduce the amount of work that the heart has to do; there are receptor blockers and contractile performance enhancers such as digoxin, and beta blockers to improve the cardiac filling and reduce the work load on the heart.

I am not a medic, and I have taken the information from medical reports. I have been briefed by experts in the field, who have outlined the relationship between symptoms, screening and treatment. I hope that I am persuading the Minister.

Another group of problems are the ion channelopathies. They are genetic mutations that produce proteins that are found mainly on the outside of cells and regulate electrical activity. They are undetected in a post mortem, so it is crucial to understand what the symptoms are so that we can put in place a series of operational opportunities to diagnose.

Long QT syndrome is an ion channelopathy. It is the consequence of an irregular electrical pulse. Two of the potassium channels that regulate the behaviour of the potassium ions moving from the inside to the outside of cells are inefficient, or the sodium channel over-activates. This can be reflected in an ECG process as a lengthening of the period known as the QT interval—hence the name. There are no physical signs of the condition, which is why screening is so important. Diagnosis depends on observation of the ECG and may require repeated ECGs, exercise tests and a 24 to 48-hour tape monitoring. The symptoms are known: black-outs are the commonest, and there are palpitations and sudden death related to exercise or when startled, aroused suddenly or, sadly, when asleep.

The management of the disease is possible with beta blockers, pacemakers, cardiac defibrillators and lifestyle changes, which means avoiding strenuous exercise.

There are many diseases, and I could go on in great detail. They include Brugada syndrome; Wolfe-Parkinson-White syndrome—which produces a very rapid heart rate but is usually completely silent and can be detected only with routine ECG screening; Lev-Lenègre syndrome, which is very rare, but well documented; and Marfan syndrome, an inherited disorder of connective tissue suffered by more than 5,000 people in Britain. The treatment suggested is regular ultrasonic scans to check the condition of the aorta wall and prevent a tear or ruptures. That can be done with beta blockers, or an operation may be required to strengthen the wall.

These conditions are well documented and presented academically in medical journals. The symptoms can be detected through screening, and there are clear and unequivocal corrective measures, including drugs such as beta blockers. The common factor in all the conditions is that screening can be seen to define diagnosis and support prescribed treatments. Nobody is under any illusion about the fact that some of these conditions will result in death, but surely not in the numbers that we have today—the best guess is four or eight a week. The conditions are inherited.

I have a little further to go. I promise the House that I will not be much longer—probably 15 minutes. *[Laughter.]* I wanted to give hon. Members a realistic hope and cheer them up.

What does the Bill suggest? Its aim is to achieve access to a screening process to confirm or identify a disease.

Mr. David Stewart: You mentioned screening. Were you disappointed that the National Screening Committee did not recommend a national high-risk screening programme, and do you take some hope—

Mr. Deputy Speaker (Sir Michael Lord): Order. I remind the hon. Gentleman that he must use the correct parliamentary language.

Mr. Stewart: Does my hon. Friend agree that it is important that the committee consider the issue again and introduce high-risk screening?

Ms Taylor: That is an excellent point. The committee is in fact not too unsympathetic to much that is suggested in the Bill. Although the use of language is loose and open-ended, it recommends a screening process, while I am keener to say that that should be tightened up and controlled. That will be my next port of call in lobbying.

The Bill is aimed at the recognition of certain symptoms, including palpitations, black-outs and breathlessness disproportionate to activity, that suggest the presence of a disease requiring screening to confirm or otherwise. It requests an acceptance that a "relevant cardiac specialist" is required to supervise the screening process, implying an acceptance that specific and detailed research-based knowledge exists, so that an accurate diagnosis is possible. It requests an acceptance that a "relevant pathologist" is required when a sudden death has occurred, and thus an acceptance that in the case of inherited diseases such as hypertrophic cardiomyopathy, we need to know not only that the myocardium has become enlarged but that families will

be told the details that the pathologist has determined. That is equally the case with dilated cardiomyopathy and arrhythmogenic right ventricular cardiomyopathy.

When sudden death occurs without warning or diagnosis of illness or disease or an awareness that the cause of death was an inherited gene, it is crucial that we gain more understanding and can give advice to relatives. The Bill provides for an invitation to screen first-degree relatives, those who are genetically related to people diagnosed with an inherited disease. The research guidance says that children have a 50 per cent. chance of inheriting the disease from parents, so we need experts to determine whether it was present and communicate the facts to relatives.

Communication of the cause of death by the professional groups to first-degree relatives or next of kin should include a support mechanism, a statement of the cause, and a pro forma confirming that the disease causing death was genetically inherited. All first-degree relatives would then be invited to attend an immediate screening process, which means that we would be behaving proactively, in the hope of a high take-up, with the aim of preventing potential life-killing diseases and saving lives.

The Bill is minded to acknowledge the heavy work load of all medics and suggests that, at all defined points of communication, a pre-written letter explaining the cause of death be made available—requiring only a named identification of the person who has died and the signature of the medic. A pro forma should include the medic's name, the name of the person who died and a request for all first-degree relatives to attend an immediate screening. Crucially, I have referred to countries such as New Zealand, which offer that service, but I want to make it equally clear to the House that there can be no insistence. The decision whether to take up the offers made by the medics is a matter for individual family members.

Throughout the Bill, there is an implicit acknowledgement of the significant amount of research knowledge about the details of the diseases with a potential to kill, and on the vital links in the chain of diagnosis of condition, which can be used as a screening process. Use of the language "relevant specialist" explicitly draws attention to that point. Additionally, the aim of the Bill is not to seek a national screening process, but a screening programme that immediately kicks in at the time when concern is expressed about the symptoms or condition that someone is suffering from. As I have said, it applies to first-degree relatives when an inherited disease is confirmed in one of its members at a time when a pathologist establishes the cause of death as an inherited disease.

The Bill, as I said, implicitly acknowledges the research-based specialist knowledge that exists, in the belief that it should be easily and universally accessed by cardiac specialists and pathologists. That knowledge informs an understanding of the disease that can cause death. It significantly informs a medical process that defines screening as the potential means to save life. The system of communication is not perfect—families use different GPs and are geographically mobile—but the mode of communication and the structures outlined in the Bill are significantly better than the current ones.

The Bill could have placed a further responsibility on GPs to establish a "family history", similar to a family tree with the genetic conditions indicated. Such information, if available, would most certainly pinpoint accurately those individuals who are at risk of inheriting a disease that has the potential to cause death. Such a family tree could ensure that from a young age, appropriate lifestyle and drug support could be suggested and utilised to manage the disease, with significantly increased competence to prevent a fatality. The suggestion of a family tree is not included in the Bill, but its efficacy is without doubt, which I hope will be acknowledged and eventually accommodated by the NHS.

I have taken a long time to outline—

Dr. Kumar: Not really.

Ms Taylor: My hon. Friend is too kind. I am well aware that I have taken a long time to outline to the House a very complex set of conditions and to express a clear hope that screening can be used to define and support families with certain conditions. As I said, sudden death traumatises families. Many—certainly the majority—fail to come to terms with the loss of a young daughter, son, father, mother, brother or sister, especially when they believe that their symptoms were disregarded or undiagnosed and their conditions left medically untreated.

In the Cardiac Risk in the Young (Screening) Bill, I have attempted to outline and use the practical knowledge and research of a small number of highly qualified and respected cardiac specialists. That information has informed the content and structure of the Bill's clauses.

The work of the cardiac specialist, Dr. Sanjay Sharma, supported by the academic physiologist Dr. Greg Whyte, has centrally informed the content of this Bill. In their working lives at the University hospital, Lewisham and the English Institute of Sport, they have gathered information on symptoms that suggest the existence of conditions that have the potential to be fatal. Additionally and importantly to the Bill, they have produced research-based information that positively shows the value of screening by a relevant specialist to diagnose potentially fatal diseases as well as to prescribe a lifestyle or medical treatment that will control the condition and significantly reduce—in some cases eliminate—its potential to kill.

I am indebted to Dr. Sanjay Sharma. His advice has been indispensable, his medical knowledge central to a Bill that, if adapted or accepted, could support the achievement of a universal national service for people who are at risk in order to diagnose a potentially killer disease. I hope that the Minister will acknowledge that that information has come from a specialist in this medical field.

My final word of thanks is to the charity Cardiac Risk in the Young. The support I have received from its chief executive, Alison Cox, has been persuasive, creative and very thoughtful, and the Bill would not have surfaced without her support. The members of that charity, mostly families who have suffered the loss of a loved one, have equally provided an abundance of support. I am very grateful to them all. They, along with my close

[Ms Taylor]

friends the Morland and the Bowen families, have been the source of inspiration for the Bill. I will be eternally grateful to all.

I am grateful to the Minister for the time she and her officials have spent debating the issues and advising me about the content of the Bill. My only request to her as I end my speech is that she wholeheartedly supports the intention of this Bill and sees the veracity and efficacy of screening to define and explain conditions and symptoms in the hope that the definitions and diagnosis can establish treatments that will save lives.

10.57 am

Mr. Eric Pickles (Brentwood and Ongar) (Con): I am grateful for the opportunity to make a brief contribution to the debate on the Bill. It is a pleasure to follow the hon. Member for Stockton, South (Ms Taylor) and I hope that she will not mind my gentle teasing when I say that I was a little concerned that she might be about to enter parliamentary history by talking her own Bill out. However, she made a powerful and important speech, following an earlier equally powerful speech on Wednesday night at the CRY reception. She has gone in considerable detail into the various complexities of the problem, and the whole House is grateful to her.

I apologise to the hon. Lady, to the Minister and to my hon. Friend the Member for Westbury (Dr. Murrison) because, on account of a constituency engagement, I doubt whether I will be able to be in my place for the wind-up speeches. It is my intention, however, to stay for as long as I can.

I particularly welcome the commitment that the hon. Lady received from the Chairman of the Health Committee to hold hearings and an inquiry into the problem. If Select Committees are designed to achieve anything, it is to give the sort of precise forensic analysis and scrutiny that the hon. Lady displayed in her speech. I have the honour to be one of the sponsors of the Bill. I was going to say that two people persuaded me, but it was three because, as we have learned this morning, the hon. Lady can be very persuasive. It is an honour to lend my name to her important Bill. As my moment in the sun disappeared last Friday, it is appropriate for me to say that her Bill is the most important of the whole batch of private Members' Bills in this Session.

As I said, I wanted to speak in this debate because of two constituents, one whom I knew very well and one of whom I did not have the honour of meeting, although I have met his very brave mother and, this morning, his father. The first person about whom I wish to speak was my friend, Alan Gunnell. He was a young, serious man who was involved in the local party when I was first selected for Brentwood and Ongar in the early 1990s. We had an instant rapport. He was the kind of person most of us know from our local parties—serious and interested in politics. However, there was another side to Alan that I will long remember: he was a gifted mimic and he had a wicked sense of humour. He was one of those people to whom politics came easily. He had a natural rapport with the community and he was eventually selected to stand for a seat on the local council, which he won with enormous aplomb, such was his reputation.

A few short days after his second election, Alan sadly died. He did not turn up to an association event on a Sunday, which was unusual. We wanted to talk to him about various issues, so some of us left jokey messages on his answering machine. We did not know that Alan had passed away the previous evening. We did not find out until the Monday morning.

Alan was an only child and his parents were devastated. The effect of Alan's loss among his circle of friends was a deep sense of grief that continues to this day. A room in the local community centre was named after him, and life goes on. Only a few months ago, I held a surgery in the Alan Gunnell room at Tipp's Cross. I asked one particular constituent if there was anything else I could help her with. She said, "Yes, who was Alan Gunnell?" At that point, I felt a deep sense of anger, not at the constituent, because—as hon. Members will know—that way lies the route to madness, but because Alan should have been there. He should have been with me at that surgery. He was a man of great promise who did enormous things. He would probably have ended up in this place, and his loss is a loss not only to his friends, but to the wider community.

The second constituent, whom I did not have the opportunity to meet, was a young man called Ashley Jolly. Ashley was just 16 years old when he died in May 1998. He was a physically fit young man—as the hon. Member for Stockton, South said, that is often a characteristic in these cases. He played football from the age of six, he was a distance runner and he did the London to Brighton bike ride with his father. Ironically, he was awarded a prize for never having any time off school for illness. The day he died, he had a happy, peaceful day tinkering with a go-cart with his father. He went to bed, but he did not get up.

Ashley's parents were told that he had almost certainly died from asthma, and that was the verdict of the post-mortem. However, his mother is a remarkable woman and she realised that the verdict was not right. She looked on the web and made inquiries. She began to understand what had happened and informed herself about the electrical workings of the heart. She started a website and others wrote to it. She discovered an organisation called the Sudden Arrhythmia Death Syndromes Foundation—or SADS—in the US, and there are similar organisations in Australia and Canada. She took the brave step of forming the UK branch of SADS and organised a seminar to discuss the issues with other charities concerned with the problem of cardiac arrest. Another conference will be held in June at the Oxford genetics knowledge park.

Ashley's mother was later joined by Penny Hurrell, whose daughter Louise I mentioned in an intervention in the hon. Lady's speech. Louise was 12 years old when she died. She had had Wolfe-Parkinson-White syndrome since she was a toddler, but the family had been told that there was nothing wrong. A simple treatment could have ensured that she lived a long and happy life.

A common myth exists that if one is diagnosed with a condition that causes sudden arrhythmic death, one has no alternative but to wait to die. As the hon. Lady clearly demonstrated, that is not the case. The treatment is often simple and does not mean an invasive operation, but a course of drugs.

We meet at a time when our nation's attention is focused on the tragic deaths in a terrible terrorist attack in Spain. We have met on many occasions after accidents on our railways or on the roads. As my constituent Anne Jolly said to me yesterday, "If all our children had died on the same day, there would be a public outcry. Because they happen in isolation, we often feel abandoned by the system." The Bill offers a chance to end that feeling.

The hon. Lady said that the conditions that she was talking about are rare, and that is right, but they are not uncommon. I was very struck by discussions with fellow MPs in the Tea Room and at the reception on Wednesday, because it was clear that most of us know of such cases. Most of us have not just a constituency connection, but a personal connection to the issue. The hon. Member for North Durham (Mr. Jones) asked the hon. Lady for information about what is happening in other countries, but the truth that we have to come to terms with—and it is not easy—is that if we were Italian, French, Canadian or Australian we would have a better chance of surviving such conditions than as British citizens. That is a result not of policy, but of a combination of ignorance and neglect. These illnesses have been a hidden killer that we have not entirely understood. Families have been robbed by these illnesses, and so has society, of bright young people who should have lived full and happy lives.

The hon. Member for Tynemouth (Mr. Campbell) asked, "What is young?" That set me thinking about the common factor in all these deaths: shock. Such deaths should not happen to a young healthy person, an athlete, someone who receives awards for never taking time off. Doctors simply do not believe that anything could be wrong when such a person goes to see them. The Bill offers us a chance to address that reverse ageism, to ensure that young people and families, like all of us, have the right to enjoy a long, happy and productive life.

11.10 am

Mr. David Stewart (Inverness, East, Nairn and Lochaber) (Lab): My hon. Friend the Member for Stockton, South (Ms Taylor) deserves the highest possible praise for using her elevated position in the ballot for private Members' Bills to introduce this excellent Bill, which I fully support and endorse. My hon. Friend made a first-class speech, which was articulate and informative.

May I apologise to the House, as I shall be unable to stay for the wind-ups? I have a family engagement.

Few events in life can be more traumatic for parents than the death of a child, or the death an adolescent son or daughter. I speak with some personal experience, as 10 years ago, I tragically lost my nine-month-old son Liam, through cot death.

Over the years, I have met and worked with scores of bereaved parents. Support, understanding and counselling can, of course, help parents and children to come to terms with bereavement, but no one can answer the big question, "Why me?"

Ms Dari Taylor: My hon. Friend carefully and accurately says that the loss of a child would traumatise any family, but may I kindly ask him to extend that comment to include young husbands, young wives and young brothers and sisters, whose families are equally affected in such situations?

Mr. Stewart: My hon. Friend makes a very valid point; we sometimes forget the wider family network, which is incorporated in the Bill.

The effects on parents of the victims of sudden cardiac death are no different whatever the age, and, as we heard earlier, it is the main cause of death in those aged under 35. We also heard that the condition kills between four and eight young people in the UK each week. The *Medical Journal of Australia* reports that one in 200,000 school or college athletes will die suddenly, most without prior symptoms.

There is much concern about risk factors. On 18 February 2002, the *Medical Journal of Australia* identified a few of the factors to which my hon. Friend referred earlier; they included family history, previous cardiac arrest and links to genetic mutations. In July 2003, the journal *Heart* reported survey evidence showing that 80 per cent. of sudden cardiac deaths in athletes occurred following, or during, vigorous exercise.

May I refer to an example that my hon. Friend touched on earlier? In 2001, in the constituency of my hon. Friend the Member for Western Isles (Mr. MacDonald), a 24-year-old school teacher, Joanna Fotheringham, died suddenly in her sleep. The charity Cardiac Risk in the Young—about which we have heard so much today and which I fully support and congratulate on its work—led an excellent initiative with the Western Isles council and the Western Isles health board. They conducted ECG tests on 600 young people aged between 15 and 18. That was the first time in the UK that such a programme had been undertaken routinely for heart disease. The charity rightly wants British health authorities to back nationwide cardiac screening—albeit in a highly targeted way—such as that in Italy and America.

Alison Cox, the founder and chief executive of CRY said of the Western Isles scheme:

"Our programme in the Western Isles aroused considerable media interest . . . with moving interviews with Alex Fotheringham"—

the father of the young teacher—

"talking about the devastating impact on her family of Joanna's sudden death, and George Moodie, Joanna's headmaster on Lewis, explaining how the sudden cardiac death of a young and much loved teacher like Joanna affects the whole community".

I should like to touch on another semi-local issue. A few weeks ago, my local newspaper, the *Highland News*, launched a campaign to raise £750,000 for a dedicated, cardiac rehabilitation and research unit. I congratulate the newspaper, as that project is very much in the spirit of my hon. Friend's Bill.

Screening is vital. As we all know, national screening programmes are usually carried out following advice from the UK National Screening Committee. In 1996, the previous Conservative Government said that no new programmes could take place until the committee had analysed their effectiveness. Although the NSC rejected screening for sudden cardiac death in the young, the evidence base is being reviewed this month and I am sure that the whole House looks forward to a more positive response from the committee.

[Mr. Stewart]

Why do I support the Bill? I believe that high-risk, targeted screening, not general population screening, is vitally important. I believe that an automatic right to screening for all relatives of people who have died from sudden cardiac arrest is crucial. Relatives will have a high motivation to participate, so such screening will be highly effective and efficient. As the causes of sudden death in young people have a genetic link, family screening is imperative.

This is a first-class, well researched Bill. My hon. Friend deserves congratulations on her initiative in introducing it, and I strongly commend it to the House.

11.16 am

Mr. Nigel Jones (Cheltenham) (LD): It is a great pleasure to support this important Bill, and I congratulate the hon. Member for Stockton, South (Ms Taylor) on introducing it, and on the huge detail that she gave us about the various conditions and treatments for which she wants screening to be available. I also congratulate her on the passion that she showed in her speech.

I am a sponsor of the Bill, and I suspect that the main reason why the hon. Lady invited me to be a sponsor is that I am one of the few Members to have had a heart attack. I do not recommend the experience, and I would like to help colleagues to avoid it if possible, so I thought it might be useful to the House in considering the Bill if I explained some of my first-hand experience of the conditions that the hon. Lady was talking about.

First of all, finding out that one has a heart problem is a gigantic shock, not just for the patient but for their family and friends, too. On 7 November 2002, I was suffering from what I thought was just a heavy cold. I had just returned home from one of those weeks in this place when there had been a lot of votes and, in the Lobby, everyone was passing on germs from all over the country.

After hours of coughing and spluttering, I started to have real problems breathing. I eventually told my family, "Call an ambulance, I think I might be dying". Gloucestershire ambulance service arrived very quickly to give me oxygen and the paramedics walked me out to the ambulance. I want to record my enormous thanks to the paramedics for their promptness and professionalism.

In Cheltenham general hospital I lost consciousness for a time. A little later, my wife was taken into a corridor and told to prepare herself for the worst. My heart was not pumping properly, and my lungs were full of fluid. The doctors thought that they were going to lose me. I cannot find words of praise sufficient to thank the people who treated me. However, suffice it to say that they managed, eventually, to drain the fluid off my lungs and to stabilize me. An hour later my wife, son and daughters were allowed in to see me and the look of relief on their faces will live with me for ever.

The following day, the cardiologist, Dr. Challoner, whom I have tasked with keeping me alive, told me that I had suffered a heart attack. What he actually said was that I had had a myocardial infarction, or MI, which is what doctors like to call heart attacks. I had suffered no pain, so in that respect I was lucky, but the evidence from the blood tests was clear—it was a heart attack.

The doctor had been keeping an eye on me since 2001, when it was discovered that my heart had an irregular beat—a condition called atrial fibrillation. I underwent an electrical cardioversion, which the hon. Lady mentioned, when, under general anaesthetic, paddles were used to stop and restart my heart to try to restore a normal heartbeat. When I woke up, I asked the anaesthetist whether the procedure had been successful. "No," she said, "we had six goes, but they didn't work." She added, "And you snore." That was a year and a half before the heart attack, but a week after my heart attack, I underwent an angiogram, which the hon. Lady described. It is a process where a tube is inserted into the groin and fed along an artery into the heart and, using a dye, it is possible to see the function of the heart and detect any problem. Normally, an angiogram is a 20-minute, procedure, carried out under local anaesthetic—not in my case.

During the angiogram, the doctor was surprised to discover that my heart attack had caused only a tiny amount of damage in a single vessel of a side artery. He said that he could not understand why I had been so ill, with just a tiny bit of damage. I was able to watch what was happening on monitors in the room. It was fascinating—but frankly, it would have been even more fascinating if it had not been my own heart that I was looking at. The 20 minutes passed. My cardiologist left the operating theatre. A nurse kept giving me a spray under my tongue to stop the pain. I told her that I had no pain. She seemed surprised. A second cardiologist arrived. After a certain amount of prodding, he told me that they were thinking of transferring me to Oxford, where they have better facilities. He pointed out that there were advantages, including an opportunity for travel. At that stage, I wondered whether I ought to consider a spot of praying. Anyway, after a total of two and a half hours, what I had expected to be a 20-minute procedure was over.

Ms Dari Taylor: I am finding the way in which the hon. Gentleman is presenting his argument very engaging, but I want to ask a specific question. At that stage, he was invited to go to Oxford—probably to the Radcliffe hospital—and not asked to remain in his local NHS hospital. Is he suggesting—I would most definitely think this relevant if he were—that the some people's expertise is greater than others and that it is time that that was more acknowledged and more utilised in the NHS?

Mr. Jones: That is a really good point. There are certain centres of expertise, and, yes, we should make more use of them. In fact, I should like to see more centres of expertise in local communities. People in my constituency either have to go to Oxford or Bristol if they have a serious condition. What happened in my case was that, during the angiogram, I suffered another heart attack on the operating table. There was no pain. I did not know about it, and the doctors and nurses did not tell me. Frankly, I might have panicked if they had.

Ms Taylor: Does the hon. Gentleman agree that certain cardiac specialists have greater knowledge than others and that that should be clearly understood in the NHS?

Mr. Jones: Yes, and not only the knowledge, but the equipment varies. There is far more equipment at the

Radcliffe hospital in Oxford and, indeed, at the Bristol royal infirmary, where I went later, than in Cheltenham. I should like to see more equipment in the local community, which is something that we can campaign for.

Where was I? I had just had my second heart attack. I had tubes in me, and the cardiologist told my wife, "We're having terrible trouble with him. He won't behave at all." To which she replied, "Nothing new there, then." The angiogram had turned into an emergency procedure—an angioplasty, where a balloon is inserted into the artery and inflated, and a piece of titanium mesh, called a stent, is inserted into the artery to keep it open. Astonishing though it may sound, the heart does not seem to object to titanium. In fact, I am told that, once it is in place, new cells grow on the inside of the stent. I was only the second person to have an angioplasty at Cheltenham general hospital, but it has since become a routine operation, so perhaps some good came of my experience.

It appears that one of my arteries had a problem that my cardiologist believes is a genetic fault, which is relevant to the Bill. It was something that I had inherited from my father, who died from a heart attack in 1985. It is possible that my children may also carry that genetic fault. In other words, there is a family history of cardiac problems. That is why the Bill is so important. We have already heard heart-rending stories about young people who have died suddenly. We all share the grief of their families. We were all struck particularly by the death of Marc-Vivien Foe, the talented Cameroon footballer. I know what it is like to lose someone close to me. Colleagues will know that, four years ago, I lost a close friend, Andrew Pennington, during an attack in my constituency office. That was a ghastly experience, both physically and emotionally, and the scars remain, but to lose a son or daughter, sister or brother, mother or father, wife or husband must be so much worse. I do not want to think about the anguish that I would feel if any of my children were to die before me, particularly knowing, as I do, that there is a family history of cardiac problems.

I could go on to tell the House about the further incidence of breathlessness that I suffered last April. There seems to be some appetite for me to do so. It was not a heart attack this time, but something called flash oedema, which presents similar symptoms. Again, an ambulance was called and arrived swiftly. Again, I walked to the vehicle and was taken to the hospital. Again, I lost consciousness, and my poor wife was told, by the same person as before, to prepare herself for the worst. I was unconscious for 12 hours, and I woke up with a horrible tube down my throat and a machine breathing for me. It was one of the most unpleasant experiences that I have ever had.

I was kept in hospital for two weeks, including being transferred to the Bristol royal infirmary, where I underwent a number of further tests. Those tests included another angiogram, which discovered that my stent is working well; several ECGs, which the hon. Lady has discussed; an echocardiogram; and, worst of all, a 40-minute MRI scan, where the patient lies in a tunnel and pictures are taken. In my case, the pictures were of my heart and kidneys. I do not normally get claustrophobic, but an MRI scan is just awful.

Ms Taylor: The hon. Gentleman is very generous in giving way; but, again, I need to ask this question, and I am looking forward to hearing the answer. He is explaining in some detail the care and responses of medics to his conditions, and we are all impressed. We are all delighted—it is such a pleasure to see him looking so well on the Floor of the House today—but does he accept that, if he were 22 and not over 40, the responses to his conditions might have been significantly less?

Mr. Jones: The hon. Lady is very generous to say that I am over 40—it is a bit more than that, actually—but she is right about inverted ageism, which might have affected me if I had been 22, rather than 50-something, at the time.

After all those tests, no reason could be found for the event last April, which is a bit worrying. It was definitely cardiac-related, but my cardiologist was unable to say what caused it or that it would not happen again. If I suddenly sit down, it may be happening again. He suggested that it might be "an occasional electrical fault", which made me sound like an old Vauxhall a friend of mine once owned. Regular checks are continuing, including daily blood pressure tests, which I carry out myself. I am currently taking five types of medication, some of which the hon. Lady mentioned. They including a medicine to control the atrial fibrillation; a mild diuretic to stop a build-up of fluid; a statin to control cholesterol; a calcium channel blocker—its role has been explained to me many times, but I still do not quite understand what it does—and an anti-coagulate to thin the blood. It is likely that I will have to take those tablets for the rest of my life.

I asked my doctor how ill I was on a scale of one to 10, where 10 was falling over completely. He told me that when I came in to the surgery, I scored nine and a half, but that I was now probably about two. One doctor who took my blood pressure said, "Oh, you've got blood pressure to die for", which I thought was an inappropriate description in the circumstances. Another doctor explained that the recovery time for a broken limb is six months, and that it is six months for a heart attack too. I had two heart attacks, and it took me a year to recover. Colleagues may have noticed, although it is more likely that they were too busy with their own work, that I was not around Westminster much during that year of recovery. Of course, I came here for the key debates and votes, especially on Iraq, but during my recovery, I followed to the letter the advice that I was given by my cardiologist and those in the splendid cardiac rehabilitation team in Cheltenham, who told me that if I continued working the same number of hours, I was going to kill myself. They are not too impressed by the lifestyle that Members of Parliament endure.

I must say that my colleagues, including my party leader and Chief Whip, were wonderfully understanding and supportive. That is unusual for a Chief Whip. My staff worked tremendously well, making sure that we dealt with all the constituency case work. I also received numerous "get well" wishes from my constituents, and it all helped with the recovery.

[Mr. Jones]

I simply do not know how much my treatment has cost the NHS. It certainly cost many thousands of pounds. The titanium stent alone cost £5,000—my wife says that it more than doubles my value—and there was also the time that the wonderful NHS staff put in, including ambulance paramedics, the doctors and nurses who resuscitated me twice and looked after me in hospital, and two cardiologists; we had only two cardiologists in Cheltenham, and at one stage, they were both working on me at the same time. They spent a considerable amount of time with me. Those involved also included the technical staff who analysed all the tests and the anaesthetist who told me that I snored. I spent a total of four weeks in hospital. The process must have cost thousands and thousands of pounds.

The point that I want to make to the Minister—perhaps she could pass it on to the Treasury—is that screening those at risk, who we know are at risk because it is likely that they have a genetically inherited condition, can avoid much of the expenditure involved in the treatments. Accepting the Bill would not only prevent a person from dying but help the Treasury, as that person would become economically active and might remain so for decades. That would benefit not only the person concerned, in living a full life, but the economy and the Treasury.

I believe that it is in the Government's economic interests to pass the Bill into law, and I hope that we will see its modest proposals accepted. It is sensible and the proposed measures should be best practice. It will prevent many tragedies and much emotional turmoil. It will save not only precious lives, but scarce resources, and the Government will win a lot of credit and gain a lot of friends by grasping this opportunity.

11.34 am

Ms Meg Munn (Sheffield, Heeley) (Lab/Co-op): My constituent, Jason Howell, is a lucky man. He is married to Michelle, known as Shelley, and he is the father of two children, Georgia aged nine and Tom aged seven. However, it is not the joys of family life that make him lucky. He is lucky because he is alive. Unlike many of the people whom we have heard about today and those who suffer unknowingly from the conditions that have been mentioned, Jason Howell has cardiomyopathy, but was diagnosed as having it. Now in his mid-30s, like many of the people whom we have heard about today, Jason had always played football several times a week. He worked, he never smoked and he had only the odd drink.

Six years ago, Jason had a cold. Somehow or other, he felt that there was something wrong; his situation was like that of the hon. Member for Cheltenham (Mr. Jones). He went along to his doctor's surgery, but his usual general practitioner was not there and he saw a locum. Thankfully, that doctor—from what I have heard today, this is unusual—took my constituent's concerns seriously. She told him that he needed a thorough examination, to which he agreed. To his surprise, within 24 hours, he found himself in hospital. This is a young man who must not yet have been 30 and found himself diagnosed with a heart condition—a condition that he tells me has caused his heart muscle to thicken, making it difficult to pump blood around the body efficiently.

Following that diagnosis, Jason was off work for some four or five months. During that time, he did not feel particularly lucky; he felt like saying, "Why me? Why has this happened to me and my family?" There was very little information around, and he did not know what the condition meant for him. As we have heard time and again in the debate, our health services are used to dealing with people with heart conditions who are somewhat older. There is advice around and there are support groups. Such people are told how to manage their condition and what to do. Jason Howell, who was not yet 30, did not quite know what the condition would mean for him and his family, and for the rest of his life. He did not know whether it was okay to exercise. We know that when people have heart attacks, they are often told that exercise is a good thing after a period, but he did not know about that. One doctor said that it would be okay, but his doctor said that he should not really do any strenuous exercise, as it was a problem.

Jason had worked for Black and Decker for a long time. He was a machine setter, and he had worked his way up to be a manager. The company experienced some problems, so he decided that, rather than wait to be made redundant, he would seek employment elsewhere. He got a job with a food manufacturer. Throughout this time, he generally felt well, but he had had the occasional dizzy spells, which, as we have heard, are a symptom of some heart conditions. However, he was having regular scans with nothing to worry about, and he was told that he could carry on his life as normal.

Working in a food factory meant that one day, Jason went into a fridge freezer at minus 16° C. That is the last thing that he remembers. He was later told by his work colleagues that he was missing for about an hour before somebody realised that he was missing, and he ended up in Rotherham hospital. Nobody told him that such conditions might be a problem, but he learned that extreme cold and heat were dangerous to him and could exacerbate his condition. I am not a medical expert—like my hon. Friend the Member for Stockton, South (Ms Taylor), I rely on what other people have told me—but I am aware that the temperature meant that the difficulty that Jason already had in pumping blood around his body was exacerbated.

At that point, Jason decided that it was no longer sensible for him to carry on working. He is now at home most of the time, and he experiences occasional blackouts and dizzy spells, but carries on as best he can in looking after his children and experiencing the joys of family life, which have perhaps become more precious to him than to most of us. He has had a pacemaker fitted to help in trying to find out more about what the dizzy spells and blackouts mean. As my hon. Friend said, there are ways of treating these conditions and finding out more about them. Jason explained to me that, when he experiences dizzy spells, he can switch on the pacemaker so that it records what is happening in his heart, after which the readings can be downloaded, so that the experts have some understanding of what has been happening to him.

Jason is not just worried about himself, because he has learned that first-degree relatives are likely to be at risk. As the hon. Member for Cheltenham explained, the sufferer's children may be affected, although at this stage, thankfully, there does not appear to be a problem. Jason's children have to be scanned regularly. Like

many children, they are keen on sport. Nine-year-old Georgia is a keen runner involved in a local athletics club. Jason's seven-year-old son Tom supports Sheffield United—thankfully, he is not a Sheffield Wednesday supporter—and is a keen footballer. However, the condition may affect them, and their health has to be checked regularly. Jason's brother, incidentally, was a triathlete.

While Jason feels incredibly lucky to be here, he and his family feel isolated. Tragically, most people die before they are diagnosed, and Jason does not know anyone who is living with such a condition, so there is no one with whom he can share his experience. Many families who suffer traumatic events or people who are diagnosed with particular conditions turn to self-help groups or national bodies. Cardiac Risk in the Young—CRY—has provided Jason with help and information, but he does not know anyone else who is living with the problem. He has been told that 98 per cent. of people with the condition die before they are diagnosed. He is lucky to be here and fortunate that the locum GP had the skills to recognise the problem. However, although he has the support of his friends, family and CRY, he feels isolated. Who can he talk to about his experiences and situation? He is 35 and looking ahead, but there is no one else in his position, which is difficult and isolating for him.

CRY has been enormously important to Jason and his family in providing information so that they can understand his condition more. When someone is first diagnosed with a condition or something happens to a family member people want to know what services and support are available, how they can manage the condition, what their family should do and what is the best way forward. Organisations such as CRY help families to live as normal a life as possible.

Ms Dari Taylor: Once again, I am listening with great attention. Does my hon. Friend dispute the statement regularly made by people, including some medics, that families and young people do not want to know about those problems and resist screening? Does she agree that there is no evidence to support that statement?

Ms Munn: I completely agree with my hon. Friend. One has only to visit a family such as Jason's to see how important it is that people know about their condition. Having the opportunity to find out whether something is wrong and being able to manage it makes a huge difference. I do not know a great deal about my constituent's medical details, but if he had had the opportunity to be screened and had discovered his condition earlier, he might have done less damage to his heart. It is difficult to answer such questions retrospectively, but the use of screening to identify such conditions at an early stage is important.

I therefore congratulate my hon. Friend, who is also a good friend of mine, on choosing to tackle the issue in her Bill, which raises awareness and seeks to save lives. Those of us who have the honour of sponsoring it have learned more about certain heart conditions today and, because of the way she set out her aims and because of the case studies provided by CRY, we realise that it is even more important than we originally thought. Ultimately, it gives families who have suffered terrible losses or who, in a few cases, are living with such conditions hope that something can be done to prevent young people from dying suddenly.

The Bill also provides hope for the children and relatives of families who have suffered. We live in an age in which we generally expect to have a long life and do not expect children and young people to die, so we forget that many people have suffered the deaths of young children and relatives. We do not share such experiences enough and, as has been said, we do not bring the statistics together, so we think that they are isolated cases. Anyone who has lost a close friend, a child, a brother or a sister has experienced a tragic loss and knows that lives can be derailed. People become less able to work for a period, and may suffer from depression. The impact of someone's death on family and close friends can be huge, and we often deny that in our busy lives. We must get to grips with the problem by offering screening services, providing information and improving knowledge among clinicians at all levels, so that they know that the young person who has walked into their surgery with a seemingly innocuous problem may in fact, as in Jason Howell's case, have a life-threatening condition.

Counselling and support are important, and can sometimes be provided by close family and friends, but it is helpful at other times to provide professional services. People such as Jason Howell and his family do not just need information know about how they should live their daily lives, but a way of coming to terms with change. Jason is a young man who, like many of his friends, has a young family. Before his diagnosis, he expected to play football regularly, go to work and play with his kids, but he suddenly discovered that his life was restricted. How did he and his wife deal with that? How did they rearrange their lives, and how did their kids feel? How did they understand that daddy cannot do what he did before and how do they live with the possibility that he may have a shortened lifespan? Let us hope that that is not the case, but how do they come to terms with the problem? Support is therefore essential in helping people to continue functioning and live their daily lives.

It is good to know that it is not just in this House that elected representatives are campaigning on the issue. My local Member of the European Parliament, Linda McAvan, has campaigned with other MEPs. She first became aware of the problem when someone who worked for her son died from the condition at the tragic age of two. Last year, the World Health Organisation agreed to investigate these sudden deaths to try to gain some understanding of the wider situation, not just in the UK. Over 100 MEPs have signed a petition campaigning for a specific code to be added by coroners in such cases so that they can collate information about sudden death in young people, possibly from a number of different conditions, as my hon. Friend the Member for Stockton, South so ably outlined. Collecting and checking the information may lead to a better understanding of the problem.

The various conditions are difficult to diagnose. The Cardiac Risk in the Young booklet states that, in many cases, there are no symptoms. How can anybody be expected to diagnose such a condition? However, there are cases in which symptoms begin to show themselves, so collating that information, having some means of

[Ms Munn]

looking back over it, and establishing whether the outcome was, say, four deaths a week or eight deaths a week would help us to advance our understanding of the conditions.

In summary, the life of my constituent, Jason Howell, is not what he thought that it would be—a young dad who worked, played football and played with his kids. Instead, he is living with a life-threatening condition, but believes he is a lucky man to be still alive. He wants more people to be given that chance. To do that, we must find out what can be done through screening, raising awareness of the conditions and providing information to families who have suffered terrible deaths or who are living with those conditions.

11.52 am

Dr. Julian Lewis (New Forest, East) (Con): Sometimes there are visual images that stick in the mind from a film, a television programme, a documentary programme or a memorial programme. One of those occurred some years ago, around the time of Armistice day. I think that it was a film by Ken Russell. Towards the end, the camera zoomed in on one of the thousands of graves in an allied cemetery in Flanders. There was some music playing, and gradually the camera began to pan along the tombstones. The music speeded up, and the camera went on and speeded up. By the end of the programme, the camera was moving along a line of tombstones with no end in sight. One was left with the impression of a terrible roll call of bereaved families who had lost young people, in large part unnecessarily.

I was reminded of that image while listening to the hon. Member for Stockton, South (Ms Taylor) when she introduced her Bill. She should make no apology to the House for having taken some time to do so, because she was giving the equivalent of that camera image: she gave a roll-call of young lives that had been snuffed out, in many cases unnecessarily. I am proud to be a sponsor of her Bill, which endeavours to save as many young lives as medical science possibly can from such a cruel fate.

As well as paying tribute to the hon. Lady, I pay tribute to the hon. Member for North Durham (Mr. Jones), whose contribution I look forward to hearing if he is fortunate enough to catch Mr. Deputy Speaker's eye. He took up the mantle of forming the all-party parliamentary group on cardiac risk in the young, of which I have the privilege of being vice-chairman, while he has the burden of doing the work. I think that he would agree that it is significant that every speaker so far has come to the House motivated not by some general analytical interest in, or specialist knowledge of, the subject, but invariably by some personal experience of it.

In my case, as I explained on 21 June 2001 when I had an Adjournment debate on cardiac risk in the young, it was because a young constituent of mine, Adrian Woodhead, had come to my surgery and told me of the loss of his wife, Sarah, at the age of only 28. She was a young lady who had everything in front of her and who had the typical profile of not having any history of ill health, being immensely fit and strongly athletic. She died suddenly and without warning.

I said to the House then what Adrian said to me, and I repeat it now, with the indulgence of the House. He said:

"'I expected the house to be full of noise and life, as you get from children, not silent through death and loneliness . . . There is no structure to my life except for my work and my efforts to ensure that someone else might not have to go through this . . . I can do things for other people, but I can do nothing for myself.'"—[*Official Report*, 21 June 2001; Vol. 370, c. 273.]

One of the things that he did for other people was to interest and involve his local Member of Parliament in that cause.

One of the things that was explained to me by Alison Cox, who has justifiably been singled out for immense praise in the debate for her pioneering work in founding Cardiac Risk in the Young, was that the reason why it was difficult to create a groundswell of opinion about the problem was that, first, it was unexpected when sudden death syndrome struck; secondly, there were few survivors of it; and thirdly, therefore, anybody who might do anything about it would probably come from a family who had experienced a shocking bereavement. What a tribute it is to those families that so many of them have turned shocking loss into positive action. Once those groups sprang up, we found no end of examples of tragedy striking in that way, and because people were beginning to articulate it and organise around it, tremendous progress has been made. In response to the debate in June 2001, the Government pledged substantial funds to Cardiac Risk in the Young, which it received and put to good use in its pilot programmes for screening.

Although the work that has been done and the awareness that has been raised are admirable, the Bill is an essential further step, because we have to ensure that where tragedy strikes, it is not then unnecessarily multiplied. A key provision of the Bill is to make certain that the families of those who have been afflicted by sudden death syndrome are automatically screened. There is no excuse for not doing that when lightning has already struck.

Earlier, we heard a question about what happens in other countries. It is worth sharing with the House the background to how Alison Cox came to be involved in her campaign. She was aware that, back in the 1970s, a well-known rising tennis star called Karen Krantzke had died as a young woman. About 20 years later, Alison's son Steven was on the verge of a promising sports career and had won a sports scholarship to a university in America. Because of previous litigation, that college had established a screening programme. For that reason alone, it was discovered that Steven Cox—whose father was the famous tennis player, Mark Cox—had one of these conditions. That discovery almost certainly saved Steven's life, as I am sure that he would acknowledge if he could hear me—which, although I am not supposed to mention it, I believe he can. Alison was inspired to do something about the situation because she saw how little progress had been made in the period between the death of young Karen Krantzke and the narrow escape of young Steven Cox. I salute her for what she has done.

As for comparing this country with others, I can throw a little light on that by citing the example of Germany. At the time of my Adjournment debate in June 2001, there were only 17 implants per million citizens in this country, but more than 60 per million in Germany and more than 200 per million in America.

Does screening help? One of the matters that caused me some concern at the time of the debate was a ministerial letter replying to Earl Howe on 8 May 2001, which, although designed to be helpful, stated that

"screening does not identify all those affected"—

by sudden death syndrome—and that

"there is little evidence at present that treatment before the onset of symptoms alters the course of the disease."

The hon. Member for Stockton, South rightly shakes her head. No Minister would make a statement like that today. Significant numbers of people have an opportunity to survive the condition provided that it is identified in time.

There remains the ethical question of whether parents of children who are at risk of sudden death syndrome want to know whether their children are susceptible or would rather not know, given that, in some cases, the onset of the attack will nevertheless be unavoidable. Alison Cox told me that, of the hundreds of people affected by cardiac risk with whom she had dealt, only one mother said that she wished that she had not known that her child was vulnerable. Far more typical of people's reactions was that of my constituent, Adrian Woodhead, who said:

"It doesn't matter what condition you have—you just deal with it. But to deal with it, you've got to know."

That is by far the most widespread view.

I conclude on a happy note. Several references have been made to the reception two nights ago on the House of Commons Terrace that I sponsored together with the hon. Members for North Durham and for Eastleigh (Mr. Chidgey). Towards the end, I was delighted to find that my constituent, Adrian Woodhead, was present, and he approached me. He had rebuilt his life and was accompanied by his charming girlfriend, Jenny, who proudly wore a badge that stated, "CRY supporter". We are here debating this important Bill only because of the spirit of people such as Adrian Woodhead and the other fine families to whom so many hon. Members have referred.

I congratulate the hon. Member for Stockton, South on promoting the Bill and Alison Cox on founding CRY. Above all, I congratulate the relatives and the survivors, to whom we all owe so much.

12.6 pm

Mr. Kevan Jones (North Durham) (Lab): I support this important Bill and congratulate my hon. Friend the Member for Stockton, South (Ms Taylor) on promoting it. The hon. Member for Brentwood and Ongar (Mr. Pickles), who unfortunately cannot be in his place, made a moving speech. He summed up the matter well when he described his sense of loss of his friend, Alan. As the hon. Member for New Forest, East (Dr. Lewis) said, many hon. Members come to the subject through experience of personal tragedy.

I congratulate the hon. Member for Cheltenham (Mr. Jones) on his graphic and sometimes amusing description of his difficulty with heart disease. He gave an insight into the benefits of the health service and the debt that he and many others owe to hard-working health service staff.

My hon. Friend the Member for Stockton, South highlighted not only a condition that leads to sudden death in young people, but the fact that each death is a personal tragedy for the affected family. It is always difficult for a family to deal with sudden death that takes a loved one. It is even more difficult to come to terms with the death of a young person. As other hon. Members have said, the anguish and sense of loss is compounded when medical authorities cannot explain why a fit, healthy young person suddenly dies. That adds to the emptiness, and to the questions that the family has to ask. We all want logical answers to the question of why things like sudden death happen. Often, families are simply left to ask why and to question what could have been done to turn the clock back. The Bill makes a practical suggestion for helping to prevent such tragedies from occurring in other families.

I, too, came to the subject through a personal tragedy, which friends, Jeff and Sandra Morland, suffered. They are also good friends of my hon. Friend the Member for Stockton, South. Their 22-year-old son died just after I was elected as a Member of Parliament. Jeff, a full-time trade union official, is a good friend of mine from the trade union movement in the north-east. He is a proud father of three and head of a close and warm family. Levon was a twin and a young man who had everything to live for. He was an outgoing, bubbly and popular character with a sense of humour. In the past few years, the family have had to deal with tragedy and sense of loss. It has been heartbreaking to watch.

Levon suffered from shortness of breath for the first time when he was 12 years old. One minute, he was feeling fine; the next minute, he was breathless, as though he had been running. The first time this happened it lasted only a few minutes. Over time, however, it took him longer and longer to recover his breath. After a few months, his parents took him to see his doctor. He had a series of tests and was diagnosed as having Wolfe-Parkinson-White syndrome. Levon's twin brother, Aran, was also tested but found to be clear. The fact that they were identical twins makes it even more difficult for Levon's family and friends to deal with his death.

I have here a letter written by Aran shortly after Levon's death. It begins:

"To My Big Brother, a letter from the heart."

With the indulgence of the House, I would like to refer to parts of it. Aran describes very movingly how Levon came to terms with his diagnosis, and how he referred to it as "a nuisance" and said that it was nothing to worry about. That summed up Levon's attitude to his illness. He suffered an attack every couple of months, but as soon as the attack was over, his mind would turn to other things. He was determined to live life to the full. He had regular check-ups with his doctor, and the family was told that his symptoms were not getting any worse.

Aran describes how, at the age of 18, Levon went to be a travel rep in Magaluf. He describes his brother as being full of fun and the

"life and soul of the party".

Aran describes how he and his girlfriend, Kim, went on a visit to see Levon working in Magaluf, and tells how everyone thought that he was a healthy, outgoing and popular young man.

[Mr. Kevan Jones]

Levon had regular check-ups, and it was explained to him that he could have an operation. It was also pointed out to him, however, that there was a 10 per cent. chance that he would not survive the operation. Aran explains in his letter that Levon's approach to this was to say,

"What's the point? It's not worth the risk."

He felt that he could live with the condition.

Levon's thirst for life led him to go travelling in north America. Unfortunately, he suffered another, more serious attack when he was in Mexico. This time, it lasted for three hours. On his return to the UK, however, his desire for life and his bubbliness and strength of character were undiminished. One of the last things he told his brother was that his ambition was to appear as a contestant on the popular TV show, "Big Brother". Sadly, he did not realise that ambition.

The final part of Aran's very moving letter describes the dreadful circumstances in which he found his twin brother dead in bed, still wrapped in his bedclothes. He had tragically died while suffering an attack in his sleep, his heart finally having given out. I do not think that any of us can comprehend the anguish that the family has felt, and which Aran has so movingly described in his letter, although the letter gives us an insight into the effects that each of these tragedies has had on the family and others who are close to the individuals who die. Aran also says in the letter that he was unaware that anyone could die from Wolfe-Parkinson-White syndrome.

The anguish that Aran's family has felt is also felt by four other families in this country every single week. Some people, like Levon, are aware that they have a heart condition. Others simply collapse playing sport, or, like Levon, die in their sleep. That is why this Bill is so important. We must get screening for these conditions, because, as other Members have said, they are detectable and treatable. What makes me angry is that young lives are being lost unnecessarily when treatment can be offered.

The hon. Member for New Forest, East mentioned the CRY reception that we held on Wednesday night in the Terrace marquee, at which I was honoured to meet some young people who had been screened and had received treatment, and who were now living ordinary lives and looking to the future—walking, living, breathing examples of the success of screening. The hon. Gentleman also referred to screening in other countries. In the United States, for example, it is a matter of routine that young people must go through screening before they do competitive sport, which the compensation culture there may have forced to happen. The Bill is not asking for screening of the whole population; it is asking for screening of those who are potentially at most risk. If that can be done in Italy, other parts of Europe and the United States, it must be possible in this country. The Bill proposes a proactive approach, and if we do not introduce that in this country, the same numbers will continue to die each week of what are treatable conditions.

I stress the importance of publicity, to which my hon. Friend the Member for Sheffield, Heeley (Ms Munn) referred. It is important that we publicise the conditions and where to get information on them. I also pay tribute to CRY for the support that it gives to families and for raising awareness. If today's debate does nothing else, I hope that it puts this matter on the national agenda. As someone said earlier—I am remiss in not remembering whom—if all these people were dying at once, and we collected the figures nationally, there would be a national outcry to get something done. I am determined to keep campaigning to highlight this tragedy, which affects too many families.

I pay tribute to the CRY charity for its campaigning work, and particularly to the tireless work of its chief executive, Alison Cox. She can be a demanding individual on occasions, but this is an issue about which she feels passionate, and it is a credit to her and the families involved that we are getting some publicity and some progress in terms of research and getting something done. I must also give credit to them for the funding being raised for research and the screening that is being introduced across the country. They have also—because Alison is not someone who goes away easily—battered the door of the Department of Health, and a grant was awarded last year that has gone a long way to help to set up a network of bereavement counsellors who can give support to those who have lost young people in this way. That has been a good use of the money, and has provided support to many people who, as my hon. Friend the Member for Sheffield, Heeley was saying, do not know where to go to get support.

Reference has already been made to the all-party group on cardiac risk in the young, and I give my thanks to the hon. Member for New Forest, East for his support, to my hon. Friend the Member for Stockton, South for her work with the group, and to all Members who have supported us since we have been in existence. Keeping up the pressure and keeping the momentum going will make sure that we get this subject to the top of the political agenda, that we get funding for research, and that we get the screening for which the Bill calls.

Let me return to where I began, with the tragic death of Levon Morland. The hon. Member for New Forest, East pointed out that many families in tragic circumstances gain strength through campaigning and fundraising. I pay tribute to Jeff and Sandra Morland and their family and friends, who raised more than £70,000 in Levon's memory to fund research and screening. It would be remiss of me, and I would be chastised by my hon. Friend the Member for Stockton, South, if I did not also mention Jack Doyle, a former trade union colleague of hers and mine, who has worked tirelessly with the Morland family to raise money at charity events throughout the north-east. Through that association he has been of great assistance to CRY.

When I was elected to Parliament, I said that it was a very humbling experience. Coming face to face with people such as Jeff and Sandra Morland, who have lost young ones, is far more humbling. Nowadays, many people ask politicians whether we can make a difference by being here. Today this Bill gives us an opportunity to make a difference—not just to honour the memory of individuals like Levon Morland, but to give the chance of life to thousands of young people who, but for our intervention, would not have a future.

12.21 pm

Mr. Martin Caton (Gower) (Lab): It is a great pleasure to take part in such an excellent debate—excellent because it is built on the real experience of

Members' constituents and people whom they know. We have even heard of the personal experience of the hon. Member for Cheltenham (Mr. Jones). I am not sure that I would want to go through what he did just to make my Chief Whip nicer to me, but I suppose it is an option I could consider.

Mr. Kevan Jones: It would not work.

Mr. Caton: I suspect that my hon. Friend may be right.

I congratulate my hon. Friend the Member for Stockton, South (Ms Taylor) on her success in the ballot, on her choice of subject, and on the lucidity and passion with which she explained the Bill's content—the reasons for it and what it would mean for all our constituents—in her detailed and exhaustive speech. I must confess that, until four or five years ago, I did not realise how many apparently healthy and fit young people were taken by sudden cardiac death every year in our constituencies.

Then I met my constituent Mrs. Paulette Smith, the local representative in the Glamorgan area for the organisation which, as we have heard, has done so much valuable work nationally and locally. She told me of her experience of losing her son Christian suddenly and tragically to an undiagnosed heart condition. He was 24. The terrible anguish that she, her husband and other family members suffered is sadly being repeated all over the country almost daily.

As we have heard, between four and eight youngsters die from cardiac abnormalities each week in the United Kingdom. As soon as Paulette learned of my hon. Friend's choice of subject, she contacted me again and urged me to give the Bill my full support. She and her husband were here at the CRY reception on Wednesday evening, and were delighted to observe the breadth of support from Members throughout the House.

It is only really at the personal, the human and the family level—as in the case of the Smiths and others of whom we have heard today—that we can even begin to perceive the real consequences of sudden death syndrome. To lose a child, even if he or she has grown to adulthood, is every parent's worst fear. It turns the natural sequence of life on its head. It is the disaster that people dread, and it must be the most difficult loss to come to terms with, whatever the circumstances. Sudden death syndrome, however, adds a further cruel dimension. It comes out of the blue and targets the apparently fit and healthy—especially the sports enthusiasts whose families are sure that their very athleticism is the best possible way of protecting their health. But in fact, because there is an undetected underlying cardiac abnormality, the stress that their sport puts on their heart can be the trigger that leads to death. A huge chasm thereby opens in the life of another family, without even the hint of a warning, and often with no opportunity for final contact with the young victim before their death. As one mum who lost her 19-year-old son put it, "The worst thing about sudden death syndrome is that there are no 'goodbyes' or 'I love yous'; the person is just taken away from you."

Those of us who have been fortunate enough never to have suffered such a tragedy can only begin to imagine its awfulness, and whether or how, over time, we could come to terms with it. Like others, I want to pay tribute to CRY for creating a network of trained counsellors throughout the country, and to the volunteers who have themselves suffered the loss of a close relative, and who are prepared to share their experiences in helping others to cope with a similar loss. That takes a special sort of courage and dedication that we should all acknowledge.

My constituent Paulette is such a counsellor. Like other CRY activists, she is also a fundraiser for necessary medical equipment, a campaigner for improvement, and an educator about the various causes of cardiac arrest in the young, and what can be done about them. I am one of the beneficiaries of that educational role. Although I am still somewhat ignorant, I am not half as ignorant as I used to be, thanks to the CRY information that Paulette has provided, which is clear, succinct and accessible to the layperson.

Sudden cardiac death is defined as

"an event that is not traumatic, non-violent, unexpected and resulting from sudden cardiac arrest within six hours of previously witnessed normal health".

The majority of young sudden deaths are due to inherited forms of heart muscle disorder and irregular heartbeat. My hon. Friend the Member for Stockton, South described the most common of those conditions in her opening speech and I shall not repeat them. The Bill is about screening for those conditions. We know from past ministerial answers that the Government are not convinced that a national programme is justified, because of doubts about a clear means of defining cases of such diseases and the ability to offer a prognosis on the basis of that definition, and because of a lack of evidence that such a programme would make a real difference to health outcomes. I represent a constituency in Wales, and I have received similar replies from the Health Minister in the Welsh Assembly.

On looking at the list of conditions responsible for these deaths, it appears that in most cases they can be detected using electrocardiography and echocardiograms, as has been mentioned. And there is undisputed evidence of the heritability of such conditions. It appears that if they are detected, remedial action can be taken in the majority of cases. As has been said, treatment could involve drugs such as beta-blockers and diuretics, surgery, or implanting a pacemaker or an implantable cardioverter defibrillator. Often, it would involve a change in lifestyle.

There is strong evidence that screening is worth doing, but the Bill is not calling for a national programme such as that in Italy, where all young competitive athletes are now screened. I look forward to the day when we have such a screening programme, but I recognise that it is not on today's agenda; and when it does arrive, it is unlikely to do so in the form of a private Member's Bill. The Bill does not go that far, but it is an important step forward. What it does provide is a means of turning the Department of Health's current good intentions into practical action for more of the people who are at greatest risk from these conditions.

Currently, the DOH has adopted the UK National Screening Committee recommendation, which advises that

"relatives of people who have died of sudden cardiac death or who are diagnosed with one of the underlying conditions should be screened because there is a genetic component in many of these cases."

[Mr. Caton]

Unfortunately, this advice is nowhere near as widely available as it should be; nor is it regarded with sufficient urgency and seriousness. No real process is in place to ensure that it is followed.

Ms Dari Taylor: My hon. Friend is making an incredibly persuasive speech that focuses on the value of screening, but there are certain factors that should be acknowledged in terms of the UK National Screening Committee's consideration of screening requirements for cardiomyopathies and ion channelopathies. Through the Bill, we are requesting that someone be able to listen to such problems in detail on the echocardiogram, or to see them through the screening process. We are talking about often very small indicators, and specialists have to know what they are looking for in order correctly to define the condition and the treatment that should be provided.

Mr. Caton: My hon. Friend is absolutely right, and her Bill will help to correct some of those omissions. It will create a chain of responsibility for getting the necessary information to the people whose lives it might save. That chain might start with the pathologist who carries out the post-mortem and go through GP to the family members, who can then consult the relevant specialist, or it might start with the specialist who, having diagnosed cardiac disease, can provide the patient with the necessary information for her or his close relatives.

Whichever way it works, the respective responsibility of GP, specialist and pathologist would in future be clear. I have no doubt that that would result in many more people becoming aware of their need to be screened and undertaking that screening. Those who screened positive for any of the conditions could then access the best treatment, and then make the necessary lifestyle changes.

I am convinced that this simple measure can make a real contribution to reducing the death toll of youngsters in our country from sudden death syndrome. We need action now.

12.31 pm

Huw Irranca-Davies (Ogmore) (Lab): I pay tribute to my hon. Friend the Member for Stockton, South (Ms Taylor). Her Bill is timely. Indeed, it is overdue. Hon. Members have paid a great tribute to it, as has CRY, which also recognises the importance of the measure and the fact that it is overdue. I was at the reception earlier this week with CRY and met some old friends from Swansea who had suffered the appalling distress of a tragedy in their own family that had come like a bolt from the blue, with no opportunity to say their goodbyes to their sons and daughters. So many hundreds of people have been through that, and we all recognise the importance of the provisions and the spirit of the Bill.

Much lobbying has gone on, including by the all-party parliamentary group. I am not a member of it, but I recognise the significant work that it has done. As my hon. Friend the Member for Gower (Mr. Caton) said, hon. Members often face criticism about what we can do or what we are here for, and people ask what this democratic institution is all about, but here today, in these few hours, we can make a significant inroad into a specific area that will make a measurable difference to the quality of life of individuals and their families in dealing with what can be a great tragedy. I hope that we will hear words of encouragement from the Minister, and that we can show that this democratic institution is alive and well and functioning as it should.

Earlier, we heard definitions of who is young. While I am perhaps speaking for the young, I cannot say that I am speaking as one of them, which is extremely regrettable, so perhaps we can revisit the definitions in the Bill. The truism is often referred to that no parent, in an ideal world, should ever see their children pass away before them. I say that as the father of three young children. No parent should have to outlive their own children, but it happens.

Sometimes there are tragic circumstances. I hope that the House will forgive me if I digress slightly to pay my condolences to those affected by the extreme tragedy that we saw out of the blue sky yesterday in Madrid. The heartless and callous nature of the bombings, which snatched people away from their families, was shocking. That tragedy also draws attention to an aspect of today's debate. Although there will always be calamities that befall any family—things that happen out of the blue and cannot be predicted—all hon. Members present today are attempting to deal with aspects of life that can be predicted and detected. We are trying to introduce a measure that in some small way will, if not save all the lives of people whose conditions can be detected or improve every aspect of cardiac problems that can be diagnosed, nevertheless help in the majority of cases. That is why it is vital to respond favourably to the Bill today.

The Bill is modest, and I say that in the best sense of the word. First, it is genuinely modest in that it is not designed to provide wholesale wall-to-wall screening of every individual. It is about targeting those at the highest risk, which is surely not an unreasonable demand. Another aspect of the Bill's modesty is the necessity to inform those most likely to be at risk on the genetic chain as a result of the findings of a coroner's report. That is not unachievable or unreasonable: it is a modest aim, but it could have major ramifications and save hundreds of lives each year. It is not a blanket prescription or a blunderbuss approach, but a well targeted and modest allocation of resources to achieve its ends.

If I may go beyond the Bill, there is a great need, as has already been mentioned today, for improved recognition at an early stage of certain conditions. Our GPs and clinicians do a fantastic job in all our communities, and we all know that they are extremely stretched. We see how they are trying to modernise their facilities and way of working, by bringing additional services within GP practices, joining together as GPs in order to enhance specialisms, using practice nurses and so forth. However, as has emerged time and again in the debate, somewhere along the line there is a breakdown in the clinical recognition of conditions at a sufficiently early stage.

I understand that that is beyond the scope of the Bill, but it sends out a clear message. As our clinicians and GPs rightly undergo regular updating of their medical

expertise and knowledge, we now know of one issue that should be at the forefront of their ongoing training. We must also address the problem associated with the willingness to refer, which goes beyond the ability to detect when a referral for screening is necessary. It is hugely regrettable—it could lead to loss of life—when a patient is told not to worry about a condition or that it is perfectly normal, with the implication that screening is an unnecessary waste of resources. That is unacceptable. Those issues go beyond the Bill's scope, but the Bill will, in a modest and practical way, allow early detection and early referral, which could improve the quality of, or even save, hundreds of lives.

The Bill's first three humble clauses effectively set out three ways to save lives. Clause 1 deals with

"action to be taken following a sudden death";

clause 2 refers to

"the role of the GP";

and clause 3 refers to

"the role of the specialist".

It is an extremely slim Bill, but those three measures alone will be enough to send a clear message to those who have lobbied hard for targeted screening that there are three simple steps to saving many lives. One issue that has emerged from our debate is the value of knowing about coronary or other medical problems. I can say that from my own experience as a sufferer of acute ankylosing spondylitis, which is a form of arthritis. It can be extremely debilitating. People in the advanced stages either have a sergeant major-style straight spine or are bent over double. The condition also has an effect on the arterial system and the lungs. I started having symptoms in my late teens, but I was not diagnosed for 10 years because of a lack of awareness of the disease, even though it affects many young people. However, the fact that I am aware of it means that I have adapted my lifestyle accordingly. I hope that the measures that I take, which include moderate exercise—despite the MP's lifestyle—and diet, will mitigate the disease's worst excesses as I grow older. It is vital that I know about my condition, and I agreed with the hon. Member for New Forest, East (Dr. Lewis) when he took issue with those who claim that people would not want to know if they had one of the conditions that we are discussing today. There are issues with life insurance and other factors, but if a diagnosis is not made, people live in ignorance and their lifestyles can contribute to the problem. Early diagnosis and screening are vital.

The hon. Gentleman referred to the family of Mark Cox, the tennis player, which reminded me of my father who, as a teenager at the outbreak of the second world war, applied to the Royal Air Force. He had ambitions to serve his country as a fighter pilot, but he was turned down because he had a cardiac problem. It was of a sort that would not necessarily affect his longevity—he is still going strong, and all credit to him—but he should not be exposed to the exhilaration, adrenalin and altitude experienced by a fighter pilot. That cardiac problem was discovered by chance, and we have heard similar stories today of cardiac problems being diagnosed through chance or serendipity. That is not good enough. We need more focused, targeted action. We can identify those at most risk directly, and through them members of their family members who may be at risk. We need to do that.

The mention of Mark and Steven Cox was interesting because my father did not give up exercise after his diagnosis. Instead, he went on to captain the successful Goworton lawn tennis club for many years, and he was the club's first ever secretary. I mention that only because the history books of the club do not mention it, so I shall put it on the record here.

It is often remarked that cats have nine lives. We are not trying to give people an additional life, but to enable them to make the most of the life they have. We are trying to save lives and, by detecting problems early, to increase the chance that people can improve their quality of life. That is an admirable intention, and it is an admirable Bill. I hope that my hon. Friend the Minister will be able to encourage us that we are on the right track and can move forward with the Bill.

12.44 pm

David Wright (Telford) (Lab): I had not intended to make a contribution today, but I was so moved by some of the speeches that I have heard that I felt that I should make some remarks. My hon. Friend the Member for Stockton, South (Ms Taylor) did a fantastic job in introducing the Bill. Since my election to this place, whenever I meet my hon. Friend in the corridors of power she always has a smile on her face and something positive to say. She is one of the best and friendliest Members, and I congratulate her on her Bill and, indeed, on her whole approach to life.

People like me, who survive on a diet of Benson and Hedges, fish and chips and lager, know that we are probably heading for trouble with our health, but that is our choice. The big problem for people affected by sudden death is that they have no opportunity to make such lifestyle choices; they are struck down at a young age by terrible circumstances, which have enormously traumatic effects on their families and friends. That is what the Bill is all about. It will offer screening to the families of people struck down in those circumstances, so that the rest of the extended family has the opportunity to avoid the desperate and terrible effects of further loss.

The Bill is about changing the law, or exerting sufficient pressure on the Department of Health, to prevent unnecessary and untimely deaths. As my hon. Friend said, some of the case studies are truly shocking: five deaths in one extended family; repeated misdiagnosis as epilepsy or asthma; and people found dead in their bed after doctors had dismissed their condition as no more than "a nuisance".

If successful, the Bill would enhance the screening process and establish an automatic right to screening for all relatives of the victims of sudden cardiac death and all those diagnosed with symptoms of the syndrome. By raising the profile of sudden cardiac death, the Bill would at least encourage doctors, patients and screening technicians to take the issue seriously in future.

In her exhaustive speech, my hon. Friend outlined the scale of the problem. A minimum of four, and probably more than eight, apparently fit young people die every week, and those deaths are preventable. At present, the Department of Health adopts the UK National Screening Committee recommendation, advising that

"relatives of people who have died of sudden cardiac death, or who are diagnosed with one of the underlying conditions, should be screened because there is a genetic component in many of these cases".

[David Wright]

However, that leaves the following problems, resulting in the sudden premature deaths that we are talking about. First, the Department of Health recommendation lacks any sense of urgency in terms of action, or any indication that such conditions could be fatal. Secondly, the advice is not known as widely as it should be among doctors or patients. Thirdly, the screening process itself is problematic; frequently, the technicians and medics who perform screening have not been trained to look for the conditions that could lead to sudden cardiac death. We need to build up greater awareness of the issues.

The Bill will significantly improve the process and availability of screening. It aims to ensure that pathologists recommend screening for the first-degree relatives of young cardiac deaths, or suspected young cardiac deaths. Those relatives will be able to claim screening as a right.

The Bill is all about choice. I mentioned the problems with my own diet, but that is the choice I make. The Bill gives the families and extended families of the victims of sudden cardiac death a choice. We have heard today that some people do not want to know that there could be a problem in their family, or that they could suffer sudden cardiac death. That is their choice, but they need to be given the opportunity of proper screening.

Those who have exhibited signs or symptoms, including fainting, palpitations or repeated black-outs, can claim screening as a right—as can their families. The Bill will ensure that, when heart screening is carried out, it includes the factors associated with sudden cardiac death in the young.

As has been made clear throughout the debate, there will not be a national screening programme. I understand that such a programme was rejected following the 1999 Logan report, which was commissioned for the UK National Screening Committee. So that is not what is being proposed today. We are talking about targeting action on those who need it the very most and offering a choice to those people to take that screening opportunity if they desire to do so.

I want to touch briefly on what the Government have achieved in relation to coronary heart disease. We have talked a lot about gaps in service provision today, and anyone listening to the debate or reading *Hansard* would think that the Government have not been doing much in relation to health services. In truth, the Government have done an enormous amount, and I am incredibly proud, as a member of the Labour party, of the significant investment that the Government have put into health care services. Certainly, the record on coronary heart disease is extremely good.

The Government's priorities have been to improve access to services across the patient pathway and to increase rapid choice for patients by achieving the two-week standard wait for rapid access chest pain clinics, setting local targets to make progress towards the national service framework goal of a three-month maximum wait for angiography and delivering the maximum wait of three months for revascularisation by March 2005, or sooner if possible.

We need to reflect on some of the figures. The number of heart operations carried out each year has risen from 40,983 in 2000 to about 56,000 in 2003. The NHS target plan to carry out 6,000 extra heart operations by 2003 was met a year early—significant progress in respect of coronary heart disease. No patient waits more than nine months for heart surgery, compared with 2,700 patients doing so in March 2000. Since July 2002, patients waiting more than six months for their heart operation have been offered treatment at other NHS or private hospitals. Latest information—that for 2002–03—on coronary heart disease mortality rates shows a 23.4 per cent. reduction against the 1995–97 baseline. So we are making significant progress in dealing with coronary heart disease.

Of course the difficulty is that the action tends to be targeted on those who are older and those who have a problematic lifestyle—a little bit like my own. Let us see what happens to me over the next 20 or 30 years. I hope that I do not get into the situation that the hon. Member for Cheltenham (Mr. Jones) talked about so movingly. Perhaps I should change my ways now. We are talking about young people who die suddenly, although they often appear to be very athletic and social, going out nightclubbing or doing a range of other activities, and they are not targeted by the NHS.

Huw Irranca-Davies: The impact of exercise on those who are particularly vulnerable to such conditions has been repeatedly mentioned during the debate; but, for balance, will my hon. Friend emphasise the importance of well moderated exercise where that can be done? That is a crucial aspect to consider, and I would not want hon. Members to leave the House today thinking that we were constantly attacking exercise per se.

David Wright: My hon. Friend makes a very important point. Indeed, I try to walk up the stairs of Norman Shaw South daily, which is probably the only exercise that I ever get. It is important that we encourage people to exercise, and by encouraging a screening programme, we are certainly not telling people that they must never take any exercise, or go for a cycle ride or a long walk, once they have been screened. The opposite is probably true: we are asking them to understand the regime under which they are operating and to realise how their diet and general level of physical exercise affects their well-being, but to beware of the possible problems. That involves promoting and encouraging understanding. The last thing that we would want to come from such a debate would be a message to discourage people from taking part in physical exercise. That is not what the Bill is about at all. As other hon. Members and I have said, this is about choice. People can decide not to be screened if they want to. The Bill is very much about giving people an opportunity to make an informed choice.

On facilities to promote better cardiac rehabilitation and physiotherapy, we have done some excellent things in my local hospital in Telford, which has fully refurbished its gymnasium. David Platt, the former England player, reopened the facility about six months ago. It is superb; all the kit is new and has been designed to help people who have had heart problems. Such facilities can be made available to people who have been screened and have realised for the first time that they may have a problem. We could see exercise programmes designed to help and support them, professionally put together by the staff who have been involved in

screening them. What we have seen happen in my local hospital is very positive. We are developing more facilities that are funded publicly and by the friends of the hospital to try to assist and support people with heart problems.

As I said, the emphasis seems to be placed on older people. We must shift the emphasis away from older people and talk about the whole life cycle, however, and about encouraging people to behave properly throughout their life cycle and to understand where they are in terms of their physical health.

Ms Dari Taylor: I am grateful that my hon. Friend has come to that point. I have asked this morning for equal treatment without ageism, so that all conditions are treated equally in the national health service and are recognised as such.

David Wright: My hon. Friend is right. I entered the House as a Labour Member because I believe in equality. One of the objectives of the Bill is to promote greater equality, and that is clearly something that my colleagues and I would want to do as Labour Members. Nevertheless, I know that there is a commitment across the House to ensuring that we promote equality in such issues, and we all want to encourage people of all ages to examine issues relating to their physical fitness and well-being and to construct lifestyle programmes that suit them.

Huw Irranca-Davies: Does my hon. Friend agree that, with regard to giving a strong voice to health issues that affect the young, one of the most effective mechanisms is for young people to engage, if we can persuade them to do so, in the democratic positions that are available on primary care trusts or on local health boards in Wales? The more representation that we have from people who are concerned with the youth agenda in health, the more pressure can be brought to bear.

David Wright: My hon. Friend is right. We need to encourage a wider showing of people from different age groups, genders and communities—of course, the black and minority ethnic community comes to mind—on PCT structures. There is under-representation among young people, and I hope that we will see more come forward.

I pay tribute to CRY, which has been mentioned a number of times. I did not know much about the organisation until my hon. Friend the Member for Stockton, South approached me with regard to the Bill. I have visited its website, and I have taken a look at the material that it produces. The website is one of the best that I have visited in recent times. It provides a raft of information about sudden death among the young and lists a range of sponsors. For example, I think that Sir Steve Redgrave and Ian Botham are listed as supporters of the organisation. I encourage people to take a look at the site and to start to understand some of the important issues a little more closely. I would like to see more young people engaged and involved with primary care trusts. Perhaps organisations such as CRY can promote and encourage young people to participate more effectively, and can be another tool that we can use to engage people more generally.

We also need to consider programmes to support people who are first responders when others find themselves in difficulties. An excellent first responders programme has been promoted by the Government, I think in partnership with St. John Ambulance and other organisations. We may need to raise awareness among such organisations of the fact that when people see a young person struggling or in trouble, sudden death may occur, so they need to be trained effectively to understand the symptoms that are involved and the processes that are needed to get the patient into care very quickly. Obviously, the people who have symptoms are the lucky ones in many cases, as they are the people who get to be screened and have their situation examined. The most unlucky ones are those who die very rapidly. Such deaths might be avoidable and preventable if an awareness that there was a history of such conditions in somebody's family meant that screening would take place.

In conclusion, I have great respect for my hon. Friend the Member for Stockton, South, who gave a detailed explanation—I confess, however, that it was difficult to follow—of the circumstances surrounding sudden cardiac death in young people. It was a fine speech, and I congratulate her on it. I wish the Bill all the best, and I hope that the Minister's response will allow it to make significant progress. Once again, I congratulate CRY on its work in this important area.

1 pm

Dr. Vincent Cable (Twickenham) (LD). I, too, congratulate the hon. Member for Stockton, South (Ms Taylor), and offer Liberal Democrat support for her Bill. I do so both as party spokesman and in a personal capacity, as I was flattered when she asked me to be a sponsor. We wish the Bill well.

The hon. Lady has done an enormous amount of research on the subject, and she introduced the Bill with a great deal of conviction, which everyone found compelling. Our debate has been characterised by the emotionally compelling cases made by the hon. Members for New Forest, East (Dr. Lewis), for Brentwood and Ongar (Mr. Pickles), and for North Durham (Mr. Jones). Perhaps the most compelling case was made by my hon. Friend the Member for Cheltenham (Mr. Jones), who spoke from his own experience, thus adding a great deal of weight to his analytical arguments and making the debate better and stronger.

The arguments in favour of the Bill can be summarised as a mixture of elementary humanity and good economics. Elementary humanity comes into play because we are talking about young people who die prematurely, often in tragic circumstances. The legacy for their family, parents, brothers and sisters is the deeply painful knowledge that their disease was both detectable and treatable. The fact that it was neither detected nor treated generates guilt and anger, which is a powerful humanitarian case for doing more and, as several Labour Members said, collectively making a difference. The good economics stem from the attractiveness of basic preventive medicine and screening. We should detect disease early and apply recognised therapies through drugs and surgical intervention, which are relatively low cost, as an alternative to the painful, prolonged and intensive

[Dr. Vincent Cable]

treatment described by my hon. Friend the Member for Cheltenham, which, as he said, is an enormously costly use of resources. Humanity and economics therefore come together in a way they rarely do.

We should consider why it has fallen to the hon. Member for Stockton, South to tackle the issue in a private Member's Bill. It is clearly a good private Member's Bill, because it is modest and makes no claim on public resources—indeed, it may save the Chancellor a great deal of money—but why was it necessary to pursue the issue through that channel? The hon. Members for Ogmore (Huw Irranca-Davies), for Telford (David Wright), and for Gower (Mr. Caton) all addressed the defects of the current system, and I shall add two observations, one of which has not been made before. There is a general problem securing attention in the health service for difficult and obscure conditions that need specialist treatment. Every year, 200 to 400 individuals die of such conditions, but as has been said, that is a large number for the people who are affected. In the greater scheme of things, by comparison with deaths from cancers and the main heart diseases, the number is small, so those specialist conditions slip through the cracks. I am involved in all-party groups on pulmonary hypertension and on motor neurone disease, specialist conditions that have no connection with the illnesses we are discussing today but which share the problem of commanding insufficient attention to get a national service framework. Primary care trusts are overstretched, so it is difficult to get local attention as well. There is a general problem with getting the attention in the NHS that those deeply troubling but essentially minority conditions demand.

The hon. Member for Telford dealt admirably with the other underlying reason why we need such a Bill—the existing system is not working very well. The hon. Gentleman set out the reasons. Although there is screening, it is not proactive. There is no pressure on the pathologist conducting a post mortem or on the GP to do anything, so nothing necessarily happens. Something needs to be done through the modest provisions of the Bill to inject a greater sense of urgency and importance into the processes that are already occurring.

Huw Irranca-Davies: I thank the hon. Gentleman for giving way, and for his intelligent analysis of what is satisfactory and what is not. Would he join me in applauding the simplicity of the proposal that a pro forma should be attached to the post mortem report where the cause of death cannot be identified or the cause of death could be identified as a cardiac disease? The simplicity of attaching a pro forma to that diagnosis which the doctor could follow up is bliss indeed.

Dr. Cable: Yes, and I thank the hon. Gentleman for reinforcing the point. One of the criticisms frequently made of us in the House is that, often for the best of reasons, we generate additional regulation and red tape. The Bill clearly does not involve that. It calls for a simple, straightforward procedure to which nobody could possibly object. I expect the people involved would be grateful that a standardised approach would be required.

The Bill is desirably modest because there is a general consensus that indiscriminate screening would not be helpful. Reference was made to the Logan report. National screening that was imperfect and covered enormous numbers of people when only a small number are affected would generate a large number of what clinicians call false positives and false negatives, causing anxiety on the one hand, and on the other hand missing many cases. Nobody who has spoken in quite a long debate has advocated a mass screening programme. We are dealing with a specific and commendably simple approach.

I shall pose a few questions, which the hon. Member for Stockton, South or the Minister may be able to answer. Part of the purpose of the debate is to exercise critical scrutiny. We are all in favour of the Bill, but questions need to be asked. The first is how many people or what percentage of the people who are affected by the conditions—there are about seven conditions—are being picked up under the present system? Are we talking about 10 per cent. or 50 per cent.? I have no idea, and nobody has used numbers.

What percentage is the hon. Member for Stockton, South aiming for as a result of her provisions being introduced? I suspect that is not a question she can easily answer, but it would give us an indication of how much good we were doing through the Bill. In his intervention, the hon. Member for New Forest, East (Dr. Lewis) cited the case of Germany, where I think he said roughly four times the number of people were undergoing surgical procedures as a result of the screening techniques there. Is that the scale of the improvement that we can expect?

The second question is how many people would be cured as a result of being identified through screening. The hon. Member for Ogmore commented that knowledge in itself is desirable, and it may well be, but it would be much better if people were cured. I am not a clinician and I do not know the medical arguments, but it would be useful to know roughly what percentage we would expect to be cured if more people were identified through a better screening system. What would the ultimate human, medical and economic benefit therefore be? The other side of the question is how many people would still not be picked up. I read through the medical paper that was background material to the Bill and I did not understand a great deal of it, but I got the impression that, of the seven conditions, some were hereditary but some were not. How many people would still not be picked up, even as a result of a more sophisticated screening system?

Another question to which I should be interested to know the answer is this: will there be any attempt to collate the information to create a national database? This is a decentralised initiative that very much depends on the initiative of the pathologist and the GP. Is it possible to disseminate their knowledge? That matters in terms of adoption, for example. In my own family, one of my cousins was adopted at birth with the terrible condition of Huntington's disease because there was no mechanism for sharing information about risk. Is there any way of putting information about people who are identified through screening, but do not follow it up or pass it on to their families, on to a database so that it can be more widely used?

My final question, which was touched on briefly by the hon. Member for Ogmore, concerns insurance. Has the hon. Member for Stockton, South talked to the insurance industry about the implications of more effective screening? As more people will know that they are at risk of a fatal disease, does that mean that they will automatically be blackballed from life insurance or pay heavier premiums for it? Would that penalty disappear if they had been treated with drugs or through other interventions? The issue involves all kinds of difficult ethical and economic problems that have been addressed in larger fields such as cancer.

My questions are not intended to be destructive, but to find out a little more about the background. I, like other Liberal Democrat Members, strongly support the Bill and hope that it will complete its passage. We wish the hon. Lady well and hope that through these proceedings we will have made a small difference to the lives of our constituents.

1.11 pm

Dr. Andrew Murrison (Westbury) (Con): I congratulate the hon. Member for Stockton, South (Ms Taylor) on introducing the Bill. It has cross-party support, which is a good start for a private Member's Bill. I also congratulate her on its simplicity. Having recently spent some weeks navigating the convolutions of the Human Tissue Bill, it is a joy to find a measure that makes sense on first reading.

I think that my hon. Friends felt that as a medic I am well equipped to cope with the daunting list of conditions involved in sudden cardiac death. In truth, however, ion channelopathy, arrhythmogenic right ventricular dysplasia, hypertrophic obstructive cardiomyopathy and the rest tripped off the tongue of the hon. Member for Stockton, South as well as they can trip off mine. She demonstrated a command of a very difficult subject area and dealt with it comprehensively.

As well as the hon. Lady's speech, we heard excellent contributions from 10 Back Benchers: my hon. Friends the Member for Brentwood and Ongar (Mr. Pickles) and for New Forest, East (Dr. Lewis); and the hon. Members for Inverness, East, Nairn and Lochaber (Mr. Stewart), for Cheltenham (Mr. Jones), for Sheffield, Heeley (Ms Munn), for North Durham (Mr. Jones), for Gower (Mr. Caton), for Ogmore (Huw Irranca-Davies), for Telford (David Wright) and for Twickenham (Dr. Cable). I particularly enjoyed the speech by the hon. Member for Twickenham, who dealt sensibly with the economic benefits and disbenefits of screening, and the reasons for sometimes not screening.

In March, my hon. Friend the Member for South Suffolk (Mr. Yeo) and I, with other colleagues, tabled an early-day motion that drew attention to the fact that the range of conditions that we are debating is not given the attention that it deserves. Indeed, I could find little direct reference to it in the national service framework for coronary heart disease when I checked on its website last night. To be fair to the authors and to Ministers, for most people heart disease tends to means furred-up arteries, aschemic heart disease and heart attacks. It tends to mean the elderly and the middle-aged, not the young—schoolchildren and pre-school children or young people in the springtime of their adult life and in their physiological prime. Yet that is what we are discussing—sudden death when it is least expected, causing tragedy to families that can last for a lifetime.

We are discussing a range of conditions that are mercifully uncommon, but as has been said, they are by no means confined to the minutiae of medicine. The medical profession has some way to go in embracing best practice that it has established and in cutting the toll of sudden death in the young. We have heard many comments about that, and I endorse them. Several helpful suggestions have been made about the way in which doctors and professionals can act to improve notification of the conditions and ensure that those who might be affected are adequately screened. Screening is in place and accessible, and it should be accessed by those who are deemed to be at risk.

On Wednesday, those of us who attended the CRY reception met several people with first-hand experience of such covert conditions. I was reminded of my cousin, David Horn, who collapsed and died in his school playground when he was 10. As is invariably the case, the event had profound and enduring consequences for David's family. For his parents and grandparents, nothing was ever the same again. That experience was shared by several people at the CRY reception.

Screening is an intrinsic part of our health care system. It begins for many of us before we are born. Heart and congenital defects are often picked up by ultrasound in utero, and screening continues with routine health checks immediately after birth, throughout early childhood and into adult life. Cervical and breast screening are routine and we now have health checks for the elderly. Most of that is driven by evidence-based research and screening for other conditions, such as prostate and bowel cancer, may be added to existing provision.

It is important that all such screening be based on the best available evidence and that we are clear that it improves people's lives, longevity and general well-being. We therefore need to be fairly directed in our screening efforts. However, the UK National Screening Committee has said that population screening is not appropriate for hypertrophic cardiomyopathy. It finds no evidence that outcomes will be affected, and the case for population screening falls, according to the Bradford-Hill criteria that govern such matters. The Bradford-Hill criteria determine whether screening is a useful test. They have been used for many years and are as relevant today as ever.

We should put aside for a moment the fact that population screening is not the subject of the Bill. In a written answer in December, the Minister appeared to confuse hypertrophic cardiomyopathy with sudden cardiac death. The former is only one of many causes of the latter and it would be instructive for the UK National Screening Committee to consider the other causes against the criteria for screening that I described. Perhaps the Minister will comment on that, especially since we understand that the UK National Screening Committee is reviewing the evidence base this month.

It would be interesting to know what has been learned from Italy, where cardiac screening for athletes has been routine since 1971. Indeed, a certificate of fitness is needed there to compete as an athlete. Clearly, that involves school sport. I understand that our Government want to reverse the decline in British school sport in their fight against obesity and diabetes. The Minister might feel that that provides a good opportunity to dovetail nicely with adopting the Italian

[Dr. Andrew Murrison]

approach to screening youngsters. That is currently on the agenda, with the improvement of our school sports facilities. As part of that, perhaps the Minister will consider whether aspects of Italian practice might be introduced in this country. I would be interested to hear her thoughts.

In the meantime, the UK National Screening Committee and the British Heart Foundation recommend that relatives of people who have died from a sudden cardiac cause or who have been diagnosed with an underlying condition should be screened. This gives an official stamp to clinical good practice, and it seems likely that practitioners who fail to comply will lay themselves wide open to claims for professional negligence. Very few cases are brought against doctors for professional negligence in this area, and I suspect that that is because this range of conditions is not well known among the public at large. There appears, therefore, to be a very strong case for raising awareness both in the profession and among the general public.

The screening of first-degree relatives is quite straightforward, and the British Heart Foundation makes it quite clear that it should always happen. Assessing the significance of common complaints is far more difficult, however. Some of the symptoms cited in the Bill as triggers for screening are so common as to be almost universal. It is often said that common things occur commonly, and fainting, giddiness and palpitations almost always do not have a significant cardiac cause. In each case, a careful history must be taken, and I would suggest that, in the young, a physical examination will invariably be warranted as well.

I suspect that the threshold for referral for further testing is being lowered all the time. However, a GP might be quite clear that a person has simply fainted for a particular reason, for example, and in such circumstances would not consider that person to be at any greater risk than anyone else. The value of screening in such a situation is perhaps debateable. I hope that the publicity that we are generating today will help to lower the screening threshold and make doctors think very carefully about the possible cardiac origins of apparently trivial symptoms. The American and European colleges of cardiology have set out the symptoms and circumstances that should prompt screening, and doctors who ignore them are on a very sticky wicket.

The Alder Hey scandal, in which children's organs were retained as a matter of routine, rightly prompted the Human Tissue Bill, which I understand will return to the House shortly. In welcoming that Bill, however, we should be alive to drawbacks that might have been only dimly foreseen at the time of drafting, and which touch on this area. A histopathologist has written in CRY's recent booklet that, post-Alder Hey, pathologists have been somewhat reluctant to retain material that might previously have been kept for a second opinion or further tests. I think that that is understandable. The author points out that requests may come from grieving parents who are struggling to come to terms with their loss. Indeed, in my experience, such a request might come many months after the bereavement, but in future, that opportunity will be denied to them. The same pathologist hints at a feeling of professional inadequacy when dealing with sudden cardiac death, as it is often not possible to identify any structural cause. Given the uncertainty, one wonders how many other deaths with a cardiac cause are wrongly put down to epilepsy, asthma, drowning or simply the coroner's catch-all: natural causes.

In June 2001, the then Under-Secretary of State, the hon. Member for Pontefract and Castleford (Yvette Cooper), described coroners' practice in this regard as "antiquated". Will the Minister tell us what progress has been made to update it? Such updating would go some way towards addressing the concern expressed by hon. Members earlier about the true number of sudden cardiac death cases. It is important to ensure that we tighten up our diagnostic criteria, in order to get a true representative number of cardiac deaths, because at the moment the margin is simply too great.

In June 2001, the same Under-Secretary of State responded to an Adjournment debate on this subject led by my hon. Friend the Member for New Forest, East (Dr. Lewis). It was a very good debate, and I spent some time studying it last night. In it, my hon. Friend was told that the Minister would investigate the potential for using IT in raising awareness about sudden cardiac death, both among health professionals and the general public. That relates to a point raised earlier about how to increase knowledge of this set of conditions among the public and doctors, because at the moment, clearly, they are poorly understood. IT provides a good way, as the then Minister was right to say three years ago, of broadening the knowledge of that set of conditions among the profession and the public. I would be grateful if the Minister would comment in her winding-up remarks on what has been achieved in the three years since the June 2001 debate.

We know that a great deal has been achieved by CRY. We know that a simple electrocardiograph helps enormously to distinguish the worried well from patients with problems. Electrocardiography may not yet be routinely carried out in all GP premises but there is no particular reason why it should not be. Reporting can, of course, be done elsewhere, or even, these days, automatically. CRY has provided a large number of ECG machines for that purpose, which I hope will encourage doctors to investigate symptoms that previously might not have been investigated.

This Bill is unusual. Its intention is to set out primary legislation that will articulate best clinical practice. The Minister may point out that successive Governments have declined to mandate best clinical practice in this way. She may well contrast this Bill with the way in which we deal with screening for other issues. It could be said that the departure from the norm that we are discussing today could set a trend that might lead ultimately to the incorporation of large tracts of medical practice in the statute books. We would need to consider the implications of that. Nevertheless, the hon. Member for Stockton, South and CRY have constructed a good case, which is worthy of further examination. I look forward to the Minister's remarks, and I hope that she will have something substantial to say in response to the issues raised.

1.27 pm

The Parliamentary Under-Secretary of State for Health (Miss Melanie Johnson): It is a pleasure to respond to a debate of such length and quality, to which

hon. Members have made many heartfelt contributions. I congratulate my hon. Friend the Member for Stockton, South (Ms Taylor) on bringing this important issue to the House's attention.

As my hon. Friend explained movingly and passionately from her personal experience and the experience of many families that she described, it is devastating for families when an apparently healthy young person dies suddenly without warning. To see young people struck down unexpectedly before they have reached their full potential or had a chance to say their goodbyes is a tragedy beyond measure for their families and friends.

I add my warm tributes to those already paid to the dedicated work of Cardiac Risk in the Young and the other voluntary organisations that provide a counselling network to help families recover from their loss. Support from people who have real experience and genuine understanding of the impact of sudden cardiac death can be a remarkable comfort and help to those who have lost loved ones in those circumstances.

Before I move on to the specific issue of sudden cardiac death, I want to take a leaf out of the book of my hon. Friend the Member for Telford (David Wright) and set this matter in the wider context of progress that we have already made in cardiac care generally. Hon. Members will be delighted to know that we are well on the way to reaching our targets to reduce by 40 per cent. coronary heart disease and stroke in people under 75 by 2010. The number of deaths has already fallen by more than 23 per cent. in the period 2000 to 2002, over a 1995 to 1997 baseline. Current evidence strongly suggests that that target is likely to be met as early as 2008.

Prescription of statins by general practitioners is increasing by about 30 per cent., which indicates that important work is taking place in primary care. The national service framework for coronary heart disease—mentioned by a number of Members—and the NHS plan set the target of an extra 6,000 heart operations by April 2003. It was met a year early. The number of heart operations carried out each year has risen from 40,983 in 2000 to about 56,850. Waiting times for heart surgery are tumbling. In 1996, some patients waited two years for heart operations; today, no one waits longer than nine months, and in 2005 no one will have to wait more than three months.

The patient choice scheme came into operation on 1 July 2002. All patients who must wait longer than six months for operations are now offered the option of treatment at another NHS or private hospital, or at a hospital abroad, unless there are medical contra-indications.

About 275,000 people experience heart attacks every year along with the hon. Member for Cheltenham (Mr. Jones). Evidence has shown that administering clot-busting drugs—thrombolysis—within 60 minutes of a call for professional help can save 65 lives in every 1,000. There has been a consistent and sustained improvement in the faster delivery of clot-busting drugs to heart attack patients since the publication of the national service framework just over three years ago.

Much progress is being made in the prevention of coronary heart disease. Since 2000, 3,770 people have been helped to stop smoking. GP practices are working towards the establishment of disease management registers, and are actively managing patients at risk of coronary heart disease. Money is being invested through the New Opportunities Fund to increase consumption of fruit and vegetables. We have a national school fruit scheme, which by the end of the year will give 2.2 million children in infant schools a free piece of fruit each day. We also have five-a-day programmes.

I mentioned the importance of statins, spending on which has increased to more than £500 million a year. That benefits more than 1.8 million patients, and protects them from heart attacks. Patients with established heart disease, or at high risk, will benefit from the improvements in care. More effective prescribing will save lives—more than 1,000 lives a year just from the prescription of aspirin for heart attack survivors, and 3,000 from the prescription of statins to people at significant risk.

The national service framework has led to improvements in treatment for people with heart conditions. At 110 sites, 681 defibrillators have been installed, and evidence shows that 36 lives have already been saved. The target of 6,000 extra operations was met a year early. Currently, no one is waiting more than nine months for heart surgery, compared with nearly 2,700 in March 2000. Rapid access chest pain clinics are operating in all acute trusts, giving diagnosis or the all clear to patients within two weeks rather than the months for which they used to have to wait. The Government have set explicit targets for reductions in angiography waiting times. For the first time ever, no one will wait more than nine months for angiography by March 2004.

In June 2003, there were 618 consultant cardiologists in post, a 29 per cent. increase since 1999. The number of cardiothoracic surgeons has increased by 18 per cent., to 217, over the same period. Data from the Royal College of Physicians myocardial infarction national audit project—MINAP—show that more than 75 per cent. of heart attack victims now receive thrombolysis within 35 minutes of arriving in hospital, compared with only 30 per cent. in March 2000; 50 per cent. are being treated within 20 minutes, and 43 per cent. within 60 minutes.

Mr. Kevan Jones: What the Minister is saying is fascinating, and it is good news that a Labour Government have put extra money into the health service, but what on earth does all this have to do with the Bill?

Miss Johnson: One of our colleagues discussed developments in treatment for coronary heart disease, and such developments form the background to the Bill. My hon. Friend is not showing the enthusiasm for these matters that I would have expected. We have implemented a £582 million hospital building programme, and we are spending huge sums on cardiovascular disease, replacement catheterisation laboratories and improved standards and delivery across the piece.

In the light of all the excellent progress being made, it is easy to forget about the times when all the hard work in improving services has not made it possible to help. In most cases of sudden cardiac death, there is little or no warning, which is what makes each story so tragic. Two

[Miss Johnson]

main conditions cause sudden cardiac death in young people: hypertrophic cardiomyopathy and dilated cardiomyopathy. Experts estimate that some four to eight sudden deaths occur each week, which equates to about 200 to 400 deaths each year. The incidence of hypertrophic cardiomyopathy—the most common underlying condition—has been estimated at one in 500 in the UK. I am sorry that the hon. Member for Twickenham (Dr. Cable) is not in his place, but in response to his question, we cannot do better than that figure in defining the numbers at risk from these conditions.

The other causes of sudden cardiac death are other cardiomyopathies and disorders of the heart's electrical conduction system that can cause arrhythmias, such as Long QT syndrome and Wolfe-Parkinson-White syndrome. The majority of people with these underlying conditions do not have any symptoms for all or most of their lives, but in a small minority of cases the condition leads to sudden and unexpected death, often in early adulthood.

Given what has been said today, I know that the whole House shares my concern at the terrible effect that such problems can have on the families affected. In recognition of that, and in order to provide further support, we are funding a three-year project run by CRY. It will offer specialist skilled support for those who have suffered the loss of a young family member through sudden cardiac death. It will also offer training as counsellors for people who have had similar experiences, and at the end of the course, fully trained counsellors will be available in all parts of the country.

CRY has called for the screening of young people to identify those with cardiomyopathy and those who are at increased risk of sudden death. It argues that screening would save lives and reduce parental anguish, and my hon. Friend the Member for Stockton, South has passionately taken up its cause. We have looked at its arguments carefully, and we entirely agree that increased awareness of the disease is important, and that the careful provision of information can do much to educate the public. CRY and the other organisations concerned are very active in this regard. We also agree wholeheartedly that if young people are experiencing symptoms that are of concern—unusual breathlessness, palpitations, dizziness or fainting—it is important that they seek advice from their GP. We must also consider whether the available evidence indicates that screening is always the right course of action.

The UK National Screening Committee advises the Government about all aspects of screening policy and to inform its proposals it draws on the latest research and the skills of a specially convened multi-disciplinary expert group.

The NSC assesses proposed new screening programmes against a set of internationally recognised criteria covering the condition, the test, the treatment options and the effectiveness and acceptability of the programme. Such assessment is intended to ensure that programmes do more good than harm at a reasonable cost. While screening has the potential to save lives and improve quality of life through early diagnosis of serious conditions, it can never be 100 per cent. accurate.

The NSC is increasingly presenting screening in a risk reduction context. Its child health sub-group has advised that there is currently insufficient evidence to introduce a national screening programme for hypertrophic cardiomyopathy, the most common cause of SAD, either for the whole population or for specific sub-groups. The child health sub-group advises on all aspects of childhood screening programmes, and its advice in this case is that there should not be a national screening programme until further evidence is available.

I emphasise that the child health sub-group examined carefully the concerns about the possible negative aspects of screening and its consequences for the future employment and insurance of the young people involved. It also considered the psychological consequences of telling young adults and their families that they have a condition that might kill them suddenly, without warning. The sub-group has considered the position again in the light of recent research, but has decided that it remains the same as at present.

We have concerns about the possible negative aspects of screening and whether it would truly be of benefit to young people. It is not an easy decision to take. While the meaning of a positive screening is so inconclusive, we must think carefully about whether it is fair to impose this burden on the young. The issue is not clear-cut by any means.

Dr. Julian Lewis: Is one of the sub-groups that is being considered that of the relatives of children and young people who have already died? It is inconceivable that that sub-group would not benefit from a screening programme. How many representations have been received from families wanting to know, as opposed to those from families not wanting to know about the dangers to their children?

Miss Johnson: We have already heard some anecdotal evidence about families' wishes, which I agree cuts in a different direction from the one in which the screening committee has gone.

Perhaps I can go on to say what the normal process should be for those who know that they are more likely to be at risk. The Bill asks us to standardise the screening process for all relatives of people who have fallen victim to sudden cardiac death. That could cause problems in overriding the clinical judgment of individual doctors and would be very difficult to enforce, and the House should consider carefully whether we should do that. We must support and value the autonomy and experience of family doctors, respect their skills and judgment and give due regard to their knowledge of individual patients and their ability to act accordingly. GPs should have the right to make decisions with patients and their families, and not have decisions imposed on them, as the hon. Member for Westbury (Dr. Murrison) said. We share, as GPs do, the desire for a proper follow-up of families at risk, but we believe that it must be done sensitively, with a judgment about the human realities of each individual case.

In response to the hon. Member for New Forest, East (Dr. Lewis), let me say that doctors should investigate all the close relatives, and especially siblings, of those who have suffered sudden cardiac death. That would

usually include referral for a cardiologist's opinion. The practice is based on the genetic linkage of hypertrophic cardiomyopathy and some cardiac rhythm disturbances that may be implicated in sudden death.

In addition, there needs to be good evidence that early intervention can improve the prognosis—we must be able not only to identify individuals at risk but to offer them some help when we have done so. There must be the ability to evaluate the risk of death and start treatment straight away in the knowledge that it will make a difference. A review of the evidence showed, however, that there was no way of predicting the outcome from the disease on the basis of examining the heart through ECG and echocardiography testing. The most commonly used case definition—left ventricular hypertrophy on the basis of echocardiography—misses some people at risk and identifies significant numbers of people whose lifespan is likely to be no different from that of the general population.

Sadly, there is little evidence about the treatment of cardiomyopathy. Studies have shown that there is currently little evidence that starting treatment before the onset of symptoms makes a difference to the course of the disease. It is unlikely that any benefit would be gained from screening in those cases.

On raising awareness among GPs, current medical training already covers signs and symptoms of heart conditions and heart function problems such as the symptoms that are common to many illnesses. There is no new element of training that could increase a doctor's understanding of these symptoms. It is important to recognise, however, that the work of CRY and its members—

Dr. Murrison *rose—*

Miss Johnson: I am sorry, but if I am to finish, I will have to continue.

I was saying that no element of training could increase doctors' understanding of the symptoms, but their awareness and readiness to look for them is important. Hon. Members have referred to the youth of some of the individuals concerned, so the point about whether clinicians respond as they should is a good one. The work of CRY and its members has played a significant part in that matter and we need to reflect on what should happen in the future.

It is already recommended practice that, following identification of a cardiovascular disorder, GPs should consider with first-degree relatives what action might be appropriate. However, many cases of sudden adult death are symptomless and no warning signs are present for doctors to observe. Clinical experience suggests that early treatment may decrease the risk of sudden death where there is a genetic component and a strong family history of the condition. CRY itself recommends cardiac investigations where people have symptoms or where there is a family history of sudden death. I should also point out that deciding on the best way of dealing with sudden cardiac death is complicated by the fact that it is not classified as a syndrome in its own right. That is because there are many possible causes—neurological, metabolic, cardiac problems or underlying infections.

The increased investment that we have made will lead to great improvements in some respects. I mentioned earlier the 89 new or replacement catheterisation laboratories and there are improvements in electrophysiology, 24-hour heart rate monitoring and echocardiograms. Those services are particularly relevant to those at risk of sudden cardiac death, as better monitoring may lead to a better early diagnosis. We are also supporting CRY with a section 64 grant for its project to provide bereavement counselling.

On surgical treatment for certain conditions, the National Institute for Clinical Excellence is reviewing its guidance on the use of implantable cardioverter defibrillators. An ICD is a device that can be implanted within the chest wall. It monitors the heart rhythm, senses whether there may a severe disturbance in that rhythm and, if necessary, delivers an electrical impulse to stop the abnormal rhythm and allow the normal one to resume. Current guidance already suggests that ICDs should be used for patients with an inherited cardiac condition with a high risk of sudden death.

I am very grateful to my hon. Friend the Member for Stockton, South for drawing attention to a condition that, although relatively rare, is tragic in its impact on those it affects. The Bill presents the Government with a genuine dilemma. Although we fully understand the intention behind it and share the House's sympathy for the individual tragedies that we heard about today, for the reasons that I have sketched out in my response, I am reluctantly unable to support the Bill as it stands today.

The clear motive underpinning the Bill is just. It draws attention to a real problem and concerns the lives of many young people and their families. I am not therefore prepared to leave matters as they stand now. I will shortly establish an expert group, chaired by the national clinical director for heart disease, to explore thoroughly what further steps are available to us. The group will act as an advisory board on cardiac arrhythmia and sudden cardiac death, and will inform future policy development in those areas. In response to the interest of Welsh colleagues, we would be happy to include representatives from Wales in the membership of the group.

The group will be composed of external stakeholders, similar to the external reference groups that helped to create the national service framework for coronary heart disease initially. Voluntary and professional organisations, including CRY, the Ashley Jolly SAD Trust, Hearty Voices, the British Cardiac Society and the British Pacing and Electrophysiology Group, will all be invited to join.

The terms of reference of the group will include writing a communication strategy to raise awareness in primary care of the signs and symptoms of conditions leading to sudden cardiac death. It could also make recommendations about how deaths are certified in these tragic cases, which relates to the implications of the Bill for the Home Office. It is likely that the group will conclude that an additional NSF chapter is needed to cover the issues, and we would aim to publish that within a year.

We have looked carefully at the arguments presented. My hon. Friend the Member for Stockton, South, and the other hon. Members who have contributed, are rightly passionate about the cause. I am pleased that the Bill, and this debate, will lead to the formation of the advisory group. Through that group, the Bill will make

[Miss Johnson]

a real difference in raising awareness of the conditions leading to sudden cardiac death, and has the potential to save lives and prevent families from going through the tragic experiences that we have heard about today. I hope that the actions that I have mentioned, which will be taken forward speedily via the routes that I have outlined will enable us to make progress on the intentions that my hon. Friend outlined so ably, including increasing awareness and our efficacy in identifying and responding to these tragic conditions. I hope that she will find it possible to withdraw her Bill and meet me to discuss the membership of the group and how we can make urgent progress.

1.52 pm

Ms Dari Taylor: With the leave of the House, I appreciate this opportunity to respond to the debate. Everyone who heard it will agree that all the contributions have been excellent, thoughtful and supportive. I am most grateful to all those hon. Members who have contributed.

The last part of the contribution from my hon. Friend the Minister gave me some hope that all the issues that we have brought to the House today have a clear chance of being aired in detail and in full. Those issues are not easy; they are complex and have dimensions that I could not introduce to the House today. I am not a medic, but I have a clear commitment to reducing the number of people who die from conditions that can be diagnosed and treated. My commitment was to having the issue aired and preventing more deaths, and I thought that the best way to achieve that was through screening.

My hon. Friend the Minister has offered the House the proposal that an advisory group on cardiac arrhythmia and sudden cardiac death should be established. If appropriate, such a group would write a chapter for the national service framework for coronary heart disease. That is an incredibly positive offer. I recently wrote an article on the national service framework and received glowing responses about the NSF from primary care trusts—first about the fact that there is such a national service and, secondly, because it offers a framework of understanding and can deliver services to control various illnesses and support the people who suffer from them.

I was also pleased to hear my hon. Friend say that CRY, the charity that has done such sterling work with regard to sudden death in the young, will be included in the group. That is incredibly valuable. Indeed, the articulation of the whole debate and my hon. Friend's suggestions for the way forward are profoundly valuable.

I appreciate this chance to respond to the many contributions. I am sorry that there is not enough time for me to answer in detail the important questions put by the hon. Member for Twickenham (Dr. Cable), but I promise that I shall address them and respond at another time. My thanks to the hon. Gentleman, to the hon. Members for Cheltenham (Mr. Jones), for New Forest, East (Dr. Lewis) and for Brentwood and Ongar (Mr. Pickles) and to my hon. Friends the Members for Sheffield, Heeley (Ms Munn) and for North Durham (Mr. Jones), who sponsored the Bill and gave me the confidence to put it before the House. I also thank my hon. Friends the Members for Gower (Mr. Caton), for Ogmore (Huw Irranca-Davies), for Inverness, East, Nairn and Lochaber (Mr. Stewart) and for Telford (David Wright) and the hon. Member for Westbury (Dr. Murrison) who spoke for the Conservative Opposition.

I apologise to the House for gabbling, but I am trying to speak quickly. I am most grateful for all the speeches and interventions that were made. I shall read *Hansard* with considerable care, so that I can feel even more competent to respond on the issue, should I need to do so at another time.

I conclude on that positive note. This has been a long debate. Members have been particularly indulgent to me, and I am most grateful, but I now beg to ask leave to withdraw the motion.

Motion and Bill, by leave, withdrawn.

Property Repairs (Prohibition of Cold-Calling) Bill

Order for Second Reading read.

1.58 pm

Mr. Andrew Robathan (Blaby): I beg to move, That the Bill be now read a Second time.

Even at this late stage of the day, I am grateful to have the opportunity to raise on the Floor of the House a very serious and growing problem of criminal activity, which is particularly targeted at elderly and vulnerable people. Cold calling covers a multitude of sins but, in essence, it means making an unrequested and unarranged approach to a person with a view to selling them something. There is much telephone cold calling, but I am concerned with people calling in person, unrequested, at other people's houses. Sometimes, that is a front for what is known as distraction robbery, but that is not what I am concerned about on this occasion.

The Bill deals with individuals, or more often gangs, who approach people at their home and offer property repairs. The most common property repair offered appears to be the laying of tarmac on people's drives, although other repairs are also offered—of course, sometimes the work is genuine and well done. However, the problem is increasing, and criminal gangs are making a dishonest living from preying on vulnerable and elderly people in our society.

Let me give some examples. An elderly woman from north Yorkshire was called and quoted £3 per sq m for resurfacing her drive. She was told that the people were from the local highways department and that they had some leftover materials. After laying approximately 120 sq m extremely poorly, they told her that the charge would be nearly £7,000 and that they would return later to collect the money. Mrs. L contacted both the police and trading standards officers. She tried to reason with the trader, but she was told that, unless she paid, someone would come round and damage her property, and that gentleman added that he did not mind doing another five years in prison, as he had already done 14. Mrs. L felt so vulnerable, distressed and fearful that she paid up in any case and declined to make a statement or otherwise assist further with the investigation.

Another elderly woman from West Yorkshire was happy to help when a caller asked to leave a large roller in her drive overnight, rather than taking it back to his yard. The following morning he called and thanked her for her kindness, and to say "thank you," he told her that he had some tarmac left over from a previous job and that he would do her drive for just £400. She replied that she did not have £400—so, as a favour, they agreed on £300, but when the job was done, he demanded £2,600, saying that she must have misheard, and he became threatening. He ordered a taxi and drove her down to the bank to withdraw the cash, although she did not hand it over immediately. When she returned to her home, she slipped out of the backdoor to a neighbour's house to ask for help. She phoned the trading standards officers, only to be told that they could not help; it was a police matter. She phoned the police, who said that it had nothing to do with them; it was civil matter. She remains worried to this day. One might ask what sort of person is around in our society who treats elderly people like that. Again, that is a rather sad reflection on society.

Another example from closer to home, from my constituency, involves not an elderly or vulnerable person, but a small business man—fit, healthy and in middle age. I shall quote his case because it is a very good illustration of such criminal activity. In November 2001, he wrote to me about extortion rackets in Leicestershire, and said:

"This Extortion Racket seems commonplace . . . and because the Police turned their back on it, I believe that it is important to bring it to your attention.

I do not want my name used in publicity . . . the police cannot and will not protect me . . .

On Thursday, I was offered a load tarmac from an Irishman at the gate at work. Over the years we have bought a large number of loads of road scrapings when the roads are being resurfaced and have never had any problem. I negotiated . . . a very favourable price of £25 per load and . . . doubled checked that . . .

After it was laid the gang who laid it asked for £5,000 at £25 per square yard. When I protested they attacked me and pushed"—

the business man's colleague—

"before jumping in the car shouting threats. From Thursday morning until today . . . they have been phoning every 5 minutes promising violence to me, my family and my staff . . .

The police said it was a commercial dispute. They listened to a phone call when I was being threatened but said they could do nothing about it. I should settle . . .

The Irishmen kept telling me that the police could not and would not touch them and that they did not bother taxing their cars, nor with the drink drive laws. They claimed that the police were scared stiff of them . . . It may be bravado, but the reaction of the police rather bore out their claims.

I employed a . . . security guard . . .

After two days of harassment, my staff were scared stiff. I decided to settle and agreed to pay them £2,200. They sent a taxi driver to collect it."

The then chief constable replied to my letter and said:

"Whilst the officer was with your constituent, four telephone calls were received from the suppliers . . . in relation to payment for the service . . . It is clear that prior to this there has been some intimidation".

Finally, following the chief constable's letter, my constituent wrote and said:

"I did not want to pursue the complaint because we are a very vulnerable site and a lot of damage could be done to my site . . . In addition at this time of the year many female staff are going home, alone, in the dark, many of them on bicycles and the perpetrators had made it quite clear what they would like to do with my female staff. If the police cannot realistically protect them then it is irresponsible of me to put their safety at risk . . . if the Police want assistance in bringing the perpetrators to justice I will testify, so long as I can be assured of police protection".

The fact that people can get away with such threatening behaviour is a matter of shame for our society and the police. Although I do not particularly blame Leicestershire police—indeed, the chief constable's letter was very sympathetic—law-abiding people should, nevertheless, always feel able to report crimes to the police and to rely on the police in this country. Incidentally, I mentioned that those involved were Irish in quoting my constituent's letter and in stating a fact—it is not meant to be an attack on the Irish nation in general.

Last week, like all hon. Members, I received an update on the Proceeds of Crime Act 2002. I should like to quote from it:

"Operation Delham was run by the London Crime Squad, and targeted a crime family, the Vincents, based in Orpington . . . Three generations of the family targeted elderly vulnerable victims

[Mr. Andrew Robathan]

in the South London area . . . who they would approach and persuade that essential roofing work was necessary to their properties. Once the victims agreed either no work or badly completed work was carried out, resulting in an inflated bill. The average amount charged to re-roof a 3 bedroom house would be in the region of £37,000."

What is excellent in this case is that those responsible were charged and sentenced to imprisonment for up to six years, and have had confiscation orders made against them whose aggregate total was a benefit of almost £2 million. I use the case as an illustration of how widespread this criminal activity can be, and how lucrative.

As a final illustration, I might mention my late father, who had a similar although less dreadful experience when aged about 80. He was approached on the basis that his drive needed retarmacking, and he unwisely agreed. The job was done very badly and very quickly, for the grand sum, as I recall, of about £2,000, which he had to pay in cash. Of course, he subsequently had to have the drive redone, as the tarmac was a complete waste of time and money. My father, to whom I was devoted, was extremely embarrassed, although he was fortunate in being able to afford the rip-off.

Dr. Julian Lewis (New Forest, East) (Con): I cannot over-emphasise the importance of what my hon. Friend is trying to achieve in his Bill. He may be aware that I brought to the attention of the House a similar experience when my then 89-year-old father was tricked into repeatedly going to the bank to withdraw a total of £7,500 in cash to give to a builder, purely because the builder recognised that he had a short-term memory problem. The only reason why this scoundrel was exposed was that I was able to raise the matter in the House, and "The Ferret"—an investigative programme in Wales—exposed him. We definitely need protection from this form of ruthless exploitation.

Mr. Robathan: I am grateful to my hon. Friend, who makes the point that such things are happening not only in the midlands, but throughout the country. They are a real and growing problem and are targeted at elderly and vulnerable people such as both our fathers.

It is estimated that at least 16,000 similar bogus trading incidents are reported to trading standards each year, but centralised figures reported to the police on top of those are not available, so the problem is almost certainly much more widespread, and I believe that it is growing. At the same time, it has been calculated that the average cost of such property repairs, whether to drives or roofs, is £2,000, so we are talking about crime that involves at least £32 million a year, although the true amount is probably greatly in excess of that figure.

It is not only the crime that is a concern, but the fear and distress that is caused to many people. Hon. Members may have read in the newspapers on 5 March about a plumber remanded to Lewes Crown court for sentencing after being blamed for contributing to the death of a pensioner. The plumber, Gary Seabrook, charged 73-year-old Muriel Burbage £5,225 for clearing a drain. He drove her down to the post office, so that she could hand over her pension, and then to the bank to withdraw money. Miss Burbage died two months later, and Seabrook was blamed for bringing about her rapid physical and mental decline.

I refer to that case, which would not be covered by my Bill, to show how ruthless people can prey on the elderly and how inflated bills can deeply distress pensioners in particular, who may have money worries anyway, to which the factor of fear and intimidation is added.

Mr. Eric Forth (Bromley and Chislehurst) (Con): My hon. Friend might have intended to deal with this point later. Is he satisfied with the definition of property service, which is key to the terms of his Bill? In my reading, the phrase could cover such things as double glazing or the installation of heat exchangers or television satellite aerials. Is he satisfied that his Bill is sufficiently narrowly defined and that it could not catch by accident a lot of perfectly legitimate and indeed rather beneficial activities?

Mr. Robathan: My right hon. Friend makes an important point—I am always grateful to him for his assiduous study of legislation and his constructive contributions. I am not particularly satisfied with the Bill's definitions, which need to be developed in Committee, although I fear that the Bill will not get that far.

Cold calling is not generally welcomed by the British public. The Trading Standards Institute carried out an extensive household survey in November 2002 which revealed that 95.7 per cent. of householders do not want doorstep sellers cold calling.

Mr. Paul Truswell (Pudsey) (Lab): The hon. Gentleman has moved on from the point made by the right hon. Member for Bromley and Chislehurst (Mr. Forth), but is it not the case that no reputable building company needs to cold call, which is why the Federation of Master Builders supports the Bill? That should be a comfort to the right hon. Gentleman.

Mr. Robathan: I am grateful to the hon. Gentleman and agree with him. There are not many people who sit at home waiting for builders to knock on the door and tell them that their drive needs to be repaired or that there is a hole in the roof.

The police are in a difficult position. The criminals involved know that if they undertake some work, however badly and quickly, it is a commercial transaction, so any challenge becomes a civil dispute between the contractor and the consumer. My Bill seeks to tackle that problem, which partly addresses the point made by my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth). The issue has been recognised by the Office of Fair Trading, which has referred to a "considerable enforcement gap" in the law. Cold calling, as has been said, is not just about repairing drives—it also undertaken by unemployed people selling dusters and legitimate salesmen selling double glazing. Nevertheless, the practice is not popular, and I agree with my right hon. Friend that services may be too widely drawn in the Bill.

I do not wish to make a complicated law that is too regulatory, harms businesses and increases bureaucracy, and the Bill would not do so. The Trading Standards Institute survey, to which I referred, found that 10 per cent. of households reported problems with cold calling for property repair and maintenance in the

previous two years, which illustrates the scale of the problem. Such property repairs are carried out by criminal gangs. There is no written contract, and the unwritten contract is completed immediately or very swiftly. Some people may think that the Bill is draconian but, as the hon. Member for Pudsey (Mr. Truswell) said, it will not affect reputable businesses. It is designed to catch people who undertake criminal activity, not legitimate businesses. It is not designed to stop unemployed people selling dusters door to door, however intimidating some old people find them. Indeed, people have written to me saying that they would prefer it if no one knocked on their door. The Bill will, I hope, stop the worst abuses. It is not perfect, but it does provide a solution to the problem.

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Gerry Sutcliffe): I will have an opportunity to speak in detail later, but the hon. Gentleman will acknowledge the relationship between police and trading standards officers and the work done across many authorities. He will also be aware of the OFT report for which the Government are waiting. I have a great deal of sympathy with the issues that he has raised—indeed, I am glad that he has done so—but he will understand that we are waiting for that report.

Mr. Robathan: Indeed I do, and that is not a problem.

I hope that either my Bill or the Government will make it a criminal offence to knock on people's doors and offer to do up their drives immediately, rather than pretending, as now, that those activities are civil contracts. That would allow the police, when called, to intervene, which they believe they cannot do now. It is not a complicated Bill and, I stress, I do not want to increase the regulatory burdens. I just want to protect vulnerable people in our society and ban immediate work and payment for property repairs.

The Office of Fair Trading, to which the Minister referred, published a position paper last week which recommends that

"the Government pursues legislative options for tackling bogus traders".

Like my right hon. Friend the Member for Bromley and Chislehurst, I do not believe that my Bill is perfect. Given time constraints, I shall not go through all its clauses, not least because it is highly unlikely to become law—unless the Minister is about to surprise me.

I hope that the Bill and the debate will raise the profile of the crime so that people understand how serious the matter may be. I have met the Minister a couple of times and had very good discussions with him about it. I understand from an Adjournment debate initiated last Wednesday in Westminster Hall by the hon. Member for Pudsey that the Government understand the problem. We look forward to the Office of Fair Trading report, which is to be published next month. I understand also that the Minister—I shall quote his words back to him—told David Byers, the Lobby correspondent of the *Leicester Mercury*, my local newspaper, that

"'the Government would take action'".

The report continues:

"Mr. Sutcliffe told the *Mercury* that a cross-departmental committee of Ministers would be set up to decide on what the new legislation would contain."

He went on to say:

"Andrew Robathan's Bill may not be the complete answer, and he accepts that"

indeed I do—

"but it's the spirit that he wants us to administer in legislation."

Finally, the Minister is reported as saying

"I'm giving a commitment that this issue will be tackled by the best means possible and that's probably the strongest commitment we've had on this issue for some time."

Mr. Sutcliffe: I am happy to repeat that commitment. I will take action along the lines set out by the hon. Gentleman.

Mr. Robathan: I am grateful to the Minister. Knowing him, I respect and like him. We have pulled together in a tug-of-war team, if nothing else—unsuccessfully.

Mr. Forth: Hardly the basis for legislation.

Mr. Robathan: Perhaps not, but I am sure that the Minister's intentions are good, and I very much hope that, assuming the Bill does not go into Committee, the Government will take legislative steps in the near future to prevent criminal gangs preying on elderly and vulnerable people who, up to now, have lacked proper protection from the law and the police.

2.16 pm

Mr. Paul Truswell (Pudsey) (Lab): I congratulate the hon. Member for Blaby (Mr. Robathan) on bringing this important Bill before the House. As he rightly said, cold calling is a broad issue and raises a number of problems. The Bill focuses on one aspect, albeit a significant one. Although I realise it is impossible to give the right hon. Member for Bromley and Chislehurst (Mr. Forth) any comfort with regard to private Members' Bills, the Bill is not intended to be a one-club solution to the criminal and unscrupulous activities that include cold calling as a tactic. It is not a knee-jerk reaction, it is not a sledgehammer to crack a nut, and it is not the thin end of a larger wedge that would outlaw all forms of legitimate cold calling. I hope that no group and no hon. Member would attempt to thwart the Bill or any of its successors, if it is unsuccessful, because of such concerns.

The Bill is a long overdue and robust response to a growing and crucial element of criminal and unscrupulous cold calling. It would be a major piece of artillery in the battle against doorstep criminals and unscrupulous high-pressure sellers, such as those whom the hon. Member for Blaby so graphically described. In the Adjournment debate that I was fortunate to secure last week, I was delighted that my hon. Friend the Minister for Employment Relations, Competition and Consumers recognised the scale of the problem and expressed his readiness to take robust measures. In particular, I welcomed his assurance that there would be a joined-up Government approach in collaboration with Ministers from other Departments.

I was also delighted that the following day we had the position statement from the Office of Fair Trading. As the hon. Member for Blaby noted, it recommended that the Government should pursue four legislative options

[Mr. Paul Truswell]

for tackling bogus traders. These were, first, a proposed new fraud offence; secondly, a fraudulent trading offence for individuals; thirdly, a ban on work or payment within seven days of a cold call; and finally, a ban on cold calling for property maintenance or repairs. The latter issue is, of course, the subject of the Bill. I hope my hon. Friend will accept that although those who operate at the coal face against doorstep crime see merit in the first three options, they are likely to prove extremely limited in practice.

The bogus property repairer is a cunning and cynical moving target. He travels the country, carefully selects and robs his victims, and then moves on. The first three legislative measures recommended by the OFT are rather like a muzzle-loading musket—cumbersome and slow to load, aim and fire. They are also likely to prove inaccurate. But an outright ban is more like a rifle—quicker to use, aim and fire.

Although everyone is potentially a victim of doorstep crime, research shows that the typical victim is an 81-year-old woman living alone. As has rightly been said, it is a despicable offence. It robs vulnerable people, especially older people, not only of their pensions, savings and treasured possessions, but of something far more damaging—their pride, their self-respect and, in some cases, their independence and even their will to live.

Six years ago, I was involved in a campaign in my constituency against a company called Midland Coating, whose particular stock in trade was to offer people free property surveys, then to proceed to scare them into believing that their homes were about to fall apart and charge them unnecessarily large sums for negligible, shoddy or even non-existent work. Through the campaign, we managed to get the company closed down, but it was simply one of many hundreds that have operated since.

I soon learned that while Midland Coating probably represented the bad, unscrupulous, high-pressure side of doorstep calling, distraction burglary represents the downright ugly side. I was contacted by Claire Morrow, chair of the Leeds distraction burglary project. With my support, that project was able to obtain Home Office funding of £500,000, which was well spent. That showed what can be done in the community to tackle the issue of doorstep crime, but it is simply not enough.

My involvement in these issues brought me into contact with a gentleman called Brian Steele, a former detective chief superintendent who became co-ordinator of the Leeds distraction burglary project. When the project came to an end, Brian's expertise was recruited by the astute head of North Yorkshire trading standards department, Stuart Pudney, on behalf of a consortium of northern trading standards authorities.

I have been delighted to work in Parliament for the objective of obtaining a ban on cold calling for the purpose of soliciting property repairs. I emphasise the point that no reputable company needs to cold call—that needs repeating again and again. A ban would not affect in any way, shape or form those who are involved in maintenance or repair of property, but it would catch the villains. I therefore tabled early-day motion 219.

Shona McIsaac (Cleethorpes) (Lab): I have been listening carefully to the debate. I recently received a complaint from a constituent about a new form of cold calling—automatically calling many numbers at once. A person's phone may continue to ring all night, but whenever they pick it up the line is dead. Would the Bill cover that sort of activity?

Mr. Truswell: It would not prevent cold calling from being conducted by a telesales firm. We are trying to combat those who turn up on the doorsteps of vulnerable people, inveigle their way into their homes, then proceed to rob them, at best, or sometimes to assault or even to kill them.

I realise that the Government—even this Government, and even given the caveats attached by the right hon. Member for Bromley and Chislehurst—are loth to introduce bans and will do so only as a last resort. However, those who work at the sharp end day after day, week after week, and month after month to deal with these villains feel that every other legal avenue, including those mentioned by the OFT, would be insufficient to tackle the problem.

I shall give an example of the type of case that we are dealing with. It is rather graphic and extreme, but it gives some idea of the scale of the problem. During Brian Steele's period as head of the West Yorkshire murder squad, he unfortunately had to investigate the murder of an 82-year-old lady called Isobel Gray. Isobel was severely disabled with curvature of the spine. She was a serial victim of bogus property repairers, and was eventually murdered by distraction burglars who knew that she had paid those people in cash, which was her big mistake. They forced their way violently into her home, tortured her to discover the whereabouts of the cash that they knew she kept in the house, broke her back and left her to choke on her own vomit. That is an extreme and graphic case, but an important one.

Mr. Sutcliffe: Would my hon. Friend also like to describe the way in which Detective Steele spoke to the individual responsible and what he had to say?

Mr. Truswell: My hon. Friend pre-empts me—I was about to speak about that. Any Bill that deals with such matters deserves the title "Isobel's law". My hon. Friend the Minister and others know about the Home Office-funded research that Brian Steele conducted into distraction burglaries. It involved interviewing several perpetrators in prison. Anyone who has heard Brian speak on the subject or read his research will be aware that he describes graphically how the perpetrators did not show the slightest remorse for their crimes and viewed older people merely as the impersonal objects of their cunning and proud trade. They said that they could smell money in an older person's home. They also told Brian that they were prepared, if thwarted and if all else failed, to do what they called a "naughty one" and use violence to achieve their ends. They described the way in

which they bought and sold the names of their victims—victims, presumably, such as Isobel Gray.

Tackling the problem is not easy. That is why those who are responsible for trying to deal with the villains have reached the conclusion that only a Bill such as the measure that the hon. Member for Blaby is promoting will work in practice.

Dr. Andrew Murrison (Westbury) (Con): Does the hon. Gentleman agree that it is not simply a problem of people trying to sell something on the doorstep but of people trying to buy things from vulnerable people on the doorstep? In welcoming the important measure that my hon. Friend the Member for Blaby (Mr. Robathan) is promoting, perhaps the Minister will extend his cross-cutting, joined-up approach with the board that he has announced to cover those who wish to buy from vulnerable and elderly people.

Mr. Truswell: The hon. Gentleman makes a good point. Perhaps my hon. Friend the Minister would like to intervene to give such a commitment from the horse's mouth. I know that he is covering the whole issue of cold calling and doorstep crime.

As the hon. Member for Blaby and I have reiterated, the Bill is narrowly targeted on a specific aspect of cold calling. If the hon. Member for Westbury (Dr. Murrison) reads the Minister's response to my Adjournment debate last week, I am sure that he will find the reassurance that he seeks.

It is not easy to deal with the problem. The hon. Member for Blaby mentioned last year's Trading Standards Institute survey, which involved interviewing 9,000 people. Worryingly, approximately 62 per cent. of householders reported receiving cold calls in the previous month. It is therefore prevalent in our society. Even more worrying, 21 per cent. reported a recent bad experience. It is clear from such research that the hon. Gentleman is right to point to the fact that the existing official figures for cold calling probably dramatically under-represent its prevalence.

Another worrying aspect was the low level of household security. Only 13 per cent. of people reported asking for identification and only 1.3 per cent.—a pathetic handful—would ever check them.

It is tempting to continue but I shall truncate my speech to give my hon. Friend the Minister a few minutes to respond. He knows the points that the hon. Member for Blaby raised and that people such as me will continue to grind away at him. I know that he accepts that the extent of the problem is far greater than the official statistics suggest. I therefore emphasise that it is not only time to act but to do it soon and courageously. If we do that, perhaps Isobel Gray will not have died in vain.

2.29 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Gerry Sutcliffe): I cannot deal with all the points that have been made but I congratulate the hon. Member for Blaby (Mr. Robathan) on raising important issues. We have spoken about them several times and I have also discussed them with my hon. Friend the Member for Pudsey (Mr. Truswell). Although we believe that there are deficiencies in the Bill, we want to implement its spirit. We shall examine the Office of Fair Trading report and we have already made an announcement. I believe that the hon. Member for Blaby makes a genuinely valid point and that we need to examine all the points that he raises.

Yesterday, I was in Birmingham—

It being half-past Two o'clock, the debate stood adjourned.

Debate to be resumed on 26 March.

Remaining Private Members' Bills

HEALTH AND SAFETY AT WORK (OFFENCES) BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 14 May.

CIVIL SERVICE BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 14 May.

NOMINATION OF SELECT COMMITTEES

Motion made,

That the Standing Orders be amended as follows:—

(1) In Standing Order No. 15 (Exempted business), line 18, leave out from 'committees' to 'which' in line 20 and insert 'to which that paragraph applies'.

(2) In Standing Order No. 121 (Nomination of select committees), line 10, leave out from 'under' to ', or' in line 13 and insert 'the Standing Orders of this House (with the exception of the Liaison Committee, the Committee of Selection, the Committee on Standards and Privileges and any Committee established under a temporary Standing Order).'.

As an Amendment to Mr Peter Hain's proposed Motion (Nomination of Select Committees):—

Mr Eric Forth

Line 7, leave out from first 'Committee' to end and add 'and the Committee of Selection).'.—*[Margaret Moran.]*

Hon. Members: Object.

Prostate Cancer

Motion made, and Question proposed, That this House do now adjourn.—*[Margaret Moran.]*

2.31 pm

Dr. Howard Stoate (Dartford): Thank you, Madam Deputy Speaker, for giving me the opportunity to raise this debate in the House. This is a subject of great importance to many hon. Members and to many of our constituents across the country. This debate is timely because prostate cancer is highly relevant to two of the main themes that have dominated the policy debate on health care over the past year. They are the concepts of extending patient choice and of promoting greater engagement by the public in their health care.

Today I would like to focus on the potential benefits that extending choice can bring to prostate cancer patients, as well as on some of the challenges that we will face if this goal is to be delivered effectively. The undoubted opportunity presented by choice is that it can, in a way that is consistent with the values of the NHS, give a patient and his family a greater range of treatment options throughout the patient journey, allowing him to become more involved in decisions on his own care. The challenge is that, if all men are to benefit, these treatment options must be readily available to all, regardless of where a patient lives, and that accessible and understandable information setting out both the benefits and risks of different treatment approaches should be readily available.

In fact, men have been quietly exercising choice in regard to prostate cancer for a considerable time. Should they have a prostate specific antigen—PSA—test? If they are diagnosed with the condition, what course of treatment should they have? What impact will this have on their quality of life? What will be the impact on life expectancy? Should they, in fact, have any treatment at all? Unfortunately, in the past, these choices have often been exercised without adequate support or advice. The challenge that we all face is to change that, and I am pleased to report that good progress has been made, although there is still a lot to do.

The Government took an innovative step forward on choice, even before the concept assumed its current high political profile. The prostate cancer risk management programme was introduced following the publication of the NHS prostate cancer programme in 2000. It introduced the principle of informed choice for men thinking about taking a PSA test. As a practising GP, and chair of the parliamentary all-party group on men's health, I know only too well that the issue of PSA testing is a controversial one. Last year, I chaired a debate on the subject and it was clear that there were strong feelings on both sides. The issue lies in the reliability of the test, which unfortunately throws up many false positives and negatives. This obviously has implications both for men and for the health service as a whole. In my view it is therefore right that a man's decision on whether to take a PSA test should be a personal choice. However, for choice to work, accurate and impartial information is essential. The prostate cancer risk management programme, which is intended to enable a man to discuss both the advantages and potential drawbacks of taking a test in an impartial way with his GP, is a welcome step forward.

In the absence of a more reliable test—and I welcome the Government's commitment to introduce universal screening when such a test becomes available—informed choice offers many potential advantages, and I know that it is generally welcomed throughout the field of prostate cancer. Inevitably, some teething problems exist, but I am sure that those can be overcome. The focus is mainly on awareness and the understanding of the risk management programme, on which I will touch later.

The NHS prostate cancer programme, which incorporates the risk management programme, has been widely welcomed, and has led to real service improvements. The two-week maximum waiting time between a GP suspecting that a patient has cancer and that patient being seen by a consultant has offered timely reassurance to many men at a time when they face great uncertainty. Many of my patients have benefited from that, and it is difficult to overestimate its importance both in boosting confidence and in giving reassurance to people at a very difficult time.

We are now some four years on from the launch of the programme, and as we seek to take the next step forward in prostate cancer policy, it is important to assess exactly what impact the risk management programme and the wider NHS prostate cancer programme has had. Certainly, I would welcome a commitment by the Minister to producing an interim report on the prostate cancer programme, including an appraisal of the risk management programme. Clearly, substantial progress has been made in terms of waiting times and investment, but we now need a clear and realistic assessment of exactly what has been achieved, and what remains to be done, so that we can move forward in a constructive way that benefits patients.

The case for action is clear. Prostate cancer is now the most common form of cancer in men in the United Kingdom, with more than 27,000 men being diagnosed every year. It is also a major killer: prostate cancer kills about 10,000 men each year in the UK. That is approximately one man every hour. The political desire for action is also overwhelming. The prostate cancer charter for action, which has been very effective in making the case for action on prostate cancer, has the support of 232 parliamentarians on both sides of the House, including Front-Bench health spokesmen in each of the major parties. An early-day motion that I tabled back in January now has more than 130 signatures, and I know that the charities involved in prostate cancer are very grateful for this clear demonstration of support.

Effective action requires a joint commitment from the Government, health professionals and the voluntary sector. All stakeholders need to work together in partnership to share ideas and expertise and, where necessary, to pool resources to deliver improvements in services for men. In this sense, the establishment of the prostate cancer charter for action, which brings together the key organisations with an interest in prostate cancer, is a vital step. I take this opportunity to thank the prostate cancer charter for action for the briefing that it provided for me ahead of this debate, as well as the efforts that it takes to keep me informed about its work. I know that the signatories to the charter, which now number 21 different organisations, all undertake a great

deal of good work on behalf of men and their families, and I am sure that the whole House will join me in thanking them for their efforts.

The Minister is no doubt aware that the prostate cancer charter for action was both facilitated and funded by the GUS charitable trust—an organisation that has no commercial interest in prostate cancer and yet has recognised the pressing need for action to tackle this high-incidence male cancer, as well as the potential that is offered by greater collaboration. I am sure that the Minister will join me in congratulating the GUS charitable trust—the charitable arm of GUS plc—on its commitment. I can only hope that other charitable trusts and organisations will follow its lead in promoting greater collaboration among the many voluntary sector organisations that do such valuable work.

I know that the charter signatories were very encouraged by the Government's decision to act on their call by establishing the Prostate Cancer Advisory Group, chaired by Professor Mike Richards, to facilitate collaboration and advise Ministers on the development of policy. It seems to me that both the advisory group and the charter for action have a great deal of potential for improving collaboration—both within the voluntary sector and in the formulation of Government policy—for a wide variety of diseases and conditions. I have previously heard Professor Mike Richards praise this model, and the Minister may wish to outline her vision for rolling it out to other disease areas.

Since the advisory group's establishment, it has taken on an ambitious programme of work, all of which, if delivered, will help to extend choice in a positive way. The group has proposed the establishment of a national prostate cancer website. That completely independent site will create a focus of information for patients, professionals and policymakers, providing intelligent signposting to all sources of information. The Prostate Cancer Advisory Group agreed that, in the spirit of partnership, and to ensure genuine independence, the voluntary sector should make a contribution to the costs of developing the website. I understand that this contribution has now been secured by the prostate cancer charter for action. I would therefore welcome a commitment from the Minister that her Department will indeed fund the remainder of the development costs for the national prostate cancer website.

The group is also developing a decision-making tool to enable men to make an informed and independent choice about what form of treatment is best for them, taking into account the trade-off that may have to be made between quality of life and eradication of the cancer. At present, no such tool exists, and this often leads to a patient having to rely on the advice of a clinician, which may be based more on what the clinician knows or believes than on what will necessarily suit the individual patient's circumstances.

I understand that the Prostate Cancer Advisory Group is planning to convene a workshop for experts on prostate cancer and other diseases from around the world to help develop such a tool. Hopefully that will enable the NHS to lead the world in terms of treatment decision-making tools for patients. I ask the Minister to use her influence to enable the conference to be convened as soon as possible, and to ensure that all the relevant experts are invited. I also ask her to commit herself, once it has taken place, to early piloting of the tool so that NHS patients can benefit from it as soon as possible.

The advisory group is considering public awareness. Information and awareness are an important precursor to informed choice. It is very difficult for a patient to decide whether to have a PSA test, or indeed what course of treatment to opt for, if he does not even realise that he has a prostate. Public awareness of the prostate, however, is a difficult issue to tackle owing to the problematic nature of the disease and our relative lack of knowledge about it. There is no definitive form of treatment, and, as I said earlier, the poor reliability of the PSA test remains an obstacle. What should be the message or call for action contained in any campaign is therefore a matter for debate.

In his recent report, Derek Wanless made a number of helpful observations. In particular, he said that any campaign would have to have clear and measurable objectives, and that we would need to ensure that public awareness or information campaigns reached all sections of society, not just those who could be considered "health-literate". Those issues must obviously be resolved if public awareness of the prostate and its function is to be effective.

The work on public awareness will be an important test of the ability of the Prostate Cancer Advisory Group model to develop accepted solutions to difficult problems, and advance the quality and effectiveness of policy. I ask the Minister to throw the Department's weight behind the principle of public awareness of prostate cancer, and to urge all parties involved to work together to develop solutions.

National men's health week between 14 and 20 June, which will focus on men and cancer, will give us an ideal opportunity to raise public awareness of prostate cancer. A men and cancer manual featuring a section on prostate cancer, produced in the same format as a Haynes car manual, will form the centrepiece of this year's men's health week. I am grateful to the Minister for her Department's contribution of £30,000 towards the production of the manual.

I also welcome the Prostate Cancer Advisory Group's plans to develop multidisciplinary training mechanisms for the whole health care team. Improving the team's understanding of each other's roles can only help to improve the quality of impartial advice given to the patient, so increasing the ability to make an informed choice as well as enhancing the quality of care ultimately delivered.

I was speaking to Dr Nav Chana, a fellow GP, earlier this week. He made the important point that patient choice will only ever work if the NHS has the necessary capacity to provide a full choice of treatment options, underpinned by high-quality impartial information, for every man throughout the patient journey. I know that that sentiment is shared by the vast majority of patients and health professionals.

The sustained increase in investment provided by this Labour Government is building the capacity necessary to deliver a world-class health service for all, fit for the 21st century. That is vital to everything I have raised today. I know how committed the Minister is to sustaining the investment, and I hope that she will take

[Dr. Howard Stoate]

this opportunity to reaffirm that the Government will not waver in their determination to build the necessary capacity to achieve that goal.

I hope that in a few years I shall be able to stand in the House and praise this Government for successfully developing a cure for a disease which, after all, affects the lives of so many men and their families. I know that we are still some way from achieving that, but then again I know that I shall be in the House for a considerable time! The large increases in funding for research into prostate cancer that the Government have already delivered are a very important step in the right direction. I hope very much that it will deliver results, both in moving towards a cure and, in the meantime, in providing more effective treatment options and therefore greater choice. A commitment from the Minister that the increases in funding for research that have been delivered so far will be sustained would be welcomed by stakeholders.

Let me end by reaffirming that patient choice presents a number of promising opportunities to improve the deal for men with prostate cancer. As a GP and as one who is committed to improving men's health, I am greatly encouraged by the progress that the Government are making, in partnership with voluntary and professional organisations, in taking practical and positive steps to extend choice. Although there is still much to be done, I am sure that the mature and constructive attitude taken by the Government and the prostate cancer charter for action, working together through the Prostate Cancer Advisory Group, will pay dividends.

As the voluntary sector seeks to work with the Government to deliver on the important calls to action embodied in the charter for action and the terms of reference of the advisory group, I am sure that it would welcome the Minister's comments on the issues I have raised today. It would particularly welcome the possibility of an interim report on the NHS prostate cancer programme, an update on the progress being made in securing funding for the national prostate cancer website, and the Minister's support for an expert conference to advance thinking on patient decision-making tools.

I thank the Minister for her ongoing commitment to improving public health, and in particular for the part that she has played in tackling this disease, which disrupts the lives of so many men and their families.

2.45 pm

The Parliamentary Under-Secretary of State for Health (Miss Melanie Johnson): I congratulate my hon. Friend the Member for Dartford (Dr. Stoate) on securing this debate, on his enthusiasm for this subject and on his re-election. I am sure that that enthusiasm is infectious in both cases. The debate is particularly timely, as prostate cancer awareness week falls at the end of this month. I take this opportunity to congratulate the signatories to the prostate cancer charter for action on all their efforts in combating this terrible disease.

We acknowledge that prostate cancer has not previously received the attention that it deserves, which is why we published the NHS prostate cancer programme in September 2000. It set out what was known about prostate cancer and established a framework for future action, and it explained the action that the Government propose to take in three relevant areas: research: prostate specific antigen testing; and improvement of services for patients with urological cancers, including prostate cancer. I will briefly review the progress that has been made in each of these areas in the past three and a half years.

Prostate cancer is the only cancer that has a Department of Health funding target for research, and we are on track to spend the promised £4.2 million on research into prostate cancer in 2003–04. That is a twentyfold increase compared with 1999–2000. I can confirm that this level of funding will remain for future years—scientific quality of research proposals permitting, of course. Two National Cancer Research Institute prostate cancer research collaboratives have been established, in Newcastle and London. Funded research includes studies on various treatments for prostate cancer, on improving the prostate specific antigen test and on ethnic differences in prostate cancer incidence.

As part of the prostate cancer risk management programme, evidence-based primary care resource packs were sent to all general practitioners in England in September 2002 to aid them in counselling men who are worried about prostate cancer. The PSA test for prostate cancer is not perfect, and men need to know the advantages and disadvantages of the test to make an informed choice on whether to have it. Other elements of the risk management programme include ensuring that a systematic and standardised follow-up pathway is available for men whose test result is above the PSA threshold, and action to improve the quality of laboratory testing of PSA samples.

The Cancer Research UK primary care education research group is evaluating the programme. The evaluation focuses on GPs' use of the packs and their views, on the views of men and on the reasons given for taking a PSA test. It will be funded by the Department of Health via NHS cancer screening programmes, and the results are expected during the next year. They will inform the continuing use of the packs and any appropriate changes will be made in response.

On waiting times, between October and December 2003, 98.6 per cent. of patients with suspected urological cancers, including prostate cancer, were seen for their first out-patient appointment within two weeks of their GP deciding that they should be urgently referred.

The cancer services collaborative is modernising cancer care, including prostate cancer care, by reducing unnecessary delays in the system for patients throughout the cancer journey. "Action on Urology", which is sponsored by the Department of Health, is a programme that aims to improve access to, and delivery of, patient-focused services for urology patients. New approaches to urology care are being piloted in 15 pilot sites across England and Wales, at a cost of £1.4 million. Examples of work under way on prostate cancer include using specialist nurses and GPs to carry out prostate assessment clinics in primary care; redesigning the pathway for patients undergoing transurethral resection, so that they can go home within 24 hours; and using the skills of specialist nurses to follow up patients after PSA testing and cancer surgery.

There has been a 40 per cent. increase in the number of consultant urologists since 1997, the figure having risen from 343 to 473. National Institute for Clinical Excellence guidance on urological cancers, including prostate cancer, entitled "Improving Outcomes in Urological Cancers: the Manual", was published in September 2002.

The guidance states that all patients with urological cancers should be managed by multidisciplinary urological cancer teams. Patients should be assured of streamlined services, balanced information about management options and improved management of progressive and recurrent disease. In addition, nurse specialists should be trained to take key roles in providing the services. The guidance is being implemented across all cancer networks in England and Wales.

We are committed to introducing a screening programme if and when screening and treatment techniques are sufficiently well developed. There is no conclusive evidence from any country that screening for prostate cancer would reduce the death rate from it. The UK National Screening Committee has advised the Government that, on existing evidence, a national screening programme for prostate cancer would not be justified. The Government have asked the NSC to keep this work under review and to look at any developments in testing techniques or technology that would make a screening programme effective.

Much has been achieved since the prostate cancer programme was published in 2000, but we recognise that there is still much to be done. That is why we welcomed the launch of the prostate cancer charter for action on 29 January 2003. To ensure better collaboration and communication between the charter members and Government, we have set up the Prostate Cancer Advisory Group, chaired by Professor Mike Richards, the national cancer director, with a membership including representatives of the charter, allowing us to combine the expertise of the voluntary sector with that of the NHS for the benefit of patients. We are determined that stakeholders should be at the heart of policy making.

The model of the advisory group and the charter for action is a good one. As my hon. Friend knows, advisory groups have been set up for both bowel and lung cancer, and the Department is continuing to encourage, build on and improve partnership work between stakeholders such as the NHS, the voluntary sector and professional organisations.

That brings me to the subject of choice. One size does not fit all, and we should ensure that services are shaped to meet people's needs rather than expecting people to fit the system. The Government believe that it is right that people should have the power to choose what is appropriate and convenient for them and how they want to be treated. That is why much of the work of the advisory group is centred on patient choices. Prostate cancer is perhaps unique in the amount of choices to be made along the patient pathway. There is the choice of whether to have the PSA test in the first place, which I have already spoken about in relation to the prostate cancer risk management programme. There are also treatment choices to be made, and issues of public awareness—men need to be educated about prostate cancer in order to make choices.

That is why four working groups have been set up under the advisory group, focusing on information for prostate cancer patients, improving the treatment of prostate cancer, public awareness and, as my hon. Friend mentioned, a national prostate cancer website.

Patients diagnosed with prostate cancer face a number of choices. That is why the working group looking at information for prostate cancer patients quickly decided that the greatest difference could be made by helping men diagnosed with localised prostate cancer to decide which treatment course to follow.

Each of the treatment options—radical prostatectomy, radical radiotherapy, the emerging brachytherapy, or active monitoring—has advantages and disadvantages. The decision that a man takes must be based on his values and lifestyle. Decision-making aids can help that process. The working group has teamed up with "Action on Urology", which has been building on work based on the American experience in Boston. We are also aware of other work in Canada. We therefore propose to hold a workshop in May to decide on the best way forward for the NHS decision-making aids for men diagnosed with localised prostate cancer.

Improving the treatment of prostate cancer is another important area. A working group on the issue, chaired by Professor David Neale of Cambridge university, will meet for the first time later this month. One of the first things that it will consider is multi-disciplinary team training, following the model developed for cancer of the rectum at the Pelican centre in Basingstoke. Although the training concentrates on one new technique, total mesorectal excision, not only the surgeon benefits. All the members of the MDT learn how their role benefits from the new procedure, including the specialist cancer nurse, who will be able to explain the procedure to patients. There is also the added benefit of their spending time together away from the pressures of their local hospital.

Public awareness is another key issue, already identified by my hon. Friend. Men cannot make choices unless they understand what the choices are. We want men to be aware of their bodies and know what their prostate gland does, and also what can go wrong with it. We need to raise awareness in a responsible way and not scare men into rushing to see their GPs when there may be nothing wrong with them. The public awareness working group has been reviewing what information is out there for men about prostate cancer, along with assessing the evidence over public awareness interventions, and it will shortly be making recommendations on the way forward for men and the NHS in England.

The Department of Health is funding other work on public awareness of prostate cancer: a section 64 grant to the Prostate Cancer Charity to increase further information about prostate cancer; another section 64 grant to the same charity to improve awareness of the risks and symptoms of prostate cancer among men from African and Afro-Caribbean communities in Britain; and the database of individual patient experiences website on prostate cancer.

The fourth working group has been looking at the possibility of a national prostate cancer website for use by the general public. Plans are well developed, and it is envisaged that the site will contain essential information

[Miss Melanie Johnson]

for prostate cancer patients alongside information for members of the general public who just want to find out more about the disease. The website will be key in helping men make informed choices about prostate cancer right along the patient pathway, and I am delighted to be able to confirm to my hon. Friend today that the Government will provide two thirds of the funding for the website. That amounts to some £40,000 in the current financial year, with further funding over the next two years. The website will be developed in close collaboration with NHS Direct and the coalition for cancer information. The final third of the funding will be provided by signatories to the prostate cancer charter for action, a great example of the Government and the voluntary sector working together for the benefit of the people of this country.

My hon. Friend raised another point that I have not yet dealt with—the interim report on the prostate cancer programme. In the interests of collaboration, I am asking the Prostate Cancer Advisory Group to discuss the merits of having a three-year progress report, in addition to the three-year NHS cancer plan report. That will be debated at the next meeting in April—not far away.

On sustaining the investment to build the necessary capacity, the planned future investment combined with reform will provide further improvements for the NHS, including expanding capacity, increasing staff and training numbers and reducing waiting times. On the basis of a headcount from September 2001, we envisage major staff increases by 2008—for example, 15,000 more consultants and general practitioners; 35,000 more nurses, midwives and health visitors; and 30,000 more therapists and scientists. We also envisage an increase in treatment capacity to more than 10,000 beds, 42 additional major hospital schemes and 750 primary care one-stop centres to establish a broad range of services.

Against that background and in the light of the current work going on, I am sure that my hon. Friend would agree that we have come a long way since the publication of the NHS prostate cancer programme in 2000. We know that there is much more to do and we look forward to continuing to work in partnership with key stakeholders from the prostate cancer charter for action to tackle the challenges ahead, including making sure that informed choice is a reality for men with prostate cancer.

Question put and agreed to.

Adjourned accordingly at two minutes to Three o'clock.

Westminster Hall

Tuesday 24 February 2004

[MRS. IRENE ADAMS *in the Chair*]

Pre-legislative Scrutiny

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Ainger.]*

9.30 am

Ian Lucas (Wrexham) (Lab): Good morning, Mrs. Adams. It is a pleasure to be opening this half-term's proceedings on such a fine morning and to begin discussing the interesting topic of pre-legislative scrutiny. It is a topic of great importance, but it perhaps labours under the least attractive nomenclature of any parliamentary procedure. As someone who labours under the burden of having been trained in the legal profession, I struggle to think of a more unattractive name for a legal process. After a few minutes' thought on the tube this morning, the best alternative that I could come up with was "reflective law making"—lawmaking that reflects opinions from various sources and which proceeds in a considered way.

David Taylor (North-West Leicestershire) (Lab/Co-op): That is even worse.

Ian Lucas: My hon. Friend helpfully suggests that my version is even worse, so perhaps I should stick with "pre-legislative scrutiny".

It is rare indeed to find anyone with a bad word to say about the process of scrutinising draft laws, which involves considering improvements, refining the details and reintroducing laws in settled form. The Hansard Society says that it

"fully supports the continued use and extension of pre-legislative scrutiny".

In an impressive Adjournment debate only last month, my hon. Friend the Member for Nottingham, North (Mr. Allen) highlighted the benefits of online consultation on draft legislation, which were demonstrated in the draft Communications Bill.

I do not propose to discuss the benefits of draft legislation, which have been well rehearsed. All parties agree that draft legislation has been a successful innovation, but it is time for us to move beyond general expressions of support for extending draft legislative scrutiny and to embed such procedures in the culture of Westminster. The burden of doing so falls to the Government, and we now need them to give a statement of intent and to give further momentum to the welcome process that began shortly after 1997.

What unites supporters of pre-legislative scrutiny is the belief that increased scrutiny makes for better laws, and few people dissent from that view. However, it would be useful for us to be clear about the Government's view of what such scrutiny should entail. We all want the vessel of pre-legislative scrutiny to be given a fair wind, but we need to be clear about the purpose of such scrutiny and about the Government's aims.

The 2000 review of the scrutiny of draft legislation, which was sponsored by the Constitution Unit and the Hansard Society, noted that committees that considered draft legislation

"were not clear whether they should challenge the underlying policy or concentrate on the technical detail."

To take just one example, if a Government proposed to ban hunting with hounds, would a Committee that was appointed to consider the draft legislation be entitled to conclude that a ban was not justified, or would its role be to work out how to implement the ban? If we are to have pre-legislative scrutiny, we must resolve such issues and be clear about the Government's answer to such questions. I should be interested to hear the Minister's views.

I believe that the Government should retain control of the legislative programme. They are the elected Government. As the Modernisation Committee pointed out back in July 1997:

"The Government of the day must be assured of getting its legislation through in reasonable time (provided that it obtains the approval of the House)."

Does the Minister agree that the primary purpose of the scrutiny of draft legislation is not to challenge the purpose of the legislation but to ensure that that purpose is achieved fairly, efficiently and clearly?

If the purpose is established, it may help to introduce clarity to the process of choosing what legislation should be considered in draft. Pre-legislative scrutiny has been welcomed almost without exception. My view is that it is one of the most successful innovations since the Government came to power in 1997.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Does the hon. Gentleman concede that the Hansard Society commission headed by Lord Rippon thought of that in 1993, and that it was John Major who introduced it?

Ian Lucas: I am happy to concede that the Rippon commission reported on the matter in 1993 and that the matter was taken forward and introduced by John Major's Government. However, the hon. Gentleman has to concede that the real momentum behind the policy came about after 1997. I mean no disrespect to those who worked on it at an earlier stage. In fact, one can go back further to find examples of pre-legislative scrutiny in the 1970s. I believe that the devolution proposals introduced in the mid-1970s were originally to have been introduced in draft. However, for present purposes, and bearing in mind that other Members will have things to say, I have taken the 1997 general election as my starting point.

So why should not all legislation be considered in draft form? Clearly, there are circumstances in which emergency legislation is required and it is imperative that the Government act quickly. An obvious example was in the environment that followed the terrorist attacks in New York and Washington in 2001; it was clearly necessary for the Government to act quickly in response to a dramatically changed situation. That was a valid exception to the general rule that pre-legislative scrutiny should take place.

It would be welcome if the Government made a presumption that legislation should be considered in draft as a matter of course. If draft legislation is a good

[Ian Lucas]

thing, it should be the rule, not the exception. If the Government believe that pre-legislative scrutiny should not take place, they should give their reasons, and those reasons should withstand scrutiny by Parliament.

Mr. David Heath (Somerton and Frome) (LD): Does the hon. Gentleman agree that that decision should be in the hands of the legislature rather than the Executive? Parliament should decide which Bills would benefit from earlier scrutiny, not the Government who are asking Parliament for its assent.

Ian Lucas: I am not sure that I agree. As I said earlier, I have thought about the matter at some length and I believe that the Government need to retain control of the legislative programme. They have the democratic mandate. If they suggest that a particular piece of legislation should not undergo pre-legislative scrutiny, their reasons should themselves be subject to scrutiny. Parliament should have the opportunity to address those matters and to discuss them.

David Taylor: I support almost everything that my hon. Friend has said so far. However, does he accept that, when broadening consultation to the general public—perhaps using the internet—there is a difficult balance to be struck between the Government getting their own way and their accepting refinements and consulting on the detail of legislation? Could not a well-organised, well-resourced minority hijack the process and table wrecking amendments that would head off a policy for which the Government had a mandate? Did we not see that with my hon. Friend the Member for Ealing, North (Mr. Pound) and his attempt at wider democracy?

Ian Lucas: There may be difficulties with well-organised minorities trying to exert pressure on particular pieces of legislation, but the online consultation for the draft Communications Bill, for which the Hansard Society monitored the presentation of information to the Committee, worked very well. All my research to date indicates that that innovation was welcome. I am sure that there will be problems—my hon. Friend the Member for Ealing, North (Mr. Pound) clearly had problems with his consultation—but if we work out how it can best be achieved, it is a useful and potentially helpful innovation.

Even in the short time that I have been in the House—since 2001—there have been legion examples of legislation that it would have assisted Parliament to publish in draft. One such example that comes to mind is the Licensing Act 2003. Letters on that subject swelled my postbag for months on end, but the complaints were generally a result of misunderstanding, misrepresentation and—to pick up on what my hon. Friend the Member for North-West Leicestershire (David Taylor) just said—carefully constructed lobbying campaigns that were fuelled by the necessity of amending rigidly drafted legislation. People put forward numerous cases, such as church choirs singing for charity in chapel vestries, as matters that might be covered by the Act. I recall that the then Minister for Tourism, Film and Broadcasting, my hon. Friend the Member for Pontypridd (Dr. Howells), whose burden it was to deal with those particular difficulties, often loudly expressed his frustration. If there had been a consultation on a draft licensing Bill, similar to that for the draft Communications Bill, many of those difficulties would have been ironed out. That would have benefited not only the legislation but the Government and the poor Minister who had to deal with those problems—which he did competently, in his own way.

The proposed changes to the office of Lord Chancellor and the proposed creation of a supreme court should certainly be considered in draft. If one has confidence in one's argument, as I believe that the Lord Chancellor has, there should be no fear of scrutiny. We need to expose at an early stage, as often and as ruthlessly as possible, arguments such as the assertion that the supreme court cannot be introduced until it has its own building. That would be a helpful way of proceeding.

I accept that legislation will take longer to introduce if consideration of draft legislation becomes the norm, but if it is better, it will be worth waiting for. The Crime and Disorder Act 1998, which was generally very positive, introduced antisocial behaviour orders, but difficulties in their implementation meant that it had to be followed by the Anti-Social Behaviour Act 2003. If the 1998 legislation had been considered in draft, some of the difficulties with practical implementation would have been resolved during that process. Such problems have not only occurred under Labour Governments. When I was a practising solicitor, the Conservative Government introduced the Criminal Justice Act 1988, which had to be replaced by the Criminal Justice Act 1991 because it meant that the courts could not send young offenders into custody. Bad legislation requires replacement and uses valuable parliamentary time.

The Government need to define the role of pre-legislative scrutiny and drive it forward by creating a presumption that it should be used. However, Parliament is best suited to choosing which type of Committee should be used to scrutinise the legislation. I hold no hard and fast views on the matter. Indeed, I believe that there is much to be said for allowing flexibility. For example, when departmental expertise is especially important—perhaps with a piece of social security legislation—a Select Committee may be the most appropriate model. However, with a more broad-based piece of legislation, such as the Communications Bill, an ad hoc Committee could be appointed.

Speaking as an MP from Wales, I favour the flexibility of enabling MPs from Wales to sit with Members of the National Assembly for Wales to scrutinise draft legislation specific to Wales. I know that this approach secured some support from the Welsh Affairs Committee. Given that we sit on Joint Committees with unelected members of the other place, I see no reason why we should baulk at sitting with elected Members of the National Assembly for Wales. I was interested to read that members of the Joint Committee on the draft Financial Services and Markets Bill said in 1999:

"we have all enjoyed the experience of working closely with members of 'the other place'".

I, too, would welcome the chance to work with Members of another place, whether it be the Assembly or the House of Lords. It seems to me that in the context

of possible changes to the second Chamber at Westminster and of the development of assemblies in the English regions, the prospect of working with a different type of representative should be left open. It is a way of widening further the pool of good ideas from which solutions can be sought. I favour leaving the decision on which type of body is most appropriate to scrutinise a piece of draft legislation to the scrutineer, namely, Parliament.

When I was preparing for this debate, I was struck by the impressive first report of the Modernisation Committee. It was produced in July 1997, which was fast work, given that the election was only at the beginning of May of that year. I was most struck by the following paragraph:

"The Committee stage of a bill, which is meant to be the occasion when the details of the legislation are scrutinised, has often tended to be devoted to political partisan debate rather than constructive and systematic scrutiny. On Bills where policy differences are great, the role of Government backbenchers on a Standing Committee has been primarily to remain silent and vote as directed. By contrast the Opposition has often set out to devise methods designed simply to extend debate. The Government has then been forced to bring in a guillotine which has often been draconian, as a result of which large sections of the Bill have not been considered."

That was written just two months after 18 years of Conservative government. However, as a veteran of the Standing Committees that considered the Proceeds of Crime Bill, the Criminal Justice Bill and one Finance Bill, I can confirm that it still accurately represents Standing Committee life in 2004.

Scrutiny is limited, especially for Government Back Benchers, by its format on Second Reading and beyond. That is a political fact and it will be ever thus. I was made keenly aware of that by my experience of the Higher Education Bill, when political imperatives collided with proper consideration of the Government's proposals on Second Reading. Pre-legislative scrutiny of the Higher Education Bill would have helped the Government. In his Adjournment debate at the beginning of January, my hon. Friend the Member for Nottingham, North presented a compelling vision of how reflective law making, or pre-legislative scrutiny, could avoid many difficulties, such as those in which the Government found themselves on Second Reading. Pre-legislative scrutiny certainly would have denied critics the opportunity of saying that the policy had been sprung on them.

It is often said that Parliament is at its best when it is at its least partisan and when measured, studied debate takes place, as it did on stem cell research and same-sex adoption. That is certainly so in respect of the law-making process. The reality of the present Committee stages is that they are, at bottom, partisan and exist to carry forward the Government's legislative programme. This valid aim needs to be complemented by further development of pre-legislative scrutiny.

Mr. Heald: Does the hon. Gentleman agree that the Government should be patient and courteous to Select Committees in the process? I know that he is a member of the Transport Committee. The Government forced that Committee to rush out its report on the Traffic Management Bill because they said that it was vital to have the Second Reading before Christmas, yet the Committee that was to consider the Bill was not selected for several weeks because that suited the Government. Does he agree that that sort of thing has to be avoided?

Ian Lucas: That was unfortunate. The Transport Committee had to produce a report within, I believe, a week. The staff of the Committee did an excellent job and provided a very useful report before the Bill was introduced. Our difficulty is that the process of scrutinising legislation before it is introduced is not embedded in the culture of Westminster. The rules of its application are therefore not settled, which often leads to unfair and inappropriate ways of proceeding. What happened with the Traffic Management Bill was unfortunate. The Select Committee produced a detailed report on many issues that related to that Bill in the six months before its introduction. It would have been helpful if the Government had had more discussions with the Select Committee about the Bill.

There does need to be more consultation. I believe that the House broadly agrees on the success of pre-legislative scrutiny, which always depends on courtesy and on the Opposition not scoring party political points. What is sauce for the goose must be sauce for the gander. Politicians on both sides of the House must be mature about these things. There are times when I, too, am tempted to try to score points. We all do that from time to time, but we need to be more grown up if we are to take a measured approach to law making—a key role for any MP.

I believe that Committees in their current form are partisan bodies, although they scrutinise legislation well. The hon. Member for Somerton and Frome (Mr. Heath) and I were members of the Committee that considered the Proceeds of Crime Bill. We were fortunate in that there was much mature and considered reflection in that Committee, and in the Committee that considered the Criminal Justice Bill. However, the format of Standing Committees makes it difficult for Committees to scrutinise legislation in the right way. I am therefore strongly in favour of considering all legislation in draft form.

My right hon. Friend the Member for Livingston (Mr. Cook) deserves great credit for driving forward the process of scrutinising draft legislation after the 1997 election. The fact that the Select Committee on Modernisation produced a report so quickly in July 1997—a report that still reads so well—is testament to the momentum that existed on this issue. Pre-legislative scrutiny commands respect across the House, as I hope this debate will show. I know that the current Leader of the House is a reformer at heart. It falls to him to promote the cause, because it is for the Government to assert the value of pre-legislative scrutiny and to provide the momentum necessary to embed pre-legislative scrutiny into the culture of Westminster. If he does that, it will mark him out as someone who contributed hugely to the development and improvement of Parliament, and this place will once again be a model for others abroad to follow rather than a place that is treated with disdain by those whom we represent.

David Taylor: I am grateful to my hon. Friend for giving way. He has made a compelling case for greater pre-legislative scrutiny by parliamentary Committees. Does he have any thoughts on how and when wider

[David Taylor]

public involvement via the internet and in other ways can be introduced into this process? Should it parallel the process that he is describing or should it follow the establishment of pre-legislative scrutiny as an effective tool within this place?

Ian Lucas: Parliament is still working out the different ways of making pre-legislative scrutiny operate most effectively. We should continue with it, but we need strong signals from the Government that they are committed to introducing it as a matter of course in the legislative process. We need to have a strong and clear presumption that pre-legislative scrutiny will take place. We need to have wide consultation on how interest groups and individuals with particular expertise can contribute.

My hon. Friend Member for Nottingham, North indicated that pre-legislative scrutiny was a very exciting opportunity to engage with the general public about laws, what can be done to improve them and their potential down side. This is something that can reconnect Parliament with the people whom we represent. It is a huge issue; a very important issue. It falls on the Government to make it clear that they are committed to the concept, that they want to draw the public into it and that they are committed to developing the good work that has been carried out.

9.58 am

Tony Baldry (Banbury) (Con): The proof of pre-legislative scrutiny is what the Government do with it. One of the best examples recently of such scrutiny was the report on the Asylum and Immigration (Treatment of Claimants, etc.) Bill by the Home Affairs Committee. The Committee was chaired by a former Home Office Minister, and the report was unanimous. Let us look at the Second Reading debate, however. Did the Home Secretary take any notice whatever of any of the recommendations resulting from the pre-legislative scrutiny? Not a jot. There was not a single concession, nor a single example of the Government leaning towards the points made by the right hon. Member for Southampton, Itchen (Mr. Denham) and his colleagues.

I suspect that I am about to make a very liverish, self-indulgent and bad-tempered speech, but I want it on the record, before everyone forgets what life used to be like here. I acknowledge right away that I am one of those who do not see anything good having come out of the Modernisation Committee.

My concern about pre-legislative scrutiny is that, like so many things now in this place, it gives the impression that something is happening, when in fact it is not, and that Back Benchers have greater opportunity to scrutinise, when in fact they do not. When I was first elected to the House, Standing Committees were genuinely important, and they put Ministers under considerable scrutiny. The hon. Member for Wrexham (Ian Lucas) is absolutely right to say that Government supporters on a Standing Committee were exhorted to remain quiet, but it was a foolish Minister who did not meet daily with all his Back-Bench colleagues on that Committee and go through any individual concern that they might have.

David Taylor: Will the hon. Gentleman give way?

Tony Baldry: I shall finish my point, and then I will give way to the hon. Gentleman, who is a self-admitted mushy pea member of the Labour party.

Ministers would carefully go through everything with Government Members, and that meant that when a Minister went to Committee, he or she was effectively standing pretty much alone at the wicket being lobbed balls by Opposition Front-Bench spokesmen and Opposition Back Benchers. They had an interest in thinking up probing amendments, amendments on policy or detail and other amendments that outside interest groups had suggested. That is a perfectly legitimate occupation for an outside group, whether it be the Law Society, licensed victuallers or others concerned about licensing legislation.

That process put Ministers on their mettle. They were obliged to consider legislation in detail and to explain in detail why the Opposition spokesman had got it wrong, forcing him to withdraw the amendment. Opposition Members knew that, within reason, they had limited time and that if they abused it, consideration of the Bill would be guillotined. Equally, Ministers had an interest in coaxing the Opposition into co-operating and getting the Bill through the House in reasonable time. The system worked, and one felt by and large that Bills had been scrutinised by the time they went to the House of Lords.

Now everything is timetabled. How has that changed things? By definition, the more time that Ministers and Government Members take up on a Committee, the less time Opposition Members have to scrutinise the Government. If Ministers make long speeches, they wallpaper time that would otherwise be available for Opposition Members to submit amendments and probe Ministers. Increasingly, the House of Lords is dealing with Bills of which large chunks have never been scrutinised or even seen the light of day in Standing Committee. We do not yet know what will happen with House of Lords reform, so perhaps even the scrutiny that their lordships do effectively will be undermined.

We even see the problem increasingly on the Floor of the House—again, I shall make a bad-tempered comment, although I am probably in order. The other day we had a debate on the council tax which was unique, because it went from the opening speeches to the wind-up without ever touching the Back Benches: no Opposition Back Bencher had the opportunity to contribute. This year, my local authority and many others face being capped, so it would have been nice to put on the record the fact that I was present at that debate. If Ministers are allowed to wallpaper time and reduce the opportunity for scrutiny, such practices will become pervasive in the culture of this place.

Pre-legislative scrutiny is of course important: how could one object to giving colleagues the opportunity to examine Bills, particularly technical ones, in draft? However, let us not start singing the Hallelujah chorus until Ministers start taking notice of pre-legislative scrutiny. When Select Committees submit their pre-

legislative scrutiny reports to the House at the end of the year, it will be interesting to see how many, if any, recommendations on their specialist areas the Government have incorporated in legislation. I now give way to the hon. Member for North-West Leicestershire (David Taylor).

David Taylor: The hon. Gentleman refers to council tax. When he examines the halcyon days of his jeunesse dorée in this place with his rose-tinted telescope, does he recall the role that the Standing Committees played in the development of the predecessor to the council tax, the poll tax? One presumes that the flaws of that tax were apparent to many Government Back Benchers then, yet it was passed into law with those flaws, which ultimately resulted in the downfall of the right hon. Lady to whom I believe the hon. Gentleman was Parliamentary Private Secretary.

Tony Baldry: Aeons ago I did a stint as PPS to the then Leader of the House. I have no quarrel with the general principle that the Government of the day have the right to get their legislation through the House. My concern is that the amount of scrutiny available to Members of Parliament now is considerably less than it was 10 or 20 years ago, because of the way in which Standing Committees have been undermined as a consequence of timetabling every Bill. That gives an incentive to Ministers and Government Back Benchers to wallpaper time, reducing the time available to Opposition Front-Bench spokesmen to put Ministers under test. Being in a Standing Committee as a junior Minister, or any kind of Minister, and having balls lobbed at one from all directions is fairly challenging, but if one simply gets soft, under-arm passes and dolly balls from one's own Back Benchers all the time, with amendments being tabled to and fro, that is not scrutiny.

Let us have pre-legislative scrutiny, but let us check at the end of the year how much notice the Government have taken of it. Let us also acknowledge that the way in which Bills are timetabled substantially reduces rather than enhances the opportunities for genuine probing scrutiny.

10.5 am

Mr. David Heath (Somerton and Frome) (LD): I congratulate the hon. Member for Wrexham (Ian Lucas) on securing this debate. It is a subject that we have considered with care over the past few years, but we still await a positive resolution of the question of the structure that we seek. The hon. Gentleman's comments were cogently framed and contained much that I could agree with.

I also agreed with some of the mini-rant from the hon. Member for Banbury (Tony Baldry). He said before he came into the Chamber this morning that he wanted to let off steam and he has done so. He was right to do so, because there are many frustrations in the present system. Although I do not agree with everything that he said, the conduct of Standing Committees still leaves a lot to be desired.

An unfortunate coincidence occurs when a Standing Committee is timetabled but there is unreconstructed behaviour on the part of its members, who still believe that their prime function is to extend debate pointlessly. When there is a timetable, that practice is entirely pointless, and we end up with a lack of scrutiny. We must all learn new ways of behaving to maximise the opportunity to put Ministers under pressure to justify the proposed legislation.

The hon. Member for Wrexham did not like the term "pre-legislative scrutiny" and tried "reflective law making", which did not meet with the approval of the hon. Member for North-West Leicestershire (David Taylor). We do not want to reflect what is happening elsewhere; we want to refract the input that we receive and concentrate it into better legislation. The sole argument for pre-legislative scrutiny is that it allows a period of genuine consideration rather than confrontation, which should give both the House and the Government an opportunity to get things in better order. That is where I share some of the frustrations of the hon. Member for Banbury. There is scant evidence that pre-legislative scrutiny has to date been used in the most effective way to improve legislation and, importantly, to extend or reduce its scope by taking into account observations from outside this place.

The process has gone so far, but it must now move forward, taking a leap into the unknown. The Modernisation Committee produced an excellent report early on in the Government's life. To give the Government credit, they were prepared to run with those concepts and give them life. However, the Liaison Committee's important report "Shifting the Balance" has not yet been properly reflected in the structures of the House.

I believe that we all felt, as I think the hon. Member for Wrexham reflected, a sense of forward impetus when the right hon. Member for Livingston (Mr. Cook) was Leader of the House. That is no reflection on the present Leader of the House, the right hon. Member for Neath (Mr. Hain), or indeed on the Deputy Leader, the hon. Member for Oldham, East and Saddleworth (Mr. Woolas), who is with us today. The clear agenda for change that existed when the right hon. Member for Livingston was Leader is not entirely dissipated, but it is now less focused. That needs to be addressed.

At the moment, we have a mish-mash. Far too many Bills receive no pre-legislative scrutiny whatever. The two Departments with which I have regular dealings—the Home Office and the Department for Constitutional Affairs—are prime villains in this matter. They produce legislation like a sausage factory produces sausages. Every year we revisit the same subjects with new legislation, and often a Bill is introduced before the previous legislation has taken effect. That is a quintessentially valuable area for pre-legislative scrutiny because we are dealing with structures of the law and personal freedoms. Those matters are of such importance that they need the most careful scrutiny, but such Bills receive less scrutiny than others that are considered interesting to talk about, which are happily given to Select Committees for consideration and are improved as a result.

There are Bills that are clearly not of the same import with regard to people's livelihood and liberties, but are still important to their way of life. The hon. Member for Wrexham mentioned the Licensing Bill, and I agree with him about that. I was one of the people who caused problems about that Bill and for the then Minister, the hon. Member for Pontypridd (Dr. Howells). I believed

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that, in drafting the Bill, insufficient care had been taken in considering the interests of live music. In the end, compromises were made in the House of Lords, and we ended up with a better Bill as a result. That process could have been avoided if there had been a sensible period of pre-legislative scrutiny.

We need a clear structure in which such matters can be arranged and determined in future. I take the view—I make no apologies for this—that that is the property of Parliament, not Government. It is not for Government to decide how we scrutinise legislation. It is for Parliament to decide that and it is for Government to propose legislation, which we shall consider. We need much more clarity in the process of scrutiny, and we need to decide what is the best way to achieve that. Are departmental Select Committees the right way to do it? Is it better to set up ad hoc Select Committees for the scrutiny of a draft Bill or is it better for cross-departmental committees to take on aspects of a Bill?

The Joint Committee on Human Rights does a superb job. When I am dealing with home affairs issues, I always welcome a report from that Committee because it raises points that I would not otherwise have considered. Often, those points are very valuable to our considerations. There are other cross-departmental committees, and perhaps we should have more. I used to be a member of the Select Committee on Science and Technology, which is not used nearly enough to advise on matters that have a scientific impact. The expertise that is contained in that Committee and available to it could be used to good effect.

We must consider how we decide what legislation goes through the process in the first place. Again, that is a matter for Parliament, with some exceptions in the case of emergency legislation, although the House does not have a good record on that, and rushed legislation is often bad legislation. It should be the presumption that matters are subject to pre-legislative scrutiny. Often, urgency is assumed but it is of the Government's creation, rather than a product of external events.

There is also the issue of how we widen consultation. The House does best when it listens to those outside with repositories of knowledge that we do not have. That does not mean that we substitute the knowledge of the technologist or the special interest group for our opinion as legislators. It means that we listen to the expertise that is available to us before coming to a view. That does not happen very often, and we should find effective mechanisms for accomplishing it, whether through Select Committees or by widening access via the internet, for example. We should not seek to establish some sort of Athenian democracy, because that is not our governmental structure, but we should seek to benefit from the advice of those who understand specific areas of legislation better than we can within the confines of the available expertise in the House.

There are implications for the process of government. The Leader and Deputy Leader of the House must consider the matter in depth. I am looking not for a three-tier process of consideration in the House, but for a first stage where ideas are brought in, considered and, if possible, incorporated—an important point made by the hon. Member for Banbury. We might then move in Committee to table amendments that deal with areas that have not been considered or extend further the detailed consideration of legislation, to which we might then agree.

The process will inevitably be extended for the best of reasons. If it is to take place without the Government losing their legislative direction—and it is not our intention that they should, because they must retain the ability to direct their programme—they must extend their legislative horizon. Bills must not be introduced in an almighty rush in the Queen's Speech, tumbling out of the civil service before they are ready and while they are half thought-out and missing huge chunks, which are introduced in Committee or on Report, or, worse, never come to the House because they are introduced in another place. That cannot be the right way to present legislation. Departments must look a little further ahead; the planning process must be extended that bit more; and we must have more order to the legislative process. I accept that it is not easy, but the Government must consider it.

I will finish by mentioning two other areas that we must consider. We do not do a very good job of analysing legislation derived from elsewhere, in particular European legislation, which impacts more and more as years go by. If we are to do right by the citizens of this country, we must have much better, more focused and less peripheral consideration of European legislation.

David Taylor: I agree with that point. Does the hon. Gentleman have any suggestions about how scrutiny of European legislation, which from my observations is too often tokenistic, marginal and ill-informed, could be improved within the existing Committee structure?

Mr. Heath: I am not sure that I have a pat answer. I will be honest with the hon. Gentleman: it is very difficult within the current structures to graft on a whole new raft of legislation. It is important that we attempt to do so, and we should make it more central to our considerations so that we have more time in the House to consider important issues arising from European legislation. It would provide an opportunity to send the views of the House, and thereby those of the country, to those creating that legislation.

Many other legislatures have much better and more refined pre-summit and pre-treaty scrutiny. We are bound by the royal prerogative in that area, although I think that the royal prerogative has had its day. I see that the Deputy Leader of the House is grimacing. The making of treaties that bind the British people and the making of war and of peace on their behalf is a matter in which Parliament should be intimately involved. It is not good enough for Parliament to be bypassed on everything other than the effects on domestic legislation. Other countries' Parliaments do this much better. When I was on the Foreign Affairs Committee we looked at their processes in some depth. Ministers from other countries who attend the negotiations in Europe have a much clearer idea of what their Parliament thinks about an issue than our Ministers could possibly have, because ours do not have the opportunity of discussing it, other than by making a brief statement in the House, and even that is of limited effect.

The last point that I want to make, and I hope that by doing so I am not straying too far from the subject of the debate, concerns post-legislative scrutiny. Looking at

the effect of legislation, and reflecting on whether it has done the job that it was purported to do by Ministers at the time, whether it has worked in practice, and whether further amendments are necessary, is another key area. I said earlier that, in home affairs, we now have the extraordinary situation whereby we often repeal legislation before it has even come into effect, simply because another wheeze has come from America or from the tabloids and has to be put into effect. That is a bad way for us to do business. A sensitive and sensible Parliament would wish not only to look in detail at legislation that it proposes to pass and see its potential consequences, but to reflect after the event, and audit its effect, learning from its mistakes and, hopefully, occasionally celebrating its success.

10.22 am

Mr. Oliver Heald (North-East Hertfordshire) (Con): It has been an exciting debate so far, although my hon. Friend the Member for Banbury (Tony Baldry) is rather grumpy and out of sorts. However, I am sure we all found it reassuring that he was prepared to come here today and explain the problems that he experienced in the Committee considering Asylum and Immigration (Treatment of Claimants, etc) Bill and in other Committees.

It is right that we should be considering the role of the Standing Committees, as well as examining pre-legislative scrutiny. There is no doubt that the effect of wider pre-legislative scrutiny is felt in the Standing Committees. We need to look at the interaction of those two elements in the coming period. Two to three draft Bills a year were published under the Conservative Government whereas about 12 will be published this year. I agree that the former Leader of the House of Commons, the right hon. Member for Livingston (Mr. Cook), took the process some way forward, and he is to be congratulated on that. However, the Government must decide on the template for the future, and it may be that a certain amount of experience must be gained before it is possible to see a clear way forward.

I congratulate the hon. Member for Wrexham (Ian Lucas) on securing this debate. He made a good point when he said that there was a question to be asked about whether pre-legislative scrutiny should concentrate on issues of policy, or be restricted to issues of detail. It is quite difficult to separate the two. To give an example, the Joint Committee on the Draft Civil Contingencies Bill looked in great detail at that Bill, which obviously affects human rights and involves the Government declaring a state of emergency, being able to damage one's property without compensation, and so on. That Committee reached the conclusion that the definition of an "emergency" in the draft Bill was far too wide, and would enable the Government to exercise those powers in too many circumstances. The Committee suggested changes, which have narrowed down that definition.

It also suggested that the lack of safeguards requiring the Government to show that such action was necessary and proportionate needed to be addressed. To give the Government their due, they were prepared to look at those issues and have improved the Bill on that basis. However, the question whether something is or is not a national emergency is a mixed issue—it is not just one of detail but one of principle.

Equally, deciding what is necessary and proportionate when human rights are under threat is a matter of principle. Of course, we do not think that the Government have gone anywhere near far enough in the Civil Contingencies Bill. One of the problems is that the Minister for the Cabinet Office felt that, by allowing pre-legislative scrutiny, he had moved some way. When, in Committee, I asked him to move further, he said, "You have had the pre-legislative scrutiny. Enough's enough." That affects the role of the Standing Committee.

My view is that there should be a two-stage process. The pre-legislative scrutiny should tease out the key issues. Some of them are issues of policy, others issues of detail. Yes, the Government make concessions at that stage, but that should not be the end of the process. There is still room in Standing Committee for consideration to be a worthwhile process in which everyone knows the key issues and the debate is much better than the sort of wallpaper-style debates that have been described by my hon. Friend the Member for Banbury and the hon. Member for Wrexham. It should be possible, with that more honed-in approach, to produce a better Bill.

At the moment, if some ground is given on pre-legislative scrutiny, there is a tendency for the Government to say, "We've done our bit." Members of Parliament have a special role in scrutinising a Bill that deals with fundamental human rights. It is not enough to say, "We've listened to Justice and Liberty and various other pressure groups." The fact is that each Member represents 65,000 to 75,000 individuals. We have to ensure that our constituents' human rights are considered and respected. It is against that background that the role of the Member of Parliament has to be protected and viewed as important.

There have been some notable successes for pre-legislative scrutiny, and we support the process. The Financial Services and Markets Act 2000 was mentioned. My right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) was a member of the Joint Committee that considered that Bill. He certainly felt that a good deal of expertise from both Houses was brought together—people with a background in banking and financial services who understood the issues—and that it was possible to move the process forward and create a better Bill. The Government made some suitable concessions: as usual, not enough, but some progress was made.

An online forum was set up on the Communications Bill. It was generally considered to be a model of its type. The pity is that we have not had more such examples. The Hansard Society moderated the online forum. It distilled the information so that members of the Committee were able to see the sensible ideas that had come forward displayed properly. Everybody felt that people's views had been properly taken into account.

Even with online forums, there is a problem with what exactly one is asking for people's opinions on. Some parts of a Bill are essentially matters of detail; others are matters of policy about which there is a political argument. When the Modernisation Committee talked to individuals around the country on the "Connecting with Parliament" report, people said that the online form was far too complicated because all that they wanted to say was that they did not agree with clause 16. Others said that filling in a detailed form was what they wanted, as they were providing an expert view on large parts of the Bill. Both views are valid. It is worth the

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Government's knowing that there is huge opposition to a clause; equally, it is worth having the benefit of the expertise of the profession or interest that is dealt with by the Bill. The question is how to arrive at a way of dealing with online forums that provides for both the cry of outrage about clause 16 and the detailed briefing.

It is a pity that there is not more scope for using online forums. Part of the trouble is that the infrastructure is not in place—a point that I have put to the Minister before. I believe that the Hansard Society is not geared up to manage online forums for every draft Bill; if it is, I would be grateful if the Minister would explain why it is not doing so. I suspect that to run such forums needs more investment and planning, but I would certainly welcome more of them.

We also need to consider whether the law-making process should be a little more accessible. Many members of the public find it difficult to understand legal language. I should have thought that pre-legislative scrutiny could allow for the main provisions of a Bill and the scope of the argument to be expressed in simpler language. Certainly, when it comes to Standing Committee, it should be possible to timetable debates on key issues that are the subject of substantial public debate so that those who wish to catch the debates online can do so. Equally, material should be available to explain the process.

Ian Lucas: Does the hon. Gentleman share my experience, which is that a huge number of constituents have no idea about the accessibility of parliamentary proceedings through the internet? For example, even those who have access to the internet are wholly unaware that transcripts of debates and Committee proceedings are available the following day. Does he agree that we have a huge job to do to inform our constituents of that?

Mr. Heald: I agree with the hon. Gentleman, but the website itself needs further consideration. Five years ago, our system was considered to be cutting edge. Everyone said that it was marvellous and very accessible—but that was judged by the standards of the time. Many of those who have given evidence to the Modernisation Committee say that the websites of some other Parliaments are more accessible than ours and that it is easier to get into a debate on a particular Bill. There is scope for some form of virtual tour of the House of Commons, with an explanation of what is done by each part.

Tony Baldry: Will they put the Whips Office on it?

Mr. Heald: My hon. Friend speaks sotto voce about the Whips Office, but we may have to leave the Whips out. It is suggested in the Civil Contingencies Bill that Her Majesty's Lords Commissioners to the Treasury—the senior Whips—should be able to declare a state of emergency, close roads, damage properties without compensation and so on; it seems extraordinary, but it is true.

Yes, we could do a lot more to make this place more accessible, and some of it would be fairly simple. It seems extraordinary that a full list of draft Bills is not produced at the beginning of each Session. This year, we had the farcical situation in which I had to ask the Leader of the House, "Are we going to have a draft Bill on X?" If I got the question right and mentioned a Bill that might be coming up, he would say, "Yes."

Tony Baldry: The Kelly approach.

Mr. Heald: Yes. This is now known as the Kelly approach. We played "Guess a Bill" for three weeks. It seems daft, because there was no reason why the Government could not produce a list of their draft Bills. I see the Minister looking a bit cagey. Perhaps he could have told us about most of them. There were seven that I had to guess, and I managed to guess about five before the Leader of the House finally buckled and put a list in the Library. We could do better on this, I am sure.

The Select Committees cannot do all the pre-legislative scrutiny. They play a vital role in scrutinising Departments, and I would not want to see them becoming so overburdened with pre-legislative scrutiny that they could not do so effectively. Joint Committees, which bring together the expertise of both Houses, seem to us to be a good way of easing the burden on the Select Committees and ensuring that the necessary expertise is available.

We are also anxious to see more ad hoc House of Commons Committees used. They have not been used very much, but the Modernisation Committee identified them as a way forward. We see Joint Committees, more ad hoc Committees and Select Committees as the way forward for pre-legislative scrutiny, but we must also not lose the possibility of using Special Standing Committees. I called for one of these recently on the Human Tissues Bill, although in the event the Government were able to satisfy me that it was not appropriate. If a Bill is fairly short in compass but involves a significant ethical issue, or a particular amount of specialism, there is a case for having a Special Standing Committee rather than going through pre-legislative scrutiny, which can be quite a substantial process for a small measure. We would like to leave that option open.

So, without trespassing too much on the good will of the Chamber, may I say that we support pre-legislative scrutiny, but we are worried about the impact of it on the Standing Committees. I agree with my hon. Friend the Member for Banbury that some Standing Committees are not satisfactory. The timetabling is not working well, substantial numbers of clauses are not being properly considered, and the Government are not always showing the patience with the Select Committees that they should to ensure that pre-legislative scrutiny reports are available in time for debate. The House of Lords is having to pick up a lot of problems that we are creating in this place.

My hon. Friend the Member for Banbury has pointed out that the Government are taking liberties with the Standing Committee system by creating amendments that do not really scrutinise the Bill, and talking far more than is necessary in order to curtail the time available to the Opposition. All these tactics are obviously wrong and should not be used. Having said that, I thank the hon. Member for Wrexham for giving us the chance to say so.

10.39 am

The Deputy Leader of the House of Commons (Mr. Phil Woolas): I thank hon. Members who have taken part in this interesting and important debate. Congratulations are due to my hon. Friend the Member for Wrexham (Ian Lucas) on obtaining it and I am grateful to you, Mrs. Adams, for allowing a fairly broad discussion on not just pre-legislative scrutiny, but the other side of the coin as well—the Standing Committees and their operations.

I shall try to answer as many questions as I can within the themes of my speech. I hope that what I say will move the position forward and provide signposts for hon. Members who asked about the Government's intentions on pre-legislative scrutiny. It is, I think, widely accepted that the Government are committed to it. We have shown that by our actions and have greatly increased the number of Bills that are published in draft form. Hon. Members may be interested in the figures: there were three draft Bills in 1997–98, followed by six in each of the following two years, two in the election year, six in 2001–02, nine in the last Session and, as has been said, possibly 12 in the current Session. We are committed to increasing the number of draft Bills. The phrase "the presumption of norm" was used and, with the few exceptions that I shall explain later, that is our goal.

Bills were occasionally published in draft before 1997. It is not wholly a new Labour idea, but the new Government took it forward most effectively. Bills were published in draft in the 1992–97 Parliament. Hon. Members might be interested to know that public consultations were held on clauses of the Copyright, Designs and Patents Bill in 1987 under the then Government. With the benefit of hindsight, it is interesting that the Child Support Bill of 1991 was subject to publication in draft form and to pre-legislative scrutiny. Perhaps that is not always the model we want to follow. I make no party political point because my party supported that Bill. All constituency MPs have regretted that day.

The Government have demonstrated their commitment to pre-legislative scrutiny because they believe that it enhances the quality of the laws that are passed. Pre-legislative scrutiny gives Parliament and stakeholders in the wider society an opportunity to influence the Bill's content when the Government's views have not been firmly set—the so-called set-in-stone stage. Examples given include the Civil Contingencies Bill, which is a good one, the Gambling Bill and the Communications Bill. Hon. Members on both sides of the House have acknowledged that all were improved by the process of pre-legislative scrutiny. It has been alleged that the Government have taken no notice of other examples. Some may think that that is two steps forward and one step back, but it is progress none the less. I shall explain in detail how pre-legislative scrutiny gives opportunities to Parliament and stakeholders and why that is a good thing.

One purpose of pre-legislative scrutiny and draft publication is to connect better the process of law making with the public. It cannot be right that the intent of Parliament, which it is the purpose of law making to reflect, should more often be subject to interpretation by the courts rather than the clarity of the laws that are passed in this place. If we wish to connect the public with Parliament and encourage public consent for, and better understanding of, the laws that we pass, we must ensure that people have an opportunity to influence the law, either directly or through their various representatives in the form of pressure groups and interest groups, as well as their MP. We must ensure, first, that they believe that they can have an input and, secondly, that they better understand the law and its intent.

All MPs regularly experience in their constituency criticisms of the law, of what is believed to be the law and of what is believed to be the intent of Parliament. Unless the courts and the public have an opportunity clearly to understand that intent, the consent for Parliament will diminish and the political process will be damaged. Pre-legislative scrutiny is an opportunity to improve the law in its intent and clarity. That is the important point. We are striving to improve the process and to answer the important questions posed this morning about the criteria used to decide which Bills are published in draft and about the Committee's scope and remit, including whether a Select Committee, a Joint Committee or a special ad hoc Committee should consider the proposals.

The Government have taken note of the concern expressed by the Liaison Committee and others about the short notice of the publication of draft Bills. We appreciate that that can and has created difficulties for Committees in planning their programmes. We want to work with the Liaison Committee and the Select Committees to improve the process. Immediately after the Queen's Speech, in response to that concern, my right hon. Friend the Leader of the House provided the Liaison Committee with a provisional list of draft Bills expected to be published this Session and a copy was placed in the Library.

It is not always possible in the sausage factory production of legislation to be precise. I am happy to place on the record that Departments rightly have to take advice from parliamentary counsel, whose function it is to probe and to seek clarification of intent. Sometimes there are unforeseen consequences in the preparation and sometimes it is not always possible to publish in draft form. That is a long-winded way of saying that it is not a perfect world.

The Government have demonstrated their commitment to openness. In return, however, the House must understand that our legislative programme must have some flexibility and that the provisional list of draft Bills will be subject to change. The Government's proposals are subject to discussion in the usual channels in both Houses of Parliament—the Lords and the Commons—both of which we must take into account. For example, following such discussions it was agreed to introduce the civil partnerships Bill in this Session rather than as a draft Bill as the Government originally proposed. That was a good example of us responding to concerns.

Drafting resources may need to be diverted to other priorities and slippage may mean that there is insufficient time for publication in draft.

Mr. Heald: On the need to have a sensible list of possible draft Bills at the beginning of the Session, the Cabinet Office said that it would introduce a draft civil

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service Bill this Session in response to the Public Administration Committee's report. Why is that not on the list of draft Bills for this Session?

Mr. Woolas: For the very good reason that in planning the legislative programme we have to plan our resources, in terms not only of parliamentary counsel but of Departments as well. The Select Committees have had concerns over their ability to plan and the Government have provided significant extra resources, which I will mention if I have time. We have also provided parliamentary counsel with extra resources in recent years to try to increase its capacity and therefore introduce greater flexibility. It is a statement of common sense that the preparation of Bills, whether they be draft Bills or full Bills, requires a great deal of resources. The implementation of drafting is not always predictable because of unforeseen complexities and difficulties.

Mr. Heald *rose—*

Mr. Woolas: I can see that the hon. Gentleman is itching to tease me even further.

Mr. Heald: If the Minister is saying that the Cabinet Office is going to produce a draft civil service Bill this Session, why is it not on the list of draft Bills for this Session?

Mr. Woolas: The hon. Gentleman is trying to have his cake and eat it. He pushed us to introduce a civil service Bill. We responded to that concern and said that we would have one. That is evidence of openness, flexibility, transparency and democratic government.

Mr. Heald: Why is it not on the list?

Mr. Woolas: If the hon. Gentleman wants to move to a Stalinist five-year plan, the logical consequence of the discussions that he proposes would mean the abolition of annual Sessions, the increased carrying over of Bills and one Prorogation every five years. I am sure that his colleagues in the Opposition Whips Office would not support that aspect of modernisation.

To be fair, there are good reasons why flexibility and a rolling programme would be advantageous to the House.

Ian Lucas: Talking of Stalinism, may I return to the usual channels and the civil partnerships Bill? My hon. Friend said that, as a result of discussions among the usual channels, the Government have forgone a draft Bill in favour of the civil partnerships Bill. Does he think it right that an issue that will generate interest and discussion among my constituents is not presented in draft form simply because the usual channels believe that that is inappropriate?

Mr. Woolas: My view and, more importantly, the Government's view is that a Bill should be published in draft form unless there are good reasons for not doing so. Such reasons may be broader than my hon. Friend suggested. He talked about the need to respond to emergencies and about the 11 September tragedy, but other forces majeures may require a legislative response from the Government. There may also be financial pressures, and the financial year is a key determinant in planning the legislative programme. I can also reveal that the business managers set about the timetable for the Higher Education Bill because of demands by the printers of university prospectuses. It was therefore a real-world timetable, which had little to do with the parliamentary timetable.

Some Bills are timetabled in response to decisions by our courts and the European courts. The timetable for the Gender Recognition Bill, which had its Second Reading yesterday, was drafted in response to the need to protect the British taxpayer against liabilities as a result of the judgment by the European Court of Human Rights. Those are examples of real-world pressures on timetables. Famous "events" can also change things. However, on the basis of a shared understanding of that framework, the Government's objective is to move towards the presumption of a draft Bill.

I understand why hon. Members have not gone into detail about the consequences of the greater use of draft Bills for other aspects of the parliamentary legislative process. The Government have given Select Committees greater resources, including staff resources. The new scrutiny unit is now fully functioning, and one of its primary functions is to assist with pre-legislative scrutiny. Following an independent review, the number of staff working directly for Select Committees will be increased over a three-year period. Hon. Members will also know that the payment of Select Committee Chairmen has been introduced. Those are some of the implications. Of course, Select Committees and the Liaison Committee have advised us formally and informally that the scrutiny of draft Bills has increased their work load extensively. That is why Joint Committees may be used increasingly and why we must be flexible in learning lessons at this stage. We should not tie our hands too tightly if we are to ensure that we can proceed.

The proposals also have implications for carry-over. If one is to have a successful programme for scrutinising draft Bills and for legislating subsequently, it is advantageous to have the facility to carry Bills over from a Session. Of course, the timetables and Standing Orders of the House of Lords and the House of Commons are not in sync.

We have touched on the important issue of programming in Standing Committees and on Report, and I am a big fan of programming, as are the Government in general. However, we recognise, as the Modernisation Committee did in its advice, that the current arrangements are not perfect. The hon. Member for Somerton and—

Mr. Heath: Frome.

Mr. Woolas: I apologise. My Lancastrian ignorance of the south-west is coming to the fore.

As the hon. Member for Somerton and Frome (Mr. Heath) said, programming, or timetabling as I prefer to call it, requires consent if it is to work. I readily admit that Front Benchers do not always co-operate, which is to be regretted. My main argument in favour of

programming, however, has nothing to do with how this place functions, but with the need for the public and stakeholders to know more about the process of legislation, as has been explained. I was a member of the Committee that considered the National Minimum Wage Bill. We discussed key parts of that at 3 o'clock in the morning, which is ridiculous. A few of my constituents who use the internet late at night might have had access to those proceedings, but we could not tell them, as we could when the Local Government Bill was considered in the previous Session, that important aspects would be discussed in the morning and afternoon on Tuesdays and Thursdays at pre-designated times. Such information helps people to be involved in the legislative process, to follow it and to have an input. We need a commitment from Members on both sides of the House if we are to make progress and set signposts, and if programming is to work. I readily admit that that also applies to the Government and the usual channels.

My hon. Friend the Member for Wrexham argued for greater involvement in the pre-legislative scrutiny of Bills that affect Wales—what we might call Wales-only Bills. The Government agree that it is desirable that Bills containing significant Wales-only clauses should be published in draft form whenever practical for scrutiny by Parliament and the National Assembly for Wales. My hon. Friend is already working to achieve that. We have a good record on that. The National Health Service (Wales) Bill and the Public Audit (Wales) Bill were both published in draft form in the previous Session.

In the case of Bills that relate to both England and Wales, it is not usually practical to separate out the parts that relate to Wales for separate scrutiny or for earlier publication. We are, however, committed to publishing those Bills in draft form whenever we can, so long as that is consistent with the overall needs of the legislative programme. Last November, following the publication of the report of the Select Committee on Welsh Affairs, my right hon. Friend the Leader of the House met the Presiding Officer of the Welsh Assembly. A working party has been established to see how we can make progress.

On the very important question of whether the Committee's remit is to consider the principle, the policy or the implementation of a Bill, a Committee of politicians will always want to consider the principle. It should be free to consider the coherence of draft legislation, to examine the policy and to disagree with it if it so chooses, but it should concentrate on the successful implementation of that policy by consulting stakeholders.

In anecdotal terms, the objective is to diminish the law of unintended consequences. The hon. Member for Banbury (Tony Baldry) pointed out many times in Committee that there are laws of unintended consequences, and that legislative scrutiny exists to tease them out. That can be done particularly well when considering draft Bills. We have drawn the remit wide, but encourage the emphasis to be placed on testing the successful implementation of policy and examining the unintended consequences.

The hon. Gentleman said that he was going to make a bad-tempered speech. It is always a good idea to tell people if one is going to make a bad-tempered speech because then no one thinks that it is. He made his point effectively without upsetting anyone. There was no golden age of scrutiny, as the Procedure Committee and the Modernisation Committee pointed out. It is nice for him to look back through rose-tinted glasses, but the truth is that we scrutinise more clauses and more Bills, and have a more modern and effective process, as a result of pre-legislative scrutiny. I commend hon. Members on the points that they made.

Northern Uganda

11 am

Valerie Davey (Bristol, West) (Lab): I appreciate the opportunity to highlight the brutal conflict which, after 18 years, continues to traumatise the lives of more than 1 million men, women and, most significantly, children in northern Uganda. Sadly, the debate has become more relevant following the massacre by the Lord's Resistance Army of over 200 people in a refugee camp north of Lira at the weekend.

At first there was little media coverage, but Andrew Harding's report last night for BBC News, with the images of the charred bodies of people burned alive in their huts and the numb anguish on the faces of women who had lost as many as 12 members of their family, brought home the horror of what had happened. One casual remark from a parent at the scene was that he had lost two children. Even now, no one knows how many children were abducted in the raid. We all join Kofi Annan in condemning the massacre.

In these circumstances it is hard to know how to extend a hand of sympathy and support to those grieving, terrified families, yet that is what we all want to do. I trust that all of us, everyone who could and should have done more in the past 18 years to end the conflict, will be committed to taking urgent action now. This conflict—uniquely, to my knowledge—is targeted at children, 20,000 of whom have been abducted during the past five years. They have been abused and forced to be child soldiers or sex slaves. I ask that we use this debate to recognise the extent and nature of the tragedy, and to reflect on what can be done to bring it to an end.

Last November, after a visit to Uganda, a senior United Nations official, Jan Egeland, Under-Secretary-General for Humanitarian Affairs, said:

"The conflict in Northern Uganda is the biggest forgotten, neglected humanitarian emergency in the world today."

He went on to say:

"We the United Nations have done too little. The donors have done too little. The Government of Uganda has done too little. We have all done too little."

The facts and figures that emerge underline that statement.

The Lord's Resistance Army, under the self-styled mystic Joseph Kony, while claiming to oppose the Ugandan Government or to protect the Acholi people, attacks the civilian population of northern Uganda. It is estimated that 85 per cent. of the LRA forces are 11 to 15 years old. These children are abducted during raids on schools and villages, and are often forced first to kill their own families and to mutilate or kill any children who resist.

Twenty thousand children have disappeared over the past five years, over half of them since June 2002—20,000. I repeat that figure, because I still find it virtually incomprehensible, but little has happened as a result. One child's torso was taken from the Thames. That sparked a criminal investigation across two continents. The trauma in northern Uganda is hard to comprehend. Violence and fear have led to the internal displacement of over 1 million people, with tens of thousands moving every night to find safety in the nearest town.

Wider knowledge of the situation emerged in England last year, thanks to the Break the Silence campaign run by the Churches, especially the Anglican Church in dioceses such as Bristol, which has close links with Uganda. Last summer the Bishop of Kitgum, the Right Reverend Ben Ojwang from northern Uganda, stayed with constituents of mine and spoke on Radio Bristol. Having spoken about the atrocities, he went on to ask the British Government to mediate, or, in his words, be a midwife to deliver peace after all the pain and anguish. The Government have a strong link with Uganda, as we all know, and they have expertise in conflict resolution, which may well be needed in this situation. Help in these tragic circumstances has been given, notably by donor countries, and also by UNICEF, Save the Children Fund and Christian Aid. The present appeal is poignantly headed: "Over a million Ugandans are scared of the dark". Indeed they are.

The need is to stop the killing, mutilation, rape and abduction. The nature of the situation bears some resemblance to the inexplicable nature of the war going on in the middle east and Iraq. We fail in our comprehension of how to combat an enemy that resorts to suicide bombing. In the case of Uganda, how do we react to an enemy that brainwashes terrified children and uses them to fight their own people? In that situation, when the Ugandan militia or the military attack the rebels, they are just as likely to be killing their own children. Remember that 85 per cent. of the LRA forces are 11 to 15-year-olds who have been abducted.

This is all horrific and difficult to understand, but we do need to understand it. We need to understand the reasons behind the conflict in northern Uganda. What led to this situation? I do not pretend to be an expert or to have the facts and figures, but I did come across a report published earlier this month by the refugee law project at the faculty of law at Makerere university. It is headed: "Behind the Violence: Causes, Consequences and the Search for Solutions to the War in Northern Uganda."

Even reading the press release that announced the report contributes to a better understanding of the tensions that arose after Obote's departure—the tension between northern Uganda and the new Ugandan Government—and of the earlier attempts at rebellion. Into that vacuum of tension and mistrust came the incredible figure of Joseph Kony, with all the evil that his self-styled rule as mystic and spiritual leader has brought about. I recommend the report to anyone who is at all interested in the tragedy and reconciliation in the area.

Let us consider the people who could and should have helped. There is the United Nations. In 2003, the United Nations passed resolution 1460 to provide a framework to protect children affected by armed conflict. It noted that the conscription of children under 15 into armed forces, or using them to participate actively in hostilities, is classified as a war crime by the Rome statute of the International Criminal Court, which has recently been enforced. That resolution ended with a cryptic final decision that was very much in the style of a UN resolution. The final decision was

"to remain actively seized of the matter."

Kofi Annan was seized of the matter, and last November he produced a further report on children and armed conflict. Only last month, 38 members of the United Nations debated that report and what could be done to prevent violence against children, including sexual abuse, maiming, kidnapping and their use as child soldiers. At that meeting, the UN special representative for children and armed conflict, Olara Otunnu, said:

"The struggle to ensure the protection, rights and well-being of children exposed to armed conflict has reached a watershed moment".

Those are fine words. There is indeed a new watershed in northern Uganda following the massacre of the past weekend. We need to take further action.

It is easy to look back and to criticise those involved—to criticise Museveni, the Ugandan Government and the donor countries for not doing more. The criticisms have been strong. President Museveni has criticised donor countries for not allowing more of the aid to be used for his army. Critics of the donors have been concerned that some of their money has not reached the humanitarian ends for which it was given, but is being used by Museveni for armed troops in the Congo.

We know that our Government have given considerable aid—£2.5 million for humanitarian purposes in the past year, and now a further £3 million. As I described, we have a good record in debt release and in the important quantity of aid provided to Uganda. However, we have to question whether we have taken enough care and whether, in our intense anticipation of success for Uganda, we have not turned a blind eye to the troubles of northern Uganda. Indeed, in a northern part of this country we have our own experience, which so many of us have wanted to ignore. That experience should well equip us to help Uganda.

We must put the key emphasis on humanitarian aid and on stopping the violence. When he answered questions on the issue in the House, the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for Sunderland, South (Mr. Mullin) emphasised the need for dialogue, although he recognised the need for security. Such atrocity and warfare will not be overcome by further warfare.

Over the past week three headlines appeared in sequence, and they illustrate the trauma of what is happening. On 19 February the BBC's website headline read "Army 'hunts down' Ugandan rebels". It continued:

"More than 30 Lord's Resistance Army rebels have been killed in the north, say the Ugandan army."

There followed an almost provocative statement, as I realised when I read it. One of the Ugandan army officials said:

"We followed them. It was simply good battle planning and we first encircled the enemy and pinned them down and we destroyed them using ground forces and helicopters".

As I read that statement at the weekend in preparation for the debate, a chill went down my spine.

On Monday, headlines in *The Guardian* and *The Independent* reported that Ugandan rebels had left 192 dead in the village massacre. On the same day, the BBC website published the headline "Uganda vows to avenge massacre". It continued:

"The Ugandan defence minister says the rebels behind a massacre in the north will be repaid in the same way."

While that violence continues and is exacerbated, children are dying. Families were brutally killed in the massacre at the weekend and there seems to be no hope. The BBC reported a member of the camp who said, "I have no hope".

The International Criminal Court has now said that it will take action. Last December, President Museveni asked the Court to look at the actions of the LRA. Both Amnesty's response and that of Human Rights Watch was that we should investigate all sides in Uganda. There are reports of human rights abuses and the use by the Government army and the militia of youngsters under 15, who have been set up with arms in northern Uganda to try to deal with the LRA. The criminal court will take time and it will need to arrest Joseph Kony and his rebel leaders.

Is there hope? I still have hope because of the Ugandan people I have met, and because of the bishop from Kitgum and his visit to Bristol, the personal links that are being strengthened and the support that will be given. I have hope as a result of a recent delegation to this country led by the Right Reverend John Baptist Odama, the archbishop of Gulu archdiocese. He came with a delegation of six church and community leaders and human rights activists. I do not need to spend long on their report because I am sure that the Minister has a copy. They talked about the key human rights violations, the abductions and the displacements, the child night commuters, the attacks on humanitarian convoys and the human rights abuses carried out by the Ugandan Government.

The delegation went on to make five main recommendations: to end the conflict by prevailing on the warring parties; to place the situation of northern Uganda on the agenda of the UN Security Council; to ensure that the protection of children who have been abducted and forcibly recruited is addressed independently of any ongoing political process; to strengthen the international monitoring presence in the north and follow up human rights abuses; and to facilitate the support of the national and community process that will foster a sustainable peace.

I urge the Minister to ponder long and hard these incredibly dignified, patient people who come with a solution that does not involve further violence. I urge him to take action in the UN, with European Union members, and as a representative of a donor country. All of us have a part to play.

When I think of Uganda, I hear and see two things. I think not of the latest scenes of the massacre, but of an interview on the radio that first inspired me to take action. It was the emotion of the interviewer, and not the Ugandan teenager who had been rescued from the LRA, that was so poignant. He finally asked the boy, "How many have you killed?" The curt and quick reply came, "Forty-six". Finally, I see the face of Angelina Acheng Atyam, a member of the delegation, who is the chairperson of the Concerned Parents Association—a group of 5,000 parents working to secure the release of their sons and daughters. Angelina's daughter was abducted in 1996 and remains in captivity. I urge the Minister to do all he can, and look forward to his response. We need to bring an end to this children's war—this war on children.

11.18 am

The Minister of State, Foreign and Commonwealth Office (Mr. Mike O'Brien): I congratulate my hon. Friend the Member for Bristol, West (Valerie Davey) on securing this timely debate on northern Uganda. The Lord's Resistance Army has been waging a war against the Government and the people of Uganda for over 18 years. The conflict has caused untold suffering to the civilian population in northern Uganda.

We utterly deplore the brutal massacre of nearly 200 displaced persons in a camp north of Lira last weekend. United Nations agencies have now reached the area and are setting up medical and feeding centres. We have been in contact with the UN and are satisfied that they are doing all they can. Burns victims have been transported to Lira hospital, for the situation in the area remains very bad. Such an incident could be repeated any time. That is a chilling prospect. I welcome the opportunity provided by my hon. Friend to set out the action we are taking to promote a solution.

The actions of the rebel leader, Joseph Kony, and his LRA are deplorable. The Lord's Resistance rebellion emerged from the remnants of various anti-Museveni groups that existed among the Acholi people of northern Uganda during the late 1980s. The LRA does not have a coherent political programme in the usual sense. Its leader, Joseph Kony, claims a mystical or spiritual authority for his actions. The LRA is undoubtedly one of the most despicable groups in the world, because of the way in which it carries out its activities. Brutal punishments are used to maintain discipline among the LRA, and enforced participation in such acts is used as a means of binding Kony's adherents together.

The LRA's use of child soldiers is particularly deplorable, as my hon. Friend said. Recruitment is largely through abduction. The vast majority of LRA fighters are the innocent children of civilians, forced to fight against their will. It is estimated that some 20,000 children have been abducted for recruitment over the past 10 years. The degree of violence shown in the attack of 21 February and the practice of making children a main target of the war is so deeply repellent that it defies words.

Most recent reports from our high commission in Kampala indicate that there has been an increase in LRA child abductions in the past few weeks. We are aware of the impact that this is having on the local communities, which are in great fear, and the plight of the night commuters, the children living in rural areas who walk miles each night to sleep in churches or in town, on shop verandahs, in a desperate attempt to avoid abduction. The clear, depressing message is of a sharp deterioration in the security situation, with intensified attacks on soft civilian targets.

We remain extremely concerned about the impact of the conflict on the humanitarian situation in northern Uganda. Over the past two years the number of internally displaced persons has risen from 500,000 to 1.4 million. They are living in camps and enduring worsening conditions. Relief organisations are at full stretch and coping, but reaching populations in need of humanitarian aid in these large rural areas is dependent on the fragile security situation.

The UK's response to the crisis is focused on supporting humanitarian relief efforts and promoting closer co-ordination among the donor communities; encouraging the Ugandan Government to consider all options to resolve the conflict, not just the military response; strengthening civil society groups in the north, which have a vital role to play in the long-term resolution of the conflict; and building on opportunities created by the Sudanese peace accords.

We have significantly increased our humanitarian support in response to the crisis. We have spent £8.4 million in the past 12 months. Officials in Kampala from the British high commission and Department for International Development regularly visit the north to assess the situation and see what more we can do to assist. We are also working closely with the international community to improve donor co-ordination. We need to ensure that the aid gets through to those who need it most.

The UK was instrumental in the founding of the donor technical group on the north in Kampala and currently holds the position of deputy chair of the group. This is the most important co-ordinating forum for donor responses to the conflict. It has contributed to the development of programmes in support of conflict resolution. Access to camps in a number of areas is risky. The LRA has attacked humanitarian vehicles and convoys. We regularly urge the Government of Uganda to redouble their efforts to protect the civilian population in the north and to ensure the safe delivery of much needed humanitarian relief supplies.

The LRA is a difficult phenomenon to deal with and there is no quick fix. President Museveni's Government have adopted several different approaches in the past, but they have concentrated their efforts on the military approach, which has so far not succeeded. In March 2002, the Ugandan Government launched Operation Iron Fist, billed as a measure to put an end to the insurgency in the north. Capitalising on the new relationship with the Sudan, the Uganda People's Defence Force sent a force into southern Sudan where they claimed to have destroyed the LRA's rear camps. However, the operation resulted in resurgent LRA activity inside Uganda, which continues with varying intensity.

We understand the Ugandan Government's need to deliver a security response, but we believe that they must also explore complementary methods of bringing the conflict to an end. The United Kingdom Government discussed the north with the President of Uganda during his visit to London at the end of January. My right hon. Friend the Prime Minister urged President Museveni to seek a peaceful resolution to the conflict if possible, and we encouraged him to take steps to improve the prospects for dialogue.

Several possible measures could build confidence in the Ugandan Government's commitment to resolving the conflict: re-energising the presidential peace team, removing from the north those Government security personnel who violate human rights, and developing an open, credible and coherent media strategy on the insurgency to get messages across about how the Government hope to resolve the issue.

We are aware that some people are calling for international mediation, but we do not consider it to be a solution at present. Third-party mediation has been

tried before and it has failed. Any sustainable solution must involve civil society actors such as Acholi religious and traditional leaders. Those groups have been at the forefront of contact with the LRA and the search for a peaceful solution, and as such they are well placed to act as mediators of dialogue.

Valerie Davey: May I emphasise that it is those very community leaders who are in London asking for third-party help with their work?

Mr. O'Brien: I hear what my hon. Friend says. We have every hope that we will be able to talk to those community leaders, as well as to representatives of the Ugandan Government, to ensure that we can work with people who might be able to find a way forward in the appalling situation.

The Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for Sunderland, South (Mr. Mullin) met northern Uganda civil society groups on 2 February and encouraged them to continue their efforts. At a local level, we continue to support peace-building initiatives and British officials based in Kampala are working with local groups involved in conflict resolution.

Since 2001 we have spent almost £1 million supporting conflict reduction and peace programmes, and a further £1.6 million is committed until March 2005. We support the development of the editorially independent FM radio, Mega FM, which has a developing listenership. Over the past year, the UK has given £1.3 million to UNICEF and Save the Children Fund for relief activities, to protect children at risk of abduction and to reintegrate child ex-combatants into society. That is enormously difficult to do, given the sorts of activities in which they have been involved, which were described so well by my hon. Friend. Some of them have been committing large-scale murder and torture. It is an incredibly difficult situation.

We are committed to helping to resolve the conflict in northern Uganda. We will continue to engage with the Ugandan Government and representatives of the Acholi population, and we will also continue to work closely with partners in Uganda and with the international community, particularly the United Nations, the United States, which has a role, and the European Union. My hon. Friend asked us to do that and I assure her that we will.

The LRA has largely been sustained through its depredations on the Acholi community, but Sudan also has a history of involvement that links with the larger regional picture and the Sudanese civil war. We hope that the successful completion of the Sudanese peace process will provide a window of opportunity also to secure peace in northern Uganda. There are prospects for hope, but in many ways it is a depressing situation. We will continue to do all we can to work with the Ugandan Government, and others, to try to resolve the situation.

11.30 am

Sitting suspended until Two o'clock.

Family Court Cases

2 pm

Mr. George Osborne (Tatton) (Con): I welcome this timely opportunity—in fact, more timely than I thought when I applied for the debate—to discuss issues that the Minister raised in her statement to the House yesterday. I begin by paying tribute to my hon. Friend the Member for Salisbury (Mr. Key), who is present today and who is Angela Cannings's constituency MP. He has worked hard and effectively on her behalf, and together we have worked for our two constituents, Sally Clark, with whom my hon. Friend also has a connection, as he represents her father, and Angela Cannings. The Appeal Court's judgment is the reason for asking for the debate today.

My interest in the matter arose because of the small role that I played in trying to get justice for Sally Clark, who was my constituent until she left prison. When I became the MP for Tatton two and a half years ago, my predecessor, Martin Bell, briefed me on several issues but particularly on the Clark case, which had been a large constituency case for him. We spoke about how to take forward the work that he had done for Sally Clark's family. I also met Stephen Clark, Sally's remarkable husband. My meeting with him dispelled any doubts that I had at the back of my mind about the merits of the case. He convinced me that a huge, terrible miscarriage of justice had taken place. Without him and the small team of relatives and supporters that came together to help Sally, she and perhaps other people would still be in prison. It was her case that brought forward the appeals of others and led to the series of events that we are discussing today.

When I first met Stephen, who came to Parliament to talk to me, there were few options open to us. Sally's first appeal had been dismissed and it seemed very unlikely that the Court of Appeal would consider that case again before some considerable time had passed. The General Medical Council was dragging its feet in investigating complaints that Martin Bell had brought against Dr. Alan Williams, who is also a constituent of mine, and Professor Michael Green. Both were key witnesses at Sally's trial. Indeed, it is a disgrace that three and a half years after Martin Bell first made those complaints to the GMC it has still done nothing about them, but that is not the main purpose of calling this debate.

I also applied to the Home Secretary to have Sally Clark's life tariff reviewed and reduced. I know from my conversations with him that he took his duties in this case very seriously but, sadly, he came to the decision that he could reduce by only one year the life tariff that had been set for Sally Clark at the time of her conviction. In short, we were getting nowhere. We found few people in the Government or the medical and legal establishment who were prepared to listen to our arguments about the unreliability of Professor Meadow's theories about sudden infant death syndrome. There was an unspoken but clearly implied suspicion among many people whom I met that, by speaking up for Sally Clark, one was in some way excusing the actions of a mother who had killed her children. That was the prevailing view that I encountered.

That was then, but much has changed. Sally was released after a second appeal last January. Then came the Trupti Patel acquittal and, finally and most

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crucially, the Angela Cannings appeal and the clear and welcome judgment from the Court of Appeal. The Government and the medical and legal establishment are now falling over themselves to unravel what may be the greatest miscarriage of justice in this country in living memory—mothers wrongfully imprisoned after already suffering the agony of losing a child, families torn apart by evidence that, in some cases, they never even saw and could not challenge, lives destroyed by spurious medical theories, and a world of social services departments and family courts that were convinced by them. I say all that because it is important for all of us, as law makers, as Ministers and as representatives of our society, to remind ourselves of the cruelties and injustices carried out in the name of the law and society, and to resolve to learn from the experience and at least lessen the chance of it happening again.

When I applied for the debate two weeks ago, before I went off on my half-term holiday with my children, I feared that the Government were not doing all they could to right the wrongs of what had happened or to address all the implications of the Angela Cannings judgment. On the day of that judgment a month ago, the Attorney-General announced an immediate review of 258 criminal convictions for the murder, manslaughter and infanticide of a child under two where there may have been similar miscarriages of justice.

From the response of the Solicitor-General to an urgent question asked in the House the next day by my hon. Friend the Member for Beaconsfield (Mr. Grieve), it was clear that the work of identifying those 258 cases had begun the moment that Angela Cannings was released and before the Court of Appeal had published its full judgment. I have called ever since for a review of the Sally Clark case, and raised the issue with the Prime Minister during Prime Minister's questions in the middle of last year. I made the point that although the principal criticism in the Court of Appeal's judgment was directed at the pathologist, it also criticised the use of statistical evidence by Professor Meadow. I believed at the time that the work of Professor Meadow should have been reviewed as well as the work done by Dr. Williams, but that is in the past. As I said, the Attorney-General announced last month that there would be a review of the 258 criminal convictions.

It was also clear following the question that I asked the Solicitor-General on the same day that no similar review was under way for family court cases. Instead, she told me:

> "The process of how to go about a review in family cases is now being considered."—[*Official Report*, 20 January 2004; Vol. 416, c. 1221.]

It was not clear at the time, and it is still not clear, why the Government had not done the same preparatory work on a review of family court cases as they appeared to have done for a review of criminal cases while awaiting the full judgment of the Court of Appeal. Instead—I warn the right hon. Lady that this is the only criticism that I intend to make, but I will get it out of the way—the Minister gave an ill-advised interview to *The Sunday Telegraph* the day before the judgment on 18 January, which she may concede was a mistake.

Certainly, the headline, "'We can't reunite thousands of mothers with children wrongfully taken from them'—Minister admits", caused many families unnecessary distress. The Minister went on to say that the number of family cases could run into

> "thousands or even tens of thousands",

that the Government could not

> "turn back the clock",

and that she

> "hoped families understand that these are really, really difficult decisions we have to take."

As I said, that interview caused unnecessary alarm and distress, and it was wrong to have given the interview before the Court of Appeal had made its judgment. It would have been far better if the Minister had made the sort of announcement that she made yesterday. I am not saying that my calling for the debate and the production of the Minister's statement are connected, but they might be. I used to work in government and know that a parliamentary debate sometimes forces the mind of Departments and produces statements. If they are connected, calling for the debate has more than served its purpose.

Vera Baird (Redcar) (Lab): The hon. Gentleman can set his mind at rest about whether his debate triggered yesterday's announcement, because it certainly did not. I and several other Back Benchers have had long discussions with the Minister about the best way to proceed, and it is not the case that the Government were unprepared for the judgment. As I am sure the hon. Gentleman appreciates, it is far more complicated to decide how to tackle the present issue than the relatively simple issue that the Attorney-General had to tackle and about which he was, therefore, able to make an announcement very quickly. I can assure the hon. Gentleman that his debate would have been the last thing to trigger the Minister's announcement yesterday.

Mr. Osborne: I was not claiming credit for that. I said that I was sure that my debate had not triggered the announcement. It was merely a coincidence that it happened the day before.

The Government could have spelled out much more clearly a month ago the approach that they were likely to take with family court cases. If the hon. and learned Lady reads the interview that the Minister gave in *The Sunday Telegraph*, she will see that the Minister outlined virtually everything that was announced yesterday. The Government could have said a month ago, "We are likely to ask local authorities to do this. We are likely to proceed in this manner." However, that is in the past, and I am prepared to move on.

We had nothing like the clarity with family court cases that we had with criminal cases.

Mrs. Annette L. Brooke (Mid-Dorset and North Poole) (LD): I wonder whether the hon. Gentleman has given due consideration to the fact that the Minister has been consulting. Is it not extremely important to consult all the relevant bodies?

Mr. Osborne: Of course consulting the relevant bodies is important. I am being dragged into a debate about the Minister's interview on 18 January. It was a big story in

The Sunday Telegraph, although I do not know whether the hon. Lady saw it. I have the article here and I am happy to send it to her and to the hon. and learned Member for Redcar (Vera Baird). It makes the Minister's plans clear at considerable length. It states:

"Another option being considered by Mrs Hodge is to appoint a judge to trawl through the records of each authority to identify possible miscarriages of justice, but this would prove costly."

It also notes:

"Mrs Hodge is likely to ask local authorities to search through their records to find all family law cases involving Meadow."

Again, that is misleading, because she is not asking them to do that. However, the Minister gave that interview a month ago.

Vera Baird: I do not understand what the hon. Gentleman is saying. He asks why the Government have waited a month to make an announcement, when the Minister said everything a month ago. He then reads from the extract only to show that she did not say then what she announced yesterday. Clearly, she was in the process—the hon. Member for Mid-Dorset and North Poole (Mrs. Brooke) and I have recommended this to the hon. Gentleman as a good way to proceed—of thinking about what to do and of consulting others. Is the Minister really to be criticised for that?

Mr. Osborne: Instead of giving an interview a month ago, the Minister should have said, "We are looking at how to take these family court cases forward. These are the options that we are considering, and we are going to consult on them." That was the approach taken by the Solicitor-General, and it would have inspired more confidence in the ultimate outcome in this case. As I said, however, that is the past.

I would prefer everything to have happened last year. Indeed, I regularly asked oral and written questions in Parliament, and it took many weeks to get any kind of response from the Government. I sought meetings with Ministers, but they were not granted. I have been trying to take matters forward for more than a year. None the less, we are where we are.

Like my hon. Friend the Member for Beaconsfield, who speaks for my party on such issues, I welcome what the Minister said yesterday. I also welcome the guidance that she is issuing to local authorities and the arrangements set out by the president of the family division. However, I have some concerns, which I hope the Minister can address. The first and most serious is an issue that I raised yesterday.

The review that the Minister has asked local authorities to carry out involves only cases in which

"a final care order was made in the past which involved harm to the child or a sibling, and in which the grounds for making an order depended exclusively, or almost exclusively, on a serious disagreement between medical experts about the cause of harm."

When I asked the Minister why she was restricting the review to cases in which there was a serious disagreement between medical experts, she explained that this was because she was

"mindful of the Cannings judgment, which was very narrow indeed."

That means that the review leaves out cases in which there was no serious disagreement between medical experts, but where we now have strong grounds for supposing that the medical evidence offered, although uncontested, was unsound. In criminal cases, which are what primarily concern the Court of Appeal, medical evidence is likely to be contested. A competent defence team will produce rival experts to try to convince the jury that the prosecution has got its case wrong.

I am not a lawyer, so I tread carefully in this area, but it seems to me that that does not necessarily happen in all family cases, perhaps because the family do not feel up to the ordeal of challenging the evidence, because they cannot find a suitable expert prepared to argue against the likes of Professor Meadow, because social services departments threaten the family with further action, possibly criminal action, if they contest the family court proceeding. The last point is particularly serious, and I ask the Minister to address it. I have spoken privately to the Solicitor-General about this—she is aware that there is a considerable issue here, and perhaps the Minister could address it in her response.

As I understand it, the Minister's review offers nothing for families where there is uncontested medical evidence. All she feels able to say is that she has

"no doubt that local authorities will, in cases where one particular individual was the sole expert in the proceedings, act in a sensible and rational manner and review them."

In other words, she seems not to be asking local authorities to review cases in which only one medical expert was involved, but she hopes that they will, none the less, review them. This seems a rather curious position to take—if she wants the cases reviewed, why does she not spell it out? Why this game of cat and mouse? Perhaps she can explain this position of not asking local authorities to review cases but hoping that they will. Surely the Court of Appeal judgment raises sufficient doubts about the theories of, for example, Professor Meadow, to justify a review of cases involving only his evidence.

The Minister was careful in her response yesterday to avoid mentioning Professor Meadow by name, and kept referring cryptically to "a particular individual", until she was eventually challenged by my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack). She then said that it would be inappropriate

"to pass judgment on all the cases in which Sir Roy Meadow gave evidence, and in particular those involving children, before the General Medical Council has examined Sir Roy Meadow's professional competence and his evidence."—[*Official Report*, 23 February 2004; Vol. 418, c. 38–46.]

In my experience, waiting for the GMC is a bit like waiting for the next ice age. The complaints brought against two other experts in the Sally Clark case by my predecessor, Martin Bell, to the GMC three and a half years ago, have still not been dealt with. I do not wholly trust the medical profession to judge itself in these matters.

The Court of Appeal has delivered a damning verdict on the judgment of Sir Roy Meadow's evidence. Lord Justice Judge warned of the dangers of "an extensively dogmatic approach" and said very clearly:

"What is abundantly clear is that in our present state of knowledge it does not necessarily follow that three sudden, unexplained infant deaths in the same family leads to the inexorable conclusion that they must have resulted from the deliberate infliction of harm."

Lord Justice Judge also reminded us that the Court of Appeal had, in the Sally Clark case, been critical of Professor Meadow and his use of statistics, in particular

[Mr. Osborne]

his now infamous claim that the likelihood of two sudden infant deaths was 73 million:1. That judgment, in Lord Justice Judge's words,

"served to undermine his high reputation and authority as a witness".

If that is the view of the Court of Appeal, why does the Minister feel that she still needs to wait on the GMC? Surely it would be sensible to ask local authorities at least to review all cases involving Professor Meadow's evidence, whether it was disputed or not, rather than relying, as the Minister seems to want to do, on the good sense of those local authorities to do so anyway.

If the first and most serious concern is the narrow scope of the review that the Minister has ordered, my second concern is what the Minister said about reuniting adoptive children with their birth parents. I fully accept that this is an extremely difficult area, and that the interests of the child must be paramount. However, I ask the Minister and, through her and this debate, the courts and local authorities to be as flexible as possible.

The Minister says that the scope for reopening existing adoption cases is extremely rare. Even the newspaper headlines today say, "Hodge rules out adoptions reversal." I understand that she quite properly does not want to give false hope to families, and that adoption is supposed to ensure permanence and finality for all involved. I can see that reopening adoption cases that are years old is very unlikely to be in the best interests of a child, even if a tragic mistake has been made. As a parent, I am not sure how I would react if my child had been taken away from me on the basis of false or misleading evidence. I can see that it is in the best interests of the child to be left in place.

What about more recent adoptions? What about those that took place a month ago or sometime last year? Are we really saying that it is impossible to unpick such cases when they are very recent? We should at least consider the option of trying to put families back together. One irony of the Sally Clark case is that she has been reunited with her family, even though she served time in prison for the murder of two of her children. Other families who have been before family courts may not have that option available to them. To borrow the Court of Appeal phrase, we must not be over-dogmatic in our approach, but there may be so many pressure groups and entrenched interests in the world of adoption that we may fall into the trap of being over-dogmatic.

Several hon. Members touched on my third concern—the role of local authorities in the review process. My hon. Friend the Member for Beaconsfield said that

"bureaucracies are often ill-placed to review their own past assumptions and the errors flowing from them."—[*Official Report*, 23 February 2004; Vol. 418, c, 40.]

It is sensible to ask local authorities to review cases, as they are the only ones in a position to do so quickly. It would also be sensible to provide an external audit to make sure that they are carrying out their responsibilities rigorously and independently. Not all social services departments are as good as they should be. Some may have poor record-keeping; and others may be institutionally unwilling to revisit the decisions that they have taken.

The Minister says that she is confident that the independent review officers in local authorities provide sufficient independence to give her "confidence in the procedure". What about the confidence of parents? The hon. and learned Member for Redcar said that local authorities were the adversaries of parents in the vast majority, if not all, of such cases. Understandably, parents may be less trusting of local authorities in that process than the Minister. Would it not make sense for her to appoint a senior independent figure or panel to provide an external audit and oversee the process to guarantee its independence and thoroughness?

Finally, I raise a broader issue about how we allowed such a huge miscarriage of justice to occur in the first place. I am neither a doctor nor a lawyer, but I feel that all too often our legal and medical establishments get swept along by new-fangled theories and fads. Perhaps they are just like the rest of us. It seems to be the case particularly in the sensitive area of child abuse.

Munchausen syndrome by proxy is the latest in a long line of theories that has now been discredited. Child abuse is, of course, a real and serious problem and we should do everything we can to stop it and root it out, but is it not time to heed the words of Dame Butler-Schloss 17 years ago? Her 1987 report after the Cleveland child abuse scandal warned of excessive reliance on expert opinion by local authorities and social services departments without sufficient corroborative evidence. The report said that it was important that social workers should not act solely on the basis of medical diagnoses, yet local authorities and courts continue to be blinded by the evidence of experts such as Professor Meadow without looking for corroborative evidence. How many more cases such as those of Sally Clark or Angela Cannings must we suffer before we as a society learn the lesson?

Several hon. Members *rose—*

Mr. David Amess (in the Chair): Order. It is my intention to call the first Opposition spokesman at three o'clock. There appear to be five hon. Members who wish to catch my eye. If that is the case, I would like to call everyone, but it is in the hands of hon. Members. I hope that they will bear those time constraints in mind.

2.25 pm

Vera Baird (Redcar) (Lab): I congratulate the hon. Member for Tatton (Mr. Osborne) on securing the debate, and on the diligence with which he has advanced his constituents' interests and joined others with a common interest to oppose this miscarriage of justice. I applaud the clarity with which he set out his concerns.

I am in the unique position in this Chamber of having cross-examined Professor Meadow. His is not just the latest of a recent set of theories. He has advanced his arguments for an enormous length of time. I cross-examined him in 1988. It is not unkind to say that he invented Munchausen syndrome by proxy, and I do not use that word in a pejorative sense. He created it and has lived on it ever since. He was a permanent professional witness in cases where he felt that the syndrome—now highly questionable—existed, which is a difficult model.

It seemed that Professor Meadow was called into cases where there was no direct or circumstantial evidence that would answer the question of whether

injuries or deaths of children were accidental or deliberately caused by a parent. He was called in to say, "Now that I have looked at one of these parents"—almost invariably the mother—"she resembles the type of person who does injure their child." That was about the size of the evidence that he gave. It was an extra difficulty for anyone labelled as a sufferer of Munchausen syndrome that he asserted that a characteristic of the syndrome was that people who had it denied that they had it. Consequently, one went in circles trying to get out from under the expertise that he proffered, which was dangerous indeed.

I have to say, not necessarily in Professor Meadow's defence, that during the case in which I cross-examined him there was compelling evidence that one of the parents had been involved in harming children, so I suppose that there must be something in his theory. However, the matter has been troubling and it calls into question, as the hon. Gentleman said, the way in which the courts approach such evidence.

There is no doubt that such witnesses become very arrogant. Professor Meadow is the world expert in the subject, to whom everyone defers. Judges do not try to restrict that way of behaving. It is clear, as Lord Justice Judge said, that matters have become too dogmatic in the cases of Sally Clark and Angela Cannings. By that stage, I think we have gone beyond arrogance and dogmatism. We have stretched things so far that Professor Meadow, a paediatrician, is talking about statistics in front of a court that does not question his ability to do so for one moment. It is not his field at all. The Royal Statistical Society referred to his one in 73 million figure, which has already been mentioned, as a complete error, but he was allowed to give such evidence despite the fact that he was a paediatrician and not a statistician.

One problem with professional evidence is that it is hard for anyone who is less professional and less expert properly to judge it, or properly to restrain such experts from going too far. We now have the Council for the Registration of Forensic Practitioners, which is intended to accredit competent forensic practitioners. Its register relies upon peer review, but that would not have saved anyone from Professor Meadow, because it was not easy to review his work. One cannot engage in a peer review of the work of the man who has invented the syndrome and taken it forward himself. There is no peer to review it; thereafter, we can have only disciples. It is a difficult and problematic notion.

I shall not stray far from the subject of professional evidence but, in order to illustrate the importance of the debate, I should mention that other kinds of expert evidence can cause similar difficulties. I shall not give too many anecdotal examples but, in cases as recently as 2000, DNA could be checked down to about six strands only. Professional expert witnesses on both sides would agree that the figure might be one in double-figured millions, but they would still claim that it was one person and not another. DNA can now be taken down to 10, 12 or even 14 strands. In one case that went to appeal, the figure used at the original trial showed that it was either the accused person or the 37 million and first person after him. However, because in the intervening three years, analysis went twice as far, the Court of Appeal was able without hesitation to say that it was not him. Expertise moves on, whether good or bad.

Ms Ann Coffey (Stockport) (Lab): Can my hon. and learned Friend help? I am not a lawyer. One thing that perplexes me is that in the original trial there was presumably a defence lawyer, a prosecution lawyer and a judge who at the end of the case gave a summing up. From what I have read, it appears that, when someone gives evidence as an expert witness, all of a sudden nothing else happens in court. Does not the defence challenge the expert witness? Does not the judge give guidance on the evidence when summing up?

Vera Baird: My hon. Friend raises an important point. Those steps are gone through in a number of cases. I am sure that Professor Meadow would be opposed by another paediatrician who would say that the evidence was not as clear as suggested. He may not call into question his theory about Munchausen by proxy syndrome, but he would say that the person did not fit that syndrome so neatly as suggested. Judges always have a duty to tell juries that we do not have trial by expert. They will say that the jury must decide which expert is right but that if they cannot decide they must give the benefit of the doubt.

It is an immensely difficult task and we have to countenance the fact—I shall return to it briefly—that for the past 20 years Professor Meadow has taken judges along with him. Most, if not all, of the cases that the hon. Member for Tatton mentioned were not jury trials, but cases in which the decisions were taken by the judges, who followed the professional evidence to the end. In my view, that causes a further problem.

Mr. John Burnett (Torridge and West Devon) (LD): The hon. and learned Lady always speaks on these matters with the greatest knowledge and experience, and in such measured terms. However, although I am sure that she is right to say it, I was surprised to hear that in a number of cases no one was called to challenge the evidence of experts such as Professor Meadow. My experience as a lawyer is not in that field but in taxation and planning, but whenever expert evidence has to be given in such cases—perhaps because more money is at stake—experts are always available to challenge the expert evidence.

Does the hon. and learned Lady believe that it is unacceptable to have only one expert witness at a trial? There should always be experts for the other side, and they should be properly funded.

Vera Baird: Again, that is a very important point, but difficulties can arise where one instructs an expert intended to oppose someone such as Professor Meadow and discovers that he agrees with him. Professor Meadow is leading his disciples. He is the predominant theorist on paediatric death. He is a teacher of many other paediatricians. The matter is not always as straightforward as it might appear at first sight. I heartily agree that expert evidence must always be properly funded in cases where it is required, but there can be pitfalls.

[Vera Baird]

One can frequently be placed in the position—this may have been mentioned—where the only available challenge is what counsel can conjure up by way of cross-examination.

Mr. Dominic Grieve (Beaconsfield) (Con): Lest it be thought that those representing the families were negligent in the way they presented their cases, I suggest—the hon. and learned Lady may agree with me—that in many cases there was nothing they could do to put up an expert on what is ultimately a matter of opinion and where there was probably no medical evidence as to what caused the child's death in a physiological sense. Therefore, they would have had to rely on other material and cross-examination. Yesterday, I raised the anxiety that the only cases being reviewed are those where other medical evidence was advanced.

Vera Baird: Again, I take the point that the hon. Gentleman made yesterday that it may not be sufficient. I had a tentative solution yesterday, to which I shall return briefly at the end, if I may, although I feel that the Minister has made a balanced and sensible announcement as to the right way to proceed.

We are countenancing difficulties that judges have had even over the past 20 years—as far back as my memory goes and perhaps longer—dealing with the power of such expert evidence. We must raise the question of what jurors are supposed to do, since they have far less training than judges in analysis, concentration and evaluation. Is it the position now, as Lord Justice Judge said, that if the outcome of a criminal trial depends on the serious disagreement between reputable experts, it will be unwise and therefore unsafe for prosecutions to proceed? If that is the case, what is the position in civil cases, where the only way to proceed on a lesser burden of proof is to do something as drastic and difficult as to take someone into care and then have them adopted? Is it to be that if there is a dispute between experts it is safer for social workers and local authorities not to proceed? That is a dangerous position in which to leave children and the issues are extremely complicated.

Mr. Robert Key (Salisbury) (Con): May I take the hon. and learned Lady back a step in the process and ask her to share with us her experience of the role of the police in investigating such cases? Certainly in the Angela Cannings case it was suggested that the police had made up their minds at an early stage that it stood to reason that three deaths must be murder.

Vera Baird: Professor Meadow has been treading the boards for 20 years saying that that is the case. It is probably difficult for anyone to take their judgment out of context and to think in another way. In the end, they had resort to Professor Meadow to see whether he could assist their position. There was no sign on the face of it—I will have to defer to the hon. Member for Tatton—of any lax investigation by the police. They appeared to be unable to decide what was what and so turned to expert evidence that was intended to help.

I am conscious that other hon. Members want to speak. May I quickly raise one or two other concerns? The first is what we do about expert evidence. Secondly—I shall put this in a much lower key—what are we to do about the judiciary? There have been not just one or two appeals but the failure at trial. There is no doubt that a large number of the judiciary have been carried along by evidence that they probably should never have been carried along by. Cases yet to go to the Court of Appeal will represent the same model. Not only have experts been allowed to become, as Lord Justice Judge puts it, too dogmatic but, as I said, they are allowed to stray out of their area of expertise on the basis that, if they are superhuman about paediatrics, they must know about everything else and we cannot criticise them.

Another factor, which is hugely important in this case, is that most of the judiciary have been taught by Professor Meadow that this is the right approach to sudden infant death, because he was the lecturer of choice at the Judicial Studies Board for a long time. Therefore, there is not only the current problem but the problem that many of the judiciary continue to believe that Professor Meadow has something to say about paediatrics that they should follow. Although they will be well aware of the position today, once people are trained and enmeshed in a framework of thinking, it is quite difficult to get them out of it. Should we be trying to do something about that?

I come back to the point that there has not been the adversarial position of expert against expert that one would hope to find in most cases, mostly, one imagines, because of the phenomena that I have described: the leading opinion of the day tends to direct those behind it to some extent; or, as others have canvassed, people feel that they cannot oppose someone so mighty and powerful or, for many other reasons, do not do so. Therefore, the case has folded and has never been contested under the pressure of evidence from experts who may be called into question.

I urge my right hon. Friend the Minister to think carefully about what I suggested yesterday. Social services departments are now being asked to look religiously and carefully through all their cases to find those that are subject to this kind of evidence and decide whether there should be a fresh hearing. It is almost inevitable that, once one has been in an adversarial position, with the best will in the world and with the best of intentions, one remains in it. Is it sufficiently independent just to settle for that? That, of course, does not cover cases where there has not been an adversarial position. It would be a long and difficult task for social services to go through all their uncontested files and ask "Which of these thousands had Professor Meadow in them?"

Would it not be a good idea to look at the other side, too? There has now been a great deal of publicity and many affected parents will know that they were subjected to that kind of evidence, but many may not. Many may not know the name of the expert who gave evidence against them, or the reason why their children were taken away. It will be a hard task for the Minister to tell everybody in the deepest, darkest corners of the world that they are in this situation and should look again at their child's case. If she were to ensure that a notice went out to all the family law solicitors registered

on the Law Society's panel, who are bound to have represented most of those affected by that kind of evidence, they could simply be told that, if they had such cases, they might like to look at the appeals of Cannings and Clark and may want to open their files and give their clients further advice. That would protect against all the dangers that arise from this slightly one-sided position. I commend that option to the Minister as something that she might seriously consider. None the less, I compliment her on her balanced judgment about the way in which we should go forward.

2.43 pm

Mr. Robert Key (Salisbury) (Con): I shall be brief. I have just three questions for the Minister, but first I congratulate my hon. Friend the Member for Tatton (Mr. Osborne) on his persistence in this matter and on obtaining today's debate.

Yes, Sally Clark's father remains a constituent of mine. I knew Sally Clark when she was a schoolgirl, attending the same school as my daughters in Salisbury. It came as an enormous shock to the whole community that this should have happened. Similarly, Mr. and Mrs. Cannings are constituents of mine and were popular in the community. It also came as an enormous shock to us all when their case occurred.

The three questions that I have for the Minister are straightforward. First, it is clear that prosecutions are continuing in the courts almost as if nothing had happened. Angela Cannings's solicitor, who is also my constituent, recently told me that he has two similar cases ongoing in the Crown courts and 10 more in the pipeline. What guidance have judges been given in the handling of those cases that should be treated with caution following the Cannings case? It is important that the public know what is happening.

Secondly, following the review, will the Minister issue guidelines, in good time, on how claims for compensation will be assessed? There will be compensation claims. What advice will local authorities be given? How will they be told to settle the claims? Will it be made clear that they should try to expedite those payments and not drag things out for years on end? Given the pressure on local authority resources and the Deputy Prime Minister's threats of capping, will those payments come out of ordinary social service budgets, or will the Government make available special resources over and above the normal local government settlements?

Thirdly, in the Chamber yesterday, I asked the Minister how social services departments could properly review those cases in which the evidence was heard in camera. She said that we would have to trust the professionals to take a common-sense approach. She is right about that, but can she confirm that suitably anonymised records have been made public in some of the cases that were heard in camera? Following the cases of Angela Cannings and Sally Clark, have judges been offered any advice as to whether that practice might be extended in the cases that have been referred to this afternoon, as opposed to the criminal cases involved? Those are the steps that we should and can take incrementally to improve the understanding of the situation and to ensure that the Government provide proper advice to all concerned.

2.46 pm

Mrs. Lorna Fitzsimons (Rochdale) (Lab): I rise to speak warily, as there are so many people with expert knowledge in the Chamber, such as my hon. and learned Friend the Member for Redcar (Vera Baird), my hon. Friend the Member for Stockport (Ms Coffey), who has a professional background in child safety, and the hon. Members for Tatton (Mr. Osborne) and for Salisbury (Mr. Key), who have direct knowledge of this matter from the cases of their constituents, Sally Clark and Angela Cannings. We must also remember the telling case of Trupti Patel.

We have specifically been discussing expert evidence and the problem that arose from Sir Roy Meadow's evidence, but it is incumbent on us, as parliamentarians, to put into context our resolute and steadfast desire to protect children and to reaffirm the principles contained in the legislation on children, which we all support, whether or not we were in Parliament when it was introduced. Having recently become a mother, I know what the hon. Member for Tatton meant when he talked about being a parent. I sat for night after night considering the cases of those three women, wondering how I would have stayed sane in the same situation. When it comes to issues of child protection, especially those cases in which children have been adopted for many years, we know that the tenet set out in the legislation is that the best interests of the child should prevail.

While there are undoubtedly many wrongs, as those three cases illustrate, we must also put into context the small minority of figures and cases that we are talking about. People who do not have that insight may think that we are talking about thousands of people. Many parents may erroneously believe that their circumstances will somehow change. It is clear from the guidance in the Minister's balanced and well thought out statement yesterday that there are, in the family courts, somewhere in the region of 400 cases such as those that we are discussing, of which, I am led to believe, about 100 do not involve adoption. If those numbers are spread over the 150 or so social services councils, we are talking about very small numbers. It is important to clarify that.

Many hon. Members who have been in Parliament longer than me, or who have expert professional backgrounds, will be aware that, sadly, many parents do harm children. We must recognise that the overwhelming evidence is that the greatest harm that happens to children is perpetrated in the home.

What happened to those three women was a tragedy, and it is undoubtedly evident from the way in which expert evidence has been used that other cases will emerge, for which I am sorry. However, it is still the case that children are actually hurt and sometimes killed in the home by their parents. As a constituency Member, I have dealt with two cases of Munchausen syndrome by proxy. I am relieved to say that neither case was one of infanticide; however, both were serious, and they were dramatically different.

I want the Minister to concentrate on the fact that we will never be in a situation where we can rely on anything other than expert evidence. One of the problems that I had early on in my parliamentary career, which our social services department also had,

[Mrs. Lorna Fitzsimons]

was the singular lack of choice of expert evidence. At that time only one person was prepared to talk to the council about Munchausen syndrome by proxy.

In one of the cases in my constituency, many decades of historical evidence were sadly available, which meant that the expert was not needed. There was undoubtedly a danger to the unborn child who eventually had to be removed from the parents. However, in the other case, which involved a very young Asian woman with a family background of not very high educational achievement, I am worried to this day that justice was not done. That does not mean that there were not serious problems that needed intervention from social services. However, in one case the diagnosis of Munchausen syndrome by proxy was undoubtedly clear over decades of evidence from the medical profession that had tracked that family and those parents; in the other, the diagnosis was so weak that it was lamentable.

It is incumbent on all of us who deal with child protection issues to keep the matter in context. My heart goes out to the three women who are most in the public mind: Sally Clark, Trupti Patel and Angela Cannings. My hon. and learned Friend the Member for Redcar has spoken eloquently about the dangers of using singular and flawed expert evidence that is not questioned and scrutinised in the way that would be necessary for justice to be done. However, it is incumbent on us all to realise that, sadly, we live in a world where children are not protected by the people who should care for them the most. We must not raise false hopes.

We heard yesterday from hon. Members who have adopted children. Trauma and turmoil must be going on in every adoptive parent's mind. They must be wondering whether their children, whom they take care of to the best of their ability, whether they are three, five, 15 or older, will somehow be wrenched from them.

We must ensure that at the end of the day we are very precise about what we do. We should review, as the Minister has suggested, those open cases that we can actively determine now. We should leave it to the Attorney-General to review the 258 cases on which he has embarked. We should look urgently at how expert evidence and singular expert evidence are used in a court of law. Let us not—especially not as a Parliament that has seen the publication of the most important Green Paper, "Every Child Matters"—lose sight of the fact that it is our job to ensure that children are protected everywhere by everybody.

2.53 pm

Ms Ann Coffey (Stockport) (Lab): I, too, congratulate my right hon. Friend the Minister on her statement. Child protection is an extraordinarily difficult area and it arouses strong feelings. Parents are often afraid that at some time a social services department will come and lift their children for no reason. Strong feelings also emerge in the community at large. One need only look back at headlines over recent years to see how society reacts when it feels that a child has not been sufficiently protected. Some of the difficulty for people who work in that area comes from the fact that it is often not straightforward: there is often not clear evidence to show that a child has been abused. There may be no marks, no bruises, no visible evidence, which is why expert witnesses are so attractive. They seem able, in a situation in which there is no clarity of evidence, to give clarity. That is their power. My hon. and learned Friend the Member for Redcar (Vera Baird) is right in what she was saying about that. I also agree with her that dealing with expert evidence per se is not enough. We have to have a court system that is robust and in which the knowledge has to be invested in everybody in the judicial process hearing cases such as the Cannings case.

I entirely support the Minister's decision not to open adoptive cases. "Cases" is a word used when we are describing children. It is a difficult equation when talking about a concept such as justice, which we all adhere to, but sometimes justice for parents does not serve the best interests of the child. It would be absolutely wrong to open those cases in which children have been through a long process—as someone who has worked in adoption, I know that it can be a long process, one into which a lot of thought is put—and placed in families, only for that placement to be disturbed two or three years later. We cannot always have a perfect circle and perfect justice. I would entirely support the idea that we do not disturb adoptive placements.

Irrespective of everything else, the interests of the child must be paramount. Sometimes that is difficult when put alongside parents' rights. I am not sure we will ever have a perfect solution, which is why I believe that in this very difficult area and circumstances the Minister has presented a very balanced and fair way forward.

2.56 pm

Mrs. Annette L. Brooke (Mid-Dorset and North Poole) (LD): May I add my congratulations to the hon. Member for Tatton (Mr. Osborne), because it has been a very timely debate—whatever the reason for the timing? It gives us a much better chance to raise further questions.

Rather than going into the details of the legalities, which have been so admirably covered, we need to think about what lessons can be learned, what questions should be asked and what is the best way forward. I would like to associate myself with the comments of the hon. Members for Rochdale (Mrs. Fitzsimons) and for Stockport (Ms Coffey) that the child's interests are paramount and that all the professionals must not be discouraged from investigating any alleged child abuse. It is a tremendous problem in our society. It may be the downside of some of the points that we have to talk about in this case.

We have heard the statistics so many times: one in 73 million for two sudden infant deaths in one family—on that basis, I cannot do the arithmetic to get it up to three sudden deaths. However, the statistic totally ignores the fact that there may be unknown genetic or other factors that predispose a family to sudden infant deaths. It is invalid. With hindsight—always very clever—we see how that false statistic had such a dramatic effect on all the media reports, and it is very difficult to believe that it did not influence judgments at the time.

It has now emerged that there was a history of sudden infant death in Angela Cannings's family. Her great grandmother and grandmother both lost babies in unexplained circumstances, suggesting that there might be a genetic link. There is also the claim that the effects

of a drug called Cisapride have resulted in hundreds of cases of wrong diagnosis worldwide. Although this drug has now been withdrawn from the UK market, I would like to ask the Minister whether there will be an investigation into it and any bearing that it might have on child deaths attributed to Munchausen syndrome by proxy.

It is now clear that when several child deaths occur in the same family there should not be an automatic conclusion that the dead infants were deliberately killed. There has to be an evaluation of the many other factors that might have contributed to the deaths. However, great weight was placed on Professor Sir Roy Meadow's theory and evidence over the years, and this may well have blinkered the people dealing with the child abuse cases. I do not mean that in a derogatory sense, but with so much weight being given to a particular aspect, I wonder whether they might not have picked up all the other clues. The Court of Appeal judgment is very clear, that

"the prosecution of . . . parents for murder should not be started, or continued, unless there is additional cogent evidence, extraneous to the expert evidence . . . which"

leads to

"the conclusion that the infant . . . was deliberately harmed."

However, we still have to ask the same questions as far as the family court is concerned: what will be the role of expert witnesses, and how will they be handled in the future? I do not have the knowledge, but I have the questions here.

Given the fact that there could be thousands of cases in which some form of injustice has occurred, the Minister has been in the unenviable position of deciding the best way forward. I share her concerns as well as expressing my sympathy for all the families that have been involved in this. I would like to thank the Minister for the clear and logical statement yesterday, and wholeheartedly agree with her underlying premise that the children's interests must be paramount. However, questions remain about how far we can proceed.

I asked a question yesterday about a national helpline, because I believe that there needs to be more publicity regarding help, advice and perhaps even counselling for all the people caught up in these tragedies. Some families have described themselves as going through hell. The Minister said:

"If birth parents are worried, they should take their own legal advice"—[*Official Report*, 23 February 2004; Vol. 418, c. 39.]

I am emphasising that and perhaps taking it out of context, but it is not good enough—people need more support than that. I am aware that every local authority is required to have an adoption support services adviser, but would everybody who might want advice know that? Will anybody who believes that their children were falsely taken away from them want to go back to that same local authority for advice? I ask her to give more thought to this issue of how those troubled people get help and support.

Social services departments throughout the country now have the task of reviewing cases directly or responding to the Attorney-General's review. I presume that the same staff who were instrumental in children being taken away from their parents, and in some cases arranging adoption, will carry out the review. Given the circumstances, and the fact that we now know that undue weight was given to certain expert witnesses, will the Minister give consideration to the points that I raised yesterday on monitoring councils, and indeed to the helpful remarks made by the hon. and learned Member for Redcar (Vera Baird) suggesting the involvement of the Law Society's family law practitioner group?

The president of the Association of Directors of Social Services said in a press release in January:

"No child will have been adopted or taken into care solely on the basis of expert witnesses. Decisions to recommend their adoption and being received into care will have been made by courts who will have ascertained that the cases pass all the other welfare tests contained within children's legislation."

I want to place it on the record that I admire the professionalism of all those involved in child protection, but I have a niggling doubt about the blinkering effect, and not being able to see the wood for the trees. I wonder whether an external review of a sample of cases might be considered. I take on board what the hon. Member for Tatton has said about those cases in which expert evidence was not challenged, and it is a concern that these matters are not really being considered. The Minister said yesterday that care orders are reviewed every six months. Will she give some additional guidance for those six-monthly reviews? More could be done there.

I asked a question yesterday that did not work out very well, given the time span, so if the Minister will forgive me I will expand on it slightly. I am concerned about investigations into the deaths of children who have been adopted. Has there been any research on the links between such children and families allegedly affected by Munchausen syndrome by proxy? Perhaps that clarifies my point. Such research would throw further light on the evidence that Sir Roy Meadow gave and would provide more information. Come what may, we must learn from all these events.

Mr. Grieve: I doubt whether such research would be very beneficial, as sudden infant death syndrome, or cot death, occurs in the first few months of life. It is most unlikely that there would be meaningful statistics about the incidence of death for children who survived long enough to go through the care and adoption process.

Mrs. Brooke: I am aware of the short time span, which is why I believe that such research would not be an enormous piece of work. Some children are placed quickly. If there were such a threat, it would be interesting to examine it.

I wish to join those who point to the need for resources for social services departments. We know how hard-pressed they are. It is incredibly important that this enormous piece of work is done thoroughly.

The issue of compensation has also been raised. Again, I add my voice to those urging the Minister to consider how it will be provided. It is important to make a statement as soon as possible. It is almost impossible fully to understand the trauma that would result from unpicking cases in which adoption has taken place. However, visitation rights will be incredibly important. I hope that she will encourage everyone to be as flexible as possible while taking on board the best interests of the child.

[Mrs. Brooke]

This has been an important debate and there are many questions to be answered. I hope that the Minister will continually review the whole process, as there will be changing aspects and further questions as we go along. Most of all, we must respect the fact that many people are troubled and damaged as a consequence of a miscarriage of justice.

3.7 pm

Mr. Dominic Grieve (Beaconsfield) (Con): I congratulate my hon. Friend the Member for Tatton (Mr. Osborne) on securing this debate, which is very important and particularly opportune in the context of the Minister's statement yesterday. I wish to avoid repeating too many of my comments in response to that statement, but several matters have been touched on this afternoon that are of relevance when we consider, first, how to deal with the serious problem that has arisen in respect of children who have been taken into care or adopted, and secondly, how we might avoid a repetition of such events.

Let me begin by discussing the Minister's announcement on what she and the Government will do about what has happened in the context of family cases. I am delighted that she announced a review of cases. I am sure that it will go a long way towards enabling miscarriages of justice to be remedied. I fully accept that turning the clock back may be impossible if, for instance, a child was adopted some time ago. She was perfectly right to make that point clear. I do not want to get bogged down in the initial discussion about what happened before the announcements of the Attorney-General and the Solicitor-General, but it was unfortunate that she did not wait to tell the House about her plans before telling a national newspaper. I believe that it distorted some of the things that she said, which is perhaps an illustration of why it is dangerous to do that rather than telling us first.

On the reviews, the hon. and learned Member for Redcar (Vera Baird) made some important points about the nature of child care cases. As the Minister knows from my comments yesterday, I am concerned that we are being too restrictive in relation to the categories of cases that will be reviewed. I fully understand that it makes sense, in theory, that they should be the cases in which there was a clash of medical evidence. However, I fear that there will have been many cases—I was pleased that the hon. and learned Lady echoed this—in which, in practical terms, the evidence of Professor Sir Roy Meadow went unchallenged. It was, after all, not evidence about the physical condition of a child. It was evidence relating to a theory, with some statistics thrown in. Such evidence is difficult to challenge.

Speaking to professional colleagues of mine, I detect—this is no more than anecdotal evidence, and I could not look up the statistics, because I would not have access to them—that there will have been, first, many cases in which the Children and Family Court Advisory and Support Service combined with the local authority to commission Professor Meadow to give an agreed report; and secondly, many cases in which families decided on perfectly sensible legal advice that although they would challenge other areas of the case, and indeed cross-examine Professor Meadow, they would not, in the light of other circumstances, try to find an expert opinion of their own to counter it.

There must be a serious danger that, if we confine the review cases to those outlined by the Minister, we will miss many other cases that need to be reviewed as well. Of course, they can still be reviewed if the family goes to court, but as the Minister acknowledges, the reason for asking a local authority to carry out a review is that there is a clear understanding on the part of the Government that there is an onus on the local authorities, helped by the Government, to remedy possible miscarriages of justice.

I ask the Minister to speak to her advisers about the matter and consider it further. The issue is serious. We are likely to find that the more articulate families—those with better resources—will start to bring challenges, and it will then become clear that those cases need to be reviewed as well. I have not the slightest idea how many cases might fall into that category, but I have an absolute gut feeling that there will be some.

I want to deal with the other point that I raised, about local authorities reviewing themselves. The Minister is quite right: there is no criticism of local authorities as such in relation to what has happened. They went on expert advice. However, she must be alive to the realities of the limitations on local authority social services, especially in relation to child care. I have been dealing with one local authority close to me over the past nine months in relation to a child in care. It has struck me forcefully that every letter that I write is replied to by a new key worker for that child. The turnover of staff means that there will be difficulties relating back to what was going on when the events took place.

Assumptions come to be made in bureaucracies, and having been taken down one road, with a particular set of assumptions, it may be difficult to shake off that mindset and start to take an independent and critical view of what was done in the past, even if it was done properly and with the best of intentions. The Minister mentioned yesterday that there was an independent review officer who might be able to help. She may be able to amplify that. There needs to be a transparent measure of independent scrutiny. Reasons need to be given, to families in particular, so that people understand what is happening if local authorities decide that a case does not require reopening.

In the short time available—I want to give the Minister an opportunity to respond—I will turn to one or two background issues. How did we get ourselves into this mess? This is not the first time this has happened. The Cleveland child abuse case was a telling example of how one gets oneself into such a hole. Anxiety about children being sexually abused was widespread in the country and there was the belief that sexual abuse was under-diagnosed. I even remember the name of the doctor: Marietta Higgs. She came along and said that it was possible to make a definite diagnosis of child abuse based on a particular kind of physical examination. As soon as that news came out, the local authorities in that part of the world leapt on the bandwagon and said that the development provided an answer to what had previously been unanswerable. It was only when the hon. Member for Middlesbrough (Sir Stuart Bell) stepped in and said that all common sense had been

abandoned that common sense slowly returned. By that time, however, a huge amount of damage had been done.

I am conscious of the fact that we are under a requirement to protect children, but, with all respect to the hon. Members for Rochdale (Mrs. Fitzsimons) and for Stockport (Ms Coffey), there is a blame culture in our society, and we as MPs are partly responsible for it. There is a belief that somebody must be responsible for everything and that nothing should remain inexplicable. Taken together, those views have become powerful forces in initiating what turn out to be witch hunts. We then latch on to the people who will help us to carry them out, and I am afraid that that is what appears to have happened in the case of Sir Roy Meadow. He provided an answer to a question that had previously been unanswerable, and the mantras that he recited overcame our anxiety about inexplicable cot deaths. I fear that the same will happen again unless we constantly remind ourselves that judgments in human society are fallible and that some things will always remain unexplained. Much as we may wish to protect children, we must accept that the benefit of the doubt lies with families. When a child's death is unexplained, we should not interfere lightly in family members' relations with other siblings.

Mrs. Fitzsimons: I am sure that the hon. Gentleman would not want to misrepresent what I said. Having dealt with child protection issues for a considerable time and in considerable depth as a Member of Parliament, he will agree that he is talking about the minority of cases. I was trying to put on record the belief that we must not, as a result of such cases, go against the huge amount of sterling work that organisations such as the National Society for the Prevention of Cruelty to Children have done to get people to acknowledge how big an issue child abuse by family members is. I was separating the two issues, and my hon. and learned Friend the Member for Redcar also eloquently made the point about unchallenged expert evidence.

Mr. Grieve: Of course I agree with the hon. Lady, and I did not want to misrepresent her. We are talking about a minority of cases, and child abuse is a serious problem in families. The problem is that situations such as the one that we are discussing can damage the entire system of protections against child abuse, and miscarriages of justice can undermine its credibility. That is why we must be so careful.

I wish to give the Minister ample time to reply, and I apologise for going slightly over time. These are important issues, and I look forward to continuing to co-operate with her on them. However, we must start thinking carefully about how to avoid a repetition of such tragedies.

3.17 pm

The Minister for Children (Margaret Hodge): I join others in congratulating the hon. Member for Tatton (Mr. Osborne) on securing the debate, which, fortuitously, takes place on the day after my statement.

I want to say three things about why I took some time before making yesterday's statement. First, I felt that it was more important to get it right than to get it out fast. The issues with which I had to deal were extremely complicated and touched on the lives of many children, their birth families, and in some cases their adoptive families, so I wanted to get them right. Every time one sits down and thinks about them, other issues arise. I am sure that hon. Members have also done a lot of thinking about these extremely complicated issues.

Secondly, I wanted to consult, and before coming to the House yesterday I consulted widely with all the stakeholders—the Royal College of Paediatrics and Child Health, the Association of Directors of Social Services and those responsible for the justice system. I felt that it was important to have that process of consultation.

Thirdly, let me explain one of my reasons for giving the interview to *The Sunday Telegraph.* When the House or the Government attempt to reach decisions on such complex issues, it is important that we share some of the complexities with the wider public. Of course, the House is the place where we discuss and decide on issues, but the wider public also have an interest. I was attempting in that article to raise some of the difficulties with which we have to contend.

The hon. Member for Tatton asked whether the scope of the review was too narrow. We have had to operate within the confines of the judgments in question, as is appropriate. It would be inappropriate for the Government to come to a judgment about people such as Professor Meadow or anyone else before the relevant authorities had validated it. Hon. Members would have criticised us if we had come to those judgments before the General Medical Council, the courts or any other body charged with making such judgments had reached a decision. We had to work within those confines. We have made the review wider in that we have gone beyond those instances where a child has died. We have asked local authorities to review those care cases in which the disputed medical evidence was the principal reason for the decision to take care proceedings. That is already widening the judgment.

I accept the difficulties with the credence given to Professor Meadow that a number of hon. Members have raised. However, we do not know whether he was right or wrong in many of the cases in which he gave expert evidence; nobody has challenged his judgment in every case in which he was an expert witness. We also have no knowledge of all the cases in which he was involved.

Mr. Burnett: I am sure that the Minister will concede that no one, not even the greatest expert, has a monopoly of learning and wisdom, so that in any case with such profound consequences every expert should be challenged by another expert.

Margaret Hodge: That is an interesting presumption. One of the issues that I have been discussing with the president of the family division is whether it might not be better if there were not always contested expert evidence given in cases and whether agreed expert evidence might not be given across the parties. People are moving in that direction, because in that way the exceedingly difficult judgments that our judges or juries must make to determine who among those giving contested medical evidence is right are not left to the lay

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person. The hon. Gentleman says that there ought to be contested medical or expert evidence given in cases so that judges or juries can consider the different points of view, but the argument that agreed expert evidence can be more helpful in reaching a proper decision is equally valid.

Professor Meadow's evidence is still under question, which is why we must await the outcome of the GMC inquiry, frustrating as that might be to some hon. Members and to families whose children's future hinges on it.

Given the absence of certainty about the credibility or otherwise of Professor Meadow's evidence, if we had extended the inquiry to consider cases in which only one expert witness was called, we would have had to go further and consider cases with all other expert medical witnesses. That would have opened the parameters of the inquiry too far. The judgment was difficult, but I think that we got it about right.

I share the views of my hon. Friends the Members for Stockport (Ms Coffey) and for Rochdale (Mrs. Fitzsimons) and others about adoption. It would have been wrong for us to try to reopen cases in which, because of the interests of the child, adoption orders are unlikely to be undone. Opening a review would have been beyond the parameters that we set out in our statement yesterday, and would have given false hope. It would also have greatly concerned a huge number of adoptive parents and adopted children, who may be safely settled in their homes.

I also have to be very conscious of my proper role as the Minister for Children, in which I have authority over the way in which social services departments conduct themselves. The decisions taken by courts are theirs to take. If a court has taken a decision about an adoption order, and if all the individuals concerned in that adoption, be it the birth parent, the adoptive parent or the adopted child, believe that there has been a miscarriage of justice, it is right that they should return to the courts so that they can feel that justice is done.

The hon. Member for Tatton also made a point about the role of local authorities. We have introduced several mechanisms that will ensure that local authorities act properly and objectively, taking into account the interests of all parties. Most authorities now have advocacy arrangements as well as an independent reviewing officer. All authorities will have advocacy arrangements by April this year. Those are two examples of existing mechanisms that will ensure that we can protect the interests of all those who have an interest in the issue.

My hon. and learned Friend the Member for Redcar (Vera Baird) asked whether we should write to the Law Society to draw its attention to the Cannings judgment—a point that she made yesterday—to encourage it to communicate with former clients. I am considering that possibility with colleagues in the Department for Constitutional Affairs to see how we can take that further.

The hon. Member for Salisbury (Mr. Key) made several detailed points. I can tell him that the president of the family division will issue to judges advice arising from the Cannings judgment.

Several hon. Members mentioned claims for compensation. That is a matter for individuals, but I will keep it under review and see what happens. Each case will be very different, and we will have to monitor them. The president of the family division is also considering whether she can make the anonymised records more public in the judgments made in the family courts around these proceedings.

My hon. Friend the Member for Rochdale talked about lack of choice in expert evidence. One of the dangers of swinging the pendulum too far against expert evidence is that we discourage many medical experts from engaging in the very important work of investigating cases in which there is a suspicion of harm. We want to ensure that we safeguard children. I agree with her point that people are now unwilling to participate in such work. Not enough paediatricians are prepared to engage in work relating to allegations of child abuse. That is why I went out of my way yesterday to state the very great support that we give to all professionals, be they police officers, paediatricians or social workers, in the work that they do to safeguard children. I reiterate that we, as a society, must recognise that contribution and continue to support them in that work.

Finally, the interests of children must be at the heart of everything that we do, as several hon. Members have said. I must be sure that I constantly pursue my legitimate role as Minister for Children, which is to look after those children who come into the care system, while others have the job of looking after children in other areas.

Children are abused, and we cannot walk away from that. We face the difficulty of achieving a balance. The hon. Member for Beaconsfield (Mr. Grieve) quite rightly states that judgments are bound to be fallible. We have to accept that, but we must be prepared to learn from our mistakes and absorb new knowledge, and especially medical expertise, as medicine changes so quickly. That will ensure that at all times we have the best possible evidence for making the very difficult judgments that have such a huge impact on the lives of children, their parents and their adoptive parents.

Children's Fund (Somerset)

3.30 pm

Mr. David Heath (Somerton and Frome) (LD): It is a great pleasure to have this debate, although it seems a little harsh on the Minister for Children to have to respond to two consecutive debates.

I suspect that many of our constituents and some right hon. and hon. Members have only a hazy concept of the children's fund and what it sets out to achieve. I do not intend to criticise it, its objectives or the way that it operates in Somerset. Quite the reverse: it is a most valuable tool for performing some important tasks that would otherwise slip between the responsibilities of the statutory agencies.

If we are serious about helping disadvantaged children in a wide range of spheres, we must have such funding, particularly in a county such as Somerset, which often loses out on mainstream funding because it does not meet the criterion of inner-city deprivation. Contrary to the established view, I would argue that to be a poor child in a rural area is to be much more excluded than a child in similar circumstances in an inner-city area.

The fund has already accomplished a significant amount in Somerset. I will not read out all the schemes operating in the county which are on the very long list of those paid for by the fund. In my town of Frome there are schemes to support the transition of children at year 8 in the middle school system; summer activities on the Mount estate, which is one of the more disadvantaged estates; breakfast and after-school clubs; and Frome inclusion partnership, which provides one-to-one support for five to 13-year olds. In the wider rural area, particularly in south Somerset, there are schemes that deal with at-risk children and bullying; schemes that provide support for children who, through no fault of their own, find themselves involved with the women's refuge in Yeovil, which, although located in the constituency of my hon. Friend the Member for Yeovil (Mr. Laws), also serves mine; and schemes for young carers, who are often forgotten about.

On a county-wide basis, there is support for the youth offending team. That is desperately important if we are serious about fighting the causes of crime, which means intervening at an early stage to help young people avoid getting into a criminal way of life. A restorative justice team works within schools to provide a new and, many would argue, better way of dealing with young offenders and with traveller children, which is a significant issue throughout much of my constituency.

I hope that I have provided an overview of a very successful and worthwhile partnership that is very much in line with the Government's stated objectives for young people, as set out in the Green Paper "Every Child Matters". They include the hope that young people will grow up healthy, emotionally secure and confident; that they succeed at school and stay out of trouble; that they live in a safe place; and that they have the opportunity to succeed in achieving their dreams. Those are exactly the objectives that we would want for our own children and all the other children in our communities. That is why the issue is so important.

Somerset has developed an effective local preventative strategy. All credit is due to Barnardo's, the lead agency in Somerset, and the statutory and the voluntary agencies that co-operated with it. Indeed, that seems also to be the view of the Government, whose Government office for the south-west commended the local team on its delivery plan. It was praised for its strong management board, which devised a comprehensive and carefully crafted programme of services to meet local needs. That is in all ways a good news story, something to applaud and something worth while—so why am I having this debate?

I am not here entirely to celebrate the work of the children's fund in Somerset, as the Minister will quickly appreciate. The first person to visit my surgery in Frome two or three weeks ago was Margaret Binney, a lady whom I know reasonably well. She is a tower of strength in the local community and works tirelessly in all sorts of ways in community education and with people who are disadvantaged. She has recently been giving her time voluntarily to a two-week summer school serving children in the most disadvantaged wards in Frome. It was attended by more than 70 children and, by all accounts, was a great success. It was hugely appreciated by the children and their parents.

Margaret Binney was distraught because she had learned that the scheme, which she thought was going from strength to strength and which she hoped to expand in the coming year, was facing a 24 per cent. cut in funding. She said that all her hard work, optimism and enthusiasm were not to be rewarded. She was followed at the same surgery by a succession of other constituents who had been involved with children's fund activities. They all confirmed the situation faced by the fund in Somerset and all expressed concern about the consequences for the scheme.

The Minister will know that Somerset is involved in a wave 3 scheme—we often seem to be latecomers to many programmes, but better late than never. As a result, the scheme did not start until April last year. The programmes were developed on the basis of a promised £3.6 million over three years, starting in April 2003, with an average annual allocation—that is how such matters are now accounted—of £1.2 million.

The organisers of the programme took careful account of the advice that they received from the Government office for the south-west, which was to build up the funding gradually. They were told not to spend every penny in the first year because the business of letting contracts and making other arrangements would mean that it was not feasible. It was suggested that they built it up in the first year, go for full funding in the second year and then back to an average of £1.2 million in the third year. That is exactly what was done, based on the experience in the south-west of the first and second wave in Bristol and Cornwall. Not only did the organisers plan expenditure on that basis, but they made contracts with other providers to make it a reality.

The first sign of a problem—I shall set aside for a moment the clawback of underspend, which I understand; I am not asking for the impossible—was a warning from the Department for Education and Skills last autumn that the figures previously announced might not be met in full. The reality is that they are not going to be met anything like in full. The Somerset children's fund schemes have been told that they face cuts of 15 per cent. below the average annual allocation

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in 2004–05 and 33.3 per cent. below AAA in 2005–06. As a result of the profile of spend, with that hump in the middle, next year we face a 24 per cent. cut.

That is distressing in a number of ways, not simply because of the worthwhile schemes that now might not go ahead, but because of its impact on those who provide and run the schemes, whose enthusiasm we need and whose encouragement should be a high priority. It is also distressing for the children themselves, who had raised expectations which they now find dashed. I understand—the Minister will correct me if I have the wrong end of the stick—that the problem of funding the scheme over the next couple of years is national. My attention has been drawn to the editorial in the February edition of *Children Now*. It is not desperately friendly towards the Government on the impact of the funding problem, although it is supportive of their intentions, which is exactly my position. I, too, am supportive of the intention, but concerned about the consequences.

Children Now makes an important point: if we are to achieve the things the Minister wants to achieve in her Green Paper—most reasonable people would support the completion of those plans—we need the trust, enthusiasm and skills of people not only in the professional sector and the statutory agencies, but in the voluntary sector as well. The editorial says:

"The Government needs to retain the trust of professionals and managers in the statutory and voluntary sectors for its proposed reforms to stand a chance. At the moment it is squandering that trust".

I suspect that the Minister has good news and will tell me that money has been found. There was a verbal announcement last week of an extra £20 million across the country. I hope that she confirms that figure today. It would be very welcome. I do not know which back pocket it came from. Perhaps she will tell me—or perhaps not—but at least someone has recognised that there is a problem. However, the money will still not meet the needs of the schemes around the country. It will improve the funding in Somerset, but we will still be below the AAA level and well below the contracted amount. So there will still be substantial cutbacks in programmes next year. That is a disaster in all sorts of ways.

I draw attention to the situation in Somerset because I feel for my constituents when they come to see me and say how disappointed they are with the situation. My duty as a constituency MP is to bring that to the attention of the House and to tackle Ministers on it. I would be grateful if the Minister confirmed that additional figure because it is important. I understand that it has not yet been put in writing to the various schemes around the country, but I hope that it soon will be.

Perhaps the Minister will explain why we are in this situation. Has the statutory sector within the DFES swallowed up the funding; is it a knock-on effect of the difficulties that we all acknowledged with schools' funding last year; or is it a result of the impact of higher or further education? What is eating into the Minister's funds in that way to result in such a change? Can she continue the three-year rolling funding programme? The worst thing that can be done is to promise people three years' funding and then change one's mind after one year. That is no way to run anything. I am afraid it smacks of—I will not say incompetence because difficult decisions have had to be taken—the fact that somebody somewhere along the line has got the sums wrong. That problem should be recognised.

What will happen next year? I understand that the £20 million is a one-off payment for this year. Perhaps the Minister will tell me that it is recurrent expenditure. That would be helpful in relation to forward planning, but perhaps it is not recurrent. Will she confirm that it is the Government's view that the children's fund is achieving their objectives? If it is, are they prepared to supply the financial and political backing to make it work? Will they provide the assurance, which the voluntary and the professional sector is waiting to hear, that such a situation will not be allowed to happen again? There must be a clear funding stream available in the Department which the Minister can control so that she ensures that it gets to where it is needed.

I finish with the conclusion of the letter from my constituent, Margaret Binney:

"In Britain today we seem to have fallen into the trap of cutting everything that is good and successful. Please can you tell the politicians to stop offering new initiatives without proper thought as to where sustainable funding will come from? It is essentially very cruel to raise people's expectations only to dash them almost immediately."

I could not agree more. I hope that the Minister will assure us that that is not the situation today, and that it will not be the situation in future, if we are to support such worthwhile schemes.

3.46 pm

The Minister for Children (Margaret Hodge): I congratulate the hon. Member for Somerton and Frome (Mr. Heath) on securing the debate. I hope that I can give him the assurances that he seeks. I endorse what he said about the importance of the children's fund. It is one of the Government's exciting and successful innovations to invest in services for a group of children who often miss out: the five to 13-year old group.

We have developed services for under-fives, we do quite a lot to provide for children in their teenage years, but we often forget about services for the crucial five to 13-year-old group, at which the children's fund is directed. The fund has been successful in building lots of exciting projects that support children, most of them run by the voluntary sector. They provide key support for children before things go wrong. We provide preventative services that are crucial in ensuring that children can meet their potential and do not fall through the net into greater difficulties, increasing the demand on public services and damaging their life chances.

That process is important, and it is why we emphasised the shift to prevention in the Green Paper entitled "Every Child Matters". I see a future for children's fund activities within a world in which children's trusts, which we hope will be in place in most authorities by 2006–08, have the responsibility and funding to support such projects in every community, determined locally and meeting local needs, aspirations and priorities. That is how we anticipate that developing. The children's fund sets the tone and demonstrates the sort of policies that will work in the context of our new proposals for children's services.

I pay tribute to the Somerset children's fund. Barnardo's, which runs many of the children's fund partnerships for us throughout the country, is doing a very good job. A lot of good projects have begun in Somerset. The hon. Member for Somerton and Frome mentioned one or two. I have been told about a couple of programmes in Somerset, such as Somkids, which is a parenting course for families with children aged five to 13 who have early signs of emotional difficulties. The course helps parents to understand and to listen to their children. It will help children feel happier and more confident about themselves. Groups for children and young people run alongside the parenting groups.

The other scheme that was drawn to my attention and sounded very good was the Minehead middle school transition service, which supports children and parents through the transition from first schools to middle school, in years 4 and 5. There are two liaison workers, who spend every morning in first schools getting to know the pupils and supporting them in year 5, in September. That is a targeted service for those in the eight to 10-year-old group who are experiencing special educational needs or learning difficulties, who may be subject to bullying or antisocial behaviour or who may themselves have shown some criminal behaviour. Again, that is a good project.

I pay tribute to what is happening in Somerset around the particular needs of people such as traveller children, those from ethnic minorities, children living in temporary accommodation, children with learning and physical disabilities, those with hidden disabilities, children in rural isolation and refugee children. Those are all very good things, which we want to sustain.

I come to the issue that the hon. Gentleman raised about funding for his particular children's fund. He is right to say that there has been an impact in Somerset and Frome and in partnerships across country. I sincerely regret and recognise the problems that there have been in the funding of the children's fund and the uncertainties that that has caused in partnerships not just in Somerset but across the country. I sincerely apologise for those difficulties and I assure him, you, Mr. Amess and other hon. Members that we are working hard to get stability back into the programme, and to ensure that the budget is better identified and better managed from here onwards.

Let me explain why we have got ourselves into this situation. We embarked on the children's fund some three or four years ago. The funding is for very small voluntary organisation projects on the ground in every community. It took some time to get those projects off the ground. Therefore, in the early years of the children's fund, there was a considerable underspend. I am sure that you, Mr. Amess, will know that that has been drawn to the attention of hon. Members in the House every now and again.

To deal with that underspend, some sensible decisions were taken, as well as some perhaps less sensible ones. Sensible decisions were taken to top-slice some money for projects such as the summer play schemes for children in danger of getting involved in crime, or to fund some of the work that we are doing around information referral and tracking systems, which are part of the Green Paper proposals. Some money was used for contact centres for children who were not living with both their parents—their parents were separated or divorced. That was sensible. We never cut the money and it has not been used for other purposes. It was always used in the preventative area for the five to 13-year-old age group.

There were still fears that we would underspend the budget, so we gave allocations to partnerships that represented over-programming—15 per cent over-programming, more money than was available—and we allowed partnerships to carry forward underspends. The mix of allowing over-programming and carrying forward underspends led us into some of the financial difficulties. It meant that we were heading for an overspend—not that we were removing the funding that was available for these particular projects on the ground in local communities—and that we were in danger of spending more than the £450 million that we had been given by the Treasury towards children's fund activities. That is why we started looking at how we could cut spending plans to stay within the budget framework that we had been set by the Treasury.

Having taken those earlier decisions, however, I recognised that, for many partnerships, that change halfway through meant that projects that thought they had secure funding suddenly faced cuts. That is why I am pleased to confirm that we have found extra money for 2004–05, which will bring the allocation back to the £160 million that the partnerships were expecting. It will mean that, on our present plans, we will actually spend during the three-year period in excess of the £450 million that was allocated by the Treasury. With the additional £20 million, we will probably spend closer to £470 million.

We hope by the end of this week to give information to individual partnerships about how the additional national resources can be used locally. The Somerton and Frome partnership will then have a clearer indication of the resources available to it for 2004–05.

Mr. Heath: I am pleased with what the Minister is saying. Can she tell me whether any view has been taken on the spending profile that was urged on the partnerships by the Government? Will it be recognised in the allocation of additional funds? It seems critical that spending bulges are recognised.

Margaret Hodge: We recognise that problems may still exist for authorities that were in the so-called wave 3 programme, because of the way in which they profiled expenditure, with less spent in 2003–04, much more in 2004–05 and gradually declining amounts in 2005–06. It is to deal with such problems that we will set aside from the additional moneys a small contingency figure. It will be mainly but not solely available to authorities in the wave 3 programme that are facing particular problems. Again, we will make that clear to partnerships such as Somerton and Frome when we write to them at the end of this week.

The hon. Gentleman asked about 2005–06, which still leaves us with some difficulties. I want to approach that in a collaborative way with all the stakeholders: the large voluntary organisations, the many small voluntary organisations that have initiated good projects out of the funding and the local authorities and others who have an interest in the matter. I understand that everyone is keen to get some indication of the funding

[Margaret Hodge]

that will be available for 2005–06, so that they can start to plan effectively. Therefore, we have set a figure of £110 million for 2005–06, but I emphasise that final decisions will depend on the outcome of our discussions with partnerships and, of course, on the outcome of the spending review on which we are just embarking.

I hope that I have given some certainty to the hon. Gentleman and to people in his community who have been very distressed by the instability caused by decisions that were taken by the Department at an earlier stage. I leave him with this reassurance. The projects and programmes that have been initiated through the children's fund are vital. If we are to shift the emphasis of what we do from intervening when things go wrong in children's lives to preventing things from going wrong, these small, targeted, preventative programmes in local communities are utterly central. That is why I wish to engage in discussions and collaboration with the organisations on the ground and the partnerships to consider how we can best achieve stability in the next two or three years and how we can then sustain the effort and projects into the new world when children's trusts will drive children's services in every community.

Asbestos Claims

4 pm

Mr. Frank Field (Birkenhead) (Lab): I thank Mr. Speaker through you, Mr. Amess, for giving me the opportunity to stage this short debate today. It is a debate that I wish I did not have to initiate or contribute to, because it concerns the firm of McIvor and Sons Ltd. in Birkenhead, which was established in 1864 and until recently employed 25 people. It has now shut its doors and called in the liquidators, and it is the circumstances of that liquidation that I wish to debate with the Minister today.

In a sense it is appalling that I am having to ask for a debate on this issue, but it is doubly appalling given who I am debating with. I have said before, although I do not say it often now because it may damage her political future, that my hon. Friend the Financial Secretary is clearly our most attractive younger Minister. If one were thinking of putting money on who would go near the top, one would be wise to put money on her. Yet I hope that she will draw two important lessons from today's debate and that the Treasury will not only answer letters more efficiently but will be more receptive to the policy issues raised. I shall now detail the backbone of my complaint.

The person who ran McIvor contacted me in mid-June and I immediately inquired in the House of Commons Library which civil servant in which Department was in charge of the asbestos claims procedure. I have no complaint to make against the Library, because within days I was told who the person was, and I phoned the Treasury on a number of occasions to ask to speak directly to him. During that week, he was endlessly away from his desk, no doubt quite properly: civil servants, like the rest of us, are entitled to holidays.

The weeks went by and I was still not getting a reply from the Treasury, though people were promising me one, so a month later I wrote to the Chief Secretary to ask him whether I could meet the official to talk about the moral hazard faced by the firm that I represent in Birkenhead and all the other firms in the country with asbestos claims. Even though premiums were paid to a company called Chester Street Insurance Holdings Ltd., that company did some very unpleasant footwork with the premiums, set up a holding company, shunted into it all the main asbestos claims and then took the rest of the business off and let the company sink. My constituents and others, who had paid in even when they did not have to, found that the insurance cover that they had bought was of no value.

To their half credit, the Government said that, if a firm goes bankrupt because it does not have the cover that it has paid for for goodness knows how many years, the taxpayer will pick up the cost, but if the firm survives, it must meet the claims itself. Therefore, there is an incentive in the system for firms to go bankrupt and perhaps re-establish themselves later, minus the debts. This was a firm that had managed to survive all sorts of Government policies since 1864, but it was defeated by this one.

As I said, I asked the Chief Secretary whether I could meet the civil servant in charge of policy, because it is the policy that needs changing, so that we can overcome this

moral hazard and firms can receive some help with their claims while still being allowed to continue trading. I wrote to him on 17 July. My office and I then made a number of calls to his office asking whether I would receive a reply. As a result of those phone calls, the Financial Secretary wrote on 4 September to say that she was the Minister responsible and that she would reply.

I phoned the Financial Secretary's office and then wrote again on 16 October asking for a speedy reply. I still received no reply, so finally in December I tabled a question asking whether I would get a reply to any of the letters that I had written. At that stage she replied to me. However, because McIvor's had told me how difficult the circumstances were—its bankers were beginning to question whether it should continue trading—I asked her Parliamentary Private Secretary, my hon. Friend the Member for Stalybridge and Hyde (James Purnell), whether he would look at the papers and brief her, given that I was not keen to rely on the Treasury's internal post any longer.

Unfortunately, the first batch of letters did not arrive, so I re-copied them to my hon. Friend the Member for Stalybridge and Hyde, who then referred them to the Treasury. By that stage, seven months after I started the correspondence, my constituent told me that the banks had sent in the liquidators. Those liquidators told my constituent that not only did they have to deal with his liquidation, but in the same area they were dealing with a similar liquidation of a company that had paid all its premiums to Chester Street Insurance Holdings and now found itself without cover for its workers who might make claims against it for asbestosis. That firm had similarly gone bankrupt.

Up to the point of bankruptcy and closure, no taxpayers' money would be made available to help those firms meet claims, which they wished to meet, should any of their past or current employees claim that their health was damaged by working for them. Both firms gained no help; both have gone out of business. The work force and previous work force of both firms are now covered by the Government's guarantee on behalf of taxpayers. Therefore, I want to raise only two issues.

An apology does little good to those 25 people who lost their jobs in Birkenhead and who might not have lost their jobs had the Treasury responded from mid-July with even the modest efficiency that the Chancellor accuses the rest of British industry of when it comes to productivity. We might not then have needed this debate today. We are not after apologies. First, there is clearly something wrong with the way in which the Treasury deals with correspondence from Members of Parliament, let alone everybody else.

Secondly, and even more important, there is the policy issue that I tried to raise with the Treasury in mid-June: is it acceptable to have a scheme that offers no help to those firms that in the past have paid all their insurance premiums to Chester Street Insurance Holdings, only to find that that company ripped them off, put their liabilities in a company that it allowed to fold and then walked away with all the other business that it could make a profit on? Is it sensible to have a system that helps those decent employers—or rather the work force of those decent employers—only when we have managed to smash the employer on the floor and that employer has closed the business? Should we not be looking at developing the scheme and eradicating this moral hazard?

Would not a better use of taxpayers' money have been to help meet not all—that was never what was asked for—but part of the cost of the asbestosis claims of past employees? That would have meant that the firm did not have to go out of business. Would that not have been better than the taxpayer meeting all the claims after it had gone out of business? We have destroyed really good, productive jobs in the meantime. We are talking about a firm that began operations in 1864 and has provided people with family wages in Birkenhead since then. It closed for business, needless to say, on Friday the 13th of February.

4.10 pm

The Financial Secretary to the Treasury (Ruth Kelly): I congratulate my right hon. Friend the Member for Birkenhead (Mr. Field) on securing the debate. I know that he is not looking for apologies, but I apologise profusely for the way in which his correspondence was treated and the fact that the issue was not dealt with immediately in July, or beforehand. That is inexcusable. I hope he will accept those apologies. I am extremely sorry that the firm in his constituency, about which he wrote to me, became insolvent in the intervening period. Clearly, the situation is entirely unsatisfactory.

The Government have enormous sympathy for the victims of industrial diseases, such as asbestos-related diseases, vibration white finger and industrial deafness, which are particularly unpleasant and distressing for both the sufferers and their families. We are sensitive to the anxieties of those who may have come into contact with asbestos in the past and live with the uncertainty of not knowing whether they will be affected in the future.

The underlying principle, which we should not lose sight of, is that employers are responsible for securing the health and safety of their employees while they are at work. When employers are found to have failed in that regard, they are liable to compensate employees who are injured or made ill at work. It is for the employer to meet that liability. Employers' liability insurance enables employers to insure against the costs of compensation payable to those employees who are injured or suffer from a disease as a result of their work. It provides greater security to employers in relation to costs that could otherwise result in financial difficulty, and means that employees know that resources will be available for compensation even when employers have become insolvent or have limited resources of their own available. It supports the right of employees who suffer from injury or disease as a result of their work to be fairly compensated and the responsibility of employers to fund the true costs of their business—the "polluter pays" principle.

Under the Employers' Liability (Compulsory Insurance) Act 1969 it became compulsory from 1972 for employers to insure against liability for bodily injury or disease sustained by employees arising out of, and in the course of, their employment in Great Britain. That point will become relevant when I come to consider the case in my right hon. Friend's constituency.

The Government are committed to encouraging better health and safety in order to reduce costs to firms from injury, illness and absence. In the past months the

[Ruth Kelly]

Government have worked with business, the insurance industry, lawyers and unions to review and improve the operation of employers' liability insurance.

My right hon. Friend will forgive me if I consider the history of the Chester Street insolvency. Yet again, it is particularly relevant to the case in his constituency. He is aware of the uncertainty that was caused in 2001 as a consequence of the insolvency of one insurer, Chester Street Insurance Holdings Ltd. That was particularly worrying for victims of asbestosis and other industrial diseases and their families, whose employers had insured with Chester Street. It was worrying when the exposure occurred prior to 1972, when employers' liability insurance became compulsory. The Government worked extremely hard, in partnership with the insurance industry, to end the uncertainty. The arrangements were set out in May 2001 by my right hon. Friend the Secretary of State for Work and Pensions, who was then Chief Secretary to the Treasury.

When an employer still exists and is solvent, or its liabilities have been carried forward to another business, that employer or successor business is liable to pay any compensation due for workplace injury or disease. The employer or successor will have a right to full reimbursement from the financial services compensation scheme, applying the rules applicable under the Policyholders Protection Act 1975, if the liability was covered by compulsory insurance. Employers who are sole traders or partnerships will have a right to reimbursement of 90 per cent. if the liability was covered by non-compulsory insurance. Where the employer is insolvent or no longer exists and there is no successor business now liable, under the arrangements announced by my right hon. Friend, the Government are meeting their liabilities to former public sector employees, and the insurance industry is covering claims from former private sector employees.

Broadly speaking, those private sector employees of insolvent companies are receiving compensation in three ways. First, the financial services compensation scheme is making payments in accordance with the Policyholders Protection Act 1975 for awards made against employers, or settlements agreed by employers, prior to Chester Street's insolvency in January 2001. Secondly, the insurance industry, via the Association of British Insurers, has funded equivalent payments for awards or settlements made between Chester Street's insolvency in January 2001 and the commencement of the financial services compensation scheme on 1 December 2001. Thirdly, the scheme is funding payments—under transitional arrangements provided for by the Treasury when the scheme began—for cases where the liability of Chester Street to the employees concerned was not determined until after 1 December 2001.

In all, more than £25 million has been paid in claims against Chester Street by the Policyholders Protection Board and subsequently by the financial services compensation scheme between 2001 and 2004.

Mr. Field: The firm to which I referred voluntarily insured before it had to. As the Minister knows, one evil of this disease is that the symptoms do not become apparent until decades later. Those companies that were good enough to insure their employees before the introduction of compulsory insurance are not covered by the measures that the Government have since announced. The measures cover the period since compulsory insurance.

Ruth Kelly: My right hon. Friend is right, and I will come on to his specific point. He raises the particular issue about arrangements for companies that took out employers' liability insurance with an insurer that is now insolvent and unable to meet claims. He is concerned about whether employers should receive compensation if they would otherwise become insolvent as a result of meeting such claims. It is an incredibly complex situation, with different funding streams pre-insolvency, post-insolvency and pre-and post-financial services compensation scheme. It bears telling the full story before dealing with the specific point that he raises.

The financial services compensation scheme acts as a safety net for customers of finance sector companies. It compensates such customers if an authorised company is unable to pay claims. It covers insurance, deposits and investments and is funded by a levy on the financial services industry. I understand from the scheme that where an insurer has become insolvent before 1 December 2001, the scheme will apply the provisions of the Policyholders Protection Act 1975 to determine whether compensation is due to the employer, subject to certain transitional provisions. Under section 6(4) of the 1975 Act, which relates to certain compulsory insurances, the scheme will offer 100 per cent. compensation to policyholders for employers' liability insurance claims incurred from 1 January 1972, when such insurance became compulsory.

Under sections 6(6) and 8(2) of the 1975 Act, which relate to other non-compulsory insurances, the scheme is able to pay 90 per cent. compensation to policyholders who are in partnerships or are individuals. The Act does not permit payment of compensation in respect of non-compulsory insurance to policyholders that are limited companies. Therefore, limited companies are not eligible for compensation in respect of non-compulsory, pre-1972 employers' liability insurance, as my right hon. Friend is aware.

Where the insurer has become insolvent after 1 December 2001, I understand from the scheme that it will apply its own rules in determining whether compensation is payable. For compulsory insurances, the position remains that all policyholders will be able to receive 100 per cent. compensation. Broadly speaking and subject to certain transitional provisions, for non-compulsory insurances, including pre-1972 employers' liability insurance, the scheme will pay compensation of 100 per cent. of the first £2,000 of any claim and 90 per cent. of the balance to individuals and small businesses. In addition to small partnerships and individuals, small companies are eligible for compensation, but large partnerships will be excluded from receiving it. The relevant criteria are set out in the financial services compensation scheme rules.

Those new rules, however, apply only in relation to policies purchased after 1 December 2001, when the FSCS came into force. In respect of policies purchased before that date, my right hon. Friend makes an important and valid point, which is that the FSCS rules that determine eligibility and compensation levels will

more closely reflect the payments that were available under the 1975 Act. That means that, in respect of policies purchased before 1 December 2001, large partnerships will be eligible for compensation in respect of non-compulsory insurance. All companies, other than small companies, will continue to be excluded from compensation in respect of the pre-1 December 2001 non-compulsory insurance policies. That is the gap that my right hon. Friend identified.

I understand the concern that my right hon. Friend raised about the situation of companies where insurances are not compulsory—for example, the distinction between employers' liability insurance before and after 1 January 1972. He set out the consequences for a company in his constituency and he made a compelling argument about moral hazard. I am grateful for the opportunity to listen to views on the subject today. As I explained, companies are generally excluded from compensation under the financial services compensation scheme, except for relevant compulsory insurances. Under the 1975 Act, any policyholder is eligible for compensation for relevant compulsory insurances. Employers' liability insurance policies were compulsory after 1 January 1972.

Before 1972 there was no obligation to take out employers' liability insurance, and those who chose to take out insurance did so aware of the risk that if the insurer collapsed, the liabilities would fall back on them. It is possible to argue that it is right that employers should take primary responsibility for settling claims resulting from their own business activities. It has been put to me that any change to those arrangements would impact on the costs of the compensation scheme and would be reflected in insurance premiums. I have been led to believe that such costs could be significant if solvent, larger businesses were included, where they are not obliged to take out compulsory insurance policies. It is difficult to estimate the impact of that on insurance premiums, but it could be substantial.

There is an argument to be made about small companies. My right hon. Friend made his point eloquently and persuasively, and we failed to consider the issue adequately in the first instance. Given that, I promise to ensure that after this debate my officials will liaise with him and with the Financial Services Authority, which determines the rules for the FSCS, to see if the gap can be filled by a change in the rules, or whether allowing retrospection for the group of companies that he mentioned would have unintended consequences in other areas.

Mr. Field: I am grateful to the Minister for that undertaking, but before she concludes, will she undertake to impress on those who are to be party to those discussions that we are talking about the most noble group of companies? Those companies did not have to do what they did. They cut their profits and their directors' take-home pay because they wanted their employees to be covered. They did not expect—none of us did—that Chester Street Insurance Holdings would devise such an evil little scheme to dump its insurance on to a company that was going to fold. We are not talking about the worst parts of British industry, but about people who should be held up as a model. We want employers to go the second mile, not just the first. I hope that this will be given emphasis in the discussions. We are talking about people who went two miles, when most employers went no miles.

Ruth Kelly: I accept my right hon. Friend's point. It is important to look at the individual circumstances of firms when they were prepared to take out non-compulsory insurance pre-1972. It is only right, however, as I am sure he will accept, that we balance that consideration against the potential cost for the financial services compensation scheme of meeting all retrospective claims in the manner in which he suggests. It is impossible for me today to know how those two considerations will weigh against each other. However, I pledge to my right hon. Friend that my officials will liaise with him and with the FSA to consider the issue seriously and keep him fully informed as that discussion progresses.

Mr. Field: Much as I welcome all this, I am slightly worried. Would it be possible for the Minister to specify a date by which she will come back to me?

Ruth Kelly: I can promise my right hon. Friend that within a month officials will liaise with him to keep him informed of any progress, if any has been made. They will at least let him know the situation. Following this debate they will pursue their inquiries with the FSA, which is responsible for the FSCS rules, to determine whether they have been set in the appropriate manner, and whether there is scope for improvement. I am not suggesting that we, in principle, accept my right hon. Friend's case, merely that we will investigate to see whether the rules have been set appropriately and whether the case has been made adequately.

It is certainly the case that the FSCS rules are extremely complex, but it is the FSA, rather than the Treasury, which has primary responsibility for setting them. I would urge my right hon. Friend to take up his case directly with the FSA, as well as with the Treasury, as I am sure that he will want to hear for himself the arguments that they are making. I hope that the debate has been of some value to him and, as promised, I will keep him in touch with developments.

Question put and agreed to.

Adjourned accordingly at twenty-six minutes past Four o'clock.

Westminster Hall

Wednesday 25 February 2004

[MR. FRANK COOK *in the Chair*]

Human Rights (Burma)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Paul Clark.]*

9.30 am

Mr. Alistair Carmichael (Orkney and Shetland) (LD): In much of my speech this morning, I shall refer to the work of Amnesty International. It is perhaps proper that I first place it on record that I am a member of Amnesty International, and that in the next few days I shall forward to the Register of Members' Interests the fact that I benefited last week from financial assistance from Amnesty in respect of a visit that I made to a prisoner on death row in Ohio.

The matter before us today is rather different. My interest in the subject was first engaged by my local Amnesty group in Orkney, which has been vigorous for many years in its efforts to support the democracy movement in Burma and to raise the profile of the issues in this country. It is proper that we remind ourselves why there is so much concern in Britain and around the world about the situation in Burma, or if one prefers, Myanmar.

In 1990, the National League for Democracy, led by Aung San Suu Kyi, won the election with 82 per cent. of the vote. Even Liberals in Orkney and Shetland have never achieved that sort of result. The military leadership of the country, however, which has been in power since 1962, refused to recognise the democratic wishes of the people of Burma. That injustice continues to this day.

The brave struggle by the Burmese people for basic human rights and democracy, led by Suu Kyi, who, of course, is a Nobel peace prize winner, remains frustrated. Suu Kyi has been confined to her home on Inya lake in Rangoon for more than half the 13 years since her landslide election victory. She was last released in spring 2002 and began to rebuild her party and support base. Then, on 30 May 2003, a group of thugs backed by the military junta clashed with supporters of Suu Kyi. She and 35 members of the National League for Democracy were taken into custody.

The calm, rational and measured response of Suu Kyi has been remarkable. After the United Nations human rights envoy Paulo Sergio Pinheiro met her last November, he said:

"She wants accountability and justice, not revenge."

This is a lady who has campaigned all her life for human rights that we in this country all too often take for granted. That she has managed to remain so composed and dignified is remarkable.

During recent weeks, there have been mixed reports in the media regarding the current situation in Burma. The Burma Campaign believes that the regime's strategy is to delay further international pressure while it finds ways of coping with new United States sanctions. What is particularly worrying is that it believes that this strategy is working.

Tin Oo, the vice-chairman of the National League for Democracy, was moved from custody to house arrest only 10 days ago. However, the NLD still does not have access to this 77-year-old man. Aung San Suu Kyi was offered release last autumn, but she told the UN human rights envoy that she would not accept her own liberty until all those arrested on 30 May had been released. Her telephone is cut off and visitors must get Government permission to see her. Last month, there were reports in the *International Herald Tribune* that the death penalty is still being used to silence critics of the Government. In November, the editor of a magazine was condemned to death by the regime, shortly after the publication of an article alleging the misuse of funds donated to the country.

Despite this, the perception in the region is that the situation in Burma is improving. Media reports on 20 February, for instance, said that the Thai Prime Minister had told his Vietnamese counterpart that he expected Suu Kyi to be released before October's Asia-Europe meeting.

Bob Spink (Castle Point) (Con): I congratulate the hon. Gentleman on raising this important subject. I apologise for the fact that I will not be able to stay until the end of the debate because I have another commitment.

In mentioning the Thai Government position, is the hon. Gentleman aware that if neighbouring countries were to do more to bring pressure on the Burmese authorities, particularly with regard to trade, land ownership and development, extractive industries and so on, the Burmese authorities might do more to improve their human rights record? Should not the Thai Government allow more aid to go across their country's border into Burma at this time?

Mr. Carmichael: I am grateful to the hon. Gentleman for that intervention. In broad terms, I agree with his comments. Later, I shall discuss the various different levels on which those of us in different parts of the world can hope to bring pressure to bear on the Burmese Government, and the importance of action within the region will be central to that process.

Minor steps in the right direction and vague promises of democratic reform must be set against the reality of the current situation in Myanmar. The Burma Campaign has summed up the present position as one in which there is

"disruption of democracy; the continued detention of Aung San Suu Kyi and her colleagues; the scorched earth policy against ethnic peoples; the use of rape as a weapon of war against women and children; the mass forced displacement of civilian populations; the widespread and systematic violation of human rights; the largest use of child soldiers in the world; the production and export of illegal narcotics; the spread of HIV/AIDS to neighbouring countries; and the looming humanitarian crisis resulting from the collapse of public services."

We in Britain must not have the wool pulled over our eyes. That will be critical in the run-up to the EU's review of Burmese policy in April and the Asia-Europe meeting in October. We should take the approach that

[Mr. Carmichael]

Amnesty International took during its recent visit. It was highly critical of the regime because it judged

"concrete actions on the ground"

and was not swayed by

"fine words, and vague promises for the future without any timetable for change".

After its visit to Burma, Amnesty outlined its serious concerns about arbitrary arrests, prolonged interrogation and incommunicado detention without judicial oversight carried out by military intelligence and other security personnel. It also believes that Burmese trials continue to fall short of international fair trial standards. According to Amnesty, those recently tried have been denied access to a lawyer or have been permitted to talk to a lawyer only minutes before their trial. In some cases, political detainees have not been able to speak in their own defence or to cross-examine prosecution witnesses. As a result, long sentences have been handed down solely on the basis of statements provided by police officers or military intelligence. Amnesty estimates that there are 1,300 political prisoners in Burma. Amnesty's lasting impression from the trip was that tolerance of criticism and dissent is shrinking while at the same time the regime talks of moving towards civilian government. We must not be fooled by a charade engineered in Rangoon.

Despite all this, the latest process initiated by the regime has already started to benefit the generals. The international community has stepped back from any concrete action against the regime even though Aung San Suu Kyi and the leadership of her party remain in detention. One of the first elements of the so-called "road map to democracy" produced by the regime is to reconvene a national convention that was first tried in 1993. The NLD boycotted the convention because of the authoritarian restrictions imposed on delegates, which included not being allowed to deviate from approved discussion papers; being allowed to express support only for constitutional principles proposed by the military; not being allowed to distribute any papers on the convention premises; and being subjected to intimidation by the military while the convention is out of session. One delegate was given a 20-year sentence for distributing a paper to other delegates.

When Burma was last debated in Westminster Hall on 2 July last year, the Minister said:

"We will also make sure that the deep worries that exist in the international community are not left as words but are followed up by actions, which means that clear messages must be sent. The way in which the economy of Burma has developed must be addressed, but the regime and its leaders will find that the international community will target them and their cronies for further sanctions."—[*Official Report, Westminster Hall*, 2 July 2003; Vol. 408, c. 96WH.]

The Minister was right to take that position then, and the time for rhetorical pressure has surely now long passed. Since the July debate, the two largest UK investors in Burma—Premier Oil and British American Tobacco—have agreed to withdraw from the country. That is welcome, but the UK Government have still not introduced legislation giving them power to ban new investment in Burma. Will the Minister now give an undertaking to do so?

In response to parliamentary questions tabled by the hon. and learned Member for Redcar (Vera Baird), the Department of Trade and Industry revealed in December 2003 that in 1998 the total value of UK imports of goods from Burma was just £17.3 million. By 2002, however, it had increased almost fourfold, to £64.3 million. Between January and September 2003, a further £44.3 million-worth of goods were imported from Burma. According to the Burma Campaign, the UK currently imports more goods from Burma than does any other European state.

In last year's debate, the hon. Member for West Suffolk (Mr. Spring), speaking on behalf of the Conservatives, said:

"Foreign investment has provided the regime with the money that it needs to cling on to power and has enabled it to double the size of its army."—[*Official Report, Westminster Hall*, 2 July 2003; Vol. 408, c. 92WH.]

He went on to call for targeted sanctions and an EU investment ban. Will the Minister tell us what progress has been made in securing such measures and, indeed, whether they are the objectives of Government policy?

I can understand that some hon. Members may be reluctant to impose further sanctions on Burma. The Burmese people have suffered greatly under the current regime. I do not think, however, that targeted sanctions would hurt the poorest Burmese people, who tend to work in the informal economy, which is generally not dependent on foreign investment.

The Minister for Trade and Investment (Mr. Mike O'Brien): I congratulate the hon. Gentleman on securing an important debate on a country about which many of us are deeply concerned.

Our approach to economic sanctions is to target the regime and those with economic interests in it, rather than to target the Burmese people with general sanctions. What does the hon. Gentleman think of that policy perspective?

Mr. Carmichael: That clarification is very helpful, but if the Minister reads what I said he will see that I spoke of targeted sanctions. If it is possible to minimise the effect on the ordinary Burmese person, who will certainly not benefit from foreign investment in the same way as those with power and influence, that will be extremely welcome and I will commend the Government on their approach.

According to the Burma Campaign, United States sanctions have hit some elements of the regime's support base in the export and banking sector, but those measures are now being undermined by the European Union. Burma is looking to the EU to replace lost US export markets, especially in textiles. The fact that the EU may be giving the regime assistance is reprehensible. Can the Minister confirm that when European Foreign Ministers meet in April to decide their position on Burma, our Government will press for tougher sanctions?

The impact of US sanctions has also been undermined by the actions of Swift bank, as was exposed in *The Observer* last month. Following the imposition of tough financial sanctions by the US in August, the regime has successfully converted its financial dealings into euros. The technology business Swift, via one of its regional

offices in Singapore, helped to supply software and other key data so that the regime could do that. Swift members include some of the biggest names in world banking: Citibank, JP Morgan, ABN AMRO and Credit Suisse. Can the Minister tell us what steps his Government are taking to prevent the euro from replacing the dollar as the currency used by the junta for international commercial activity?

It pains me to say that the mood music that will accompany April's talks does not sound promising. Earlier this month the Irish Government, who will hold the EU presidency when the talks take place, decided to recognise the military regime in Rangoon—a decision that will no doubt have angered one of Ireland's best-known sons, Bono of U2 fame. Writing in the *Herald Tribune* in January, he and US senator Mitch McConnell said:

"Without more pressure from trading partners and regional powers, the SPDC"

—the State Peace and Development Council—

"has little to fear."

They rightly concluded:

"Aung San Suu Kyi does not need the tributes or the unbridled admiration of a rock singer or a US senator. She needs unwavering, uncompromising international support—as tough and determined as she herself is. We can't wait for another atrocity appalling enough to hit the international headlines."

At the forthcoming EU review of the Burmese common position, our Government must argue forcefully for the agenda abdicated by the Burma Campaign. It has called for a ban on investment in Burma by all European countries and citizens; a ban on the import of goods and services from enterprises owned by the military, military personnel and their associates; a ban on the import of strategically important goods from sectors of the economy that are under state monopoly, such as gems and timber; and a ban on financial transfers and transactions denominated in euros. It has also called on member states to push for UN Security Council mandatory sanctions.

What is critical is that a time frame should be established by the EU. At present, the Burmese regime is busily trying to find new markets to replace those lost in the US. The EU and the Association of South East Asian Nations—ASEAN—are making no time demands on the regime, and thus its use of smoke and mirrors continues to be an effective way of maintaining power. That cannot be allowed to persist.

Last December, the EU adopted a resolution prohibiting the sale and export to Burma of equipment that might be used for internal repression or terrorism, and freezing the funds of certain people related to Government functions in the country. While that is welcome, there is a fear that at present Europe's position is simply not strong enough.

One important issue brought to my attention by Amnesty International involves visits to the EU by members of the SPDC. When Burma joined ASEAN a few years ago, its membership disrupted relations between the EU and ASEAN—the two organisations being known as ASEM, or the Asia-Europe Meeting, when they meet. ASEM could not meet in Europe because of the EU ban on visas for members of the SPDC, and it could not meet in ASEAN countries because EU members refused to sit at the same table as members of the SPDC. However, it has been noted that several ASEM meetings are scheduled for this year in Europe and Asia. Can the Minister explain how it has suddenly been possible for the EU and ASEAN to meet, given the earlier problems?

At UN level, the Burma Campaign wants the imposition of targeted sanctions, including a mandatory arms embargo, an investment ban and a ban on Burmese exports of strategically important goods including oil, gas, gems and timber. The UN Secretary-General should take the lead in formulating a comprehensive road map with a specific time frame backed by a UN Security Council resolution and sanctions. Such tough measures are supported by the people on the ground, members of the National League for Democracy. At present, they have popular support but no power. Giving them power to control the level of international sanctions would give them a significant bargaining chip.

As the hon. Member for Castle Point (Bob Spink) suggested, regional pressure on the regime is vital. Last year ASEAN members took the unprecedented step of criticising the detention of Suu Kyi, but they remain silent on human rights issues more generally. I think that we in this country are right to look to neighbouring countries in the region to take a much more robust and proactive approach to human rights abuses in that region. Pressure applied closer to home will always be more effective than that which comes from countries whose politics and culture are different from ours in the western developed world.

In September, Indonesia sent its former foreign Minister, Ali Alatas, on an attempt to bring about the release of Suu Kyi. That attempt was of course unsuccessful, but our Government must use their influence to pressurise ASEAN countries into being more robust in their dealings with Burma.

Finally, I want to impress on the Minister the necessity of recognising the contradiction between the fine words emanating from Rangoon and what is happening in practice. Amnesty International and the Burma Campaign UK both believe that, in many ways, the situation in Burma is deteriorating. I hope that if we return to this issue in another nine months' time, we might have a rather happier picture to outline, and that today's debate will have played a small part in the process of bringing about that happy situation.

9.50 am

Mr. Iain Luke (Dundee, East) (Lab): I begin by congratulating the hon. Member for Orkney and Shetland (Mr. Carmichael) on securing this debate. Some progress has been made since I secured the previous debate on this issue, which took place in Westminster Hall on 2 July. However, in recent times, the attempt to secure the release of Aung San Suu Kyi and to make the Burmese junta change course has been becalmed, so it is right that we should now reflect on what more we can do to make further progress.

I want to pay tribute to Amnesty International in Dundee, which got me involved in setting up the all-party group on Burma, along with my hon. and learned Friend the Member for Redcar (Vera Baird). In conjunction with our friends in the Burma Campaign UK, we have made progress in campaigning for changes

[Mr. Iain Luke]

in that country and in bringing about greater recognition of the human rights abuses inflicted by the military junta, not only on minority groups but on the Burmese people themselves.

We should consider the economic progress being made in the countries surrounding Burma—I shall call that country by its old name—such as India. This week, we met the assistant high commissioner for Bangladesh, who told us about the economic progress that his country is making. Burma has natural resources that any developing country would give its eye-teeth for, and the poverty and trouble it is experiencing are a sad reflection on the state of that country.

We set up the all-party group not only to campaign for human rights but to bring about democratic change and to restore democratic government to Burma after some 15 years of junta control. Progress was made in last year's debate, and the Minister who was present then—he is also present today—painted a very active picture of what the Government were doing to bring about change; indeed, I paid tribute to them in that regard.

We should draw attention to the part that the Minister has played since then in persuading British American Tobacco, with which he had several meetings, to disinvest in Burma. Our all-party group also had many meetings with BAT, partly as a result of Government pressure, but what also became clear in our discussions with its Asian management was the extent of the economic chaos in Burma. BAT was not even sure that it could pay its workers, whether weekly or monthly, because the banking system had collapsed. That factor played a big role in forcing BAT out of Burma: at the end of the day, it was unable to operate properly. We had a long discussion with it about its operation, and I am glad that, thanks to the pressure applied by the Government and the Burma Campaign UK—and in the light of the economic chaos in Burma—BAT has disinvested in that country.

There is still a big job to be done, and we should not hide from what we need to do. It has rightly been pointed out that we need to consider a two-tier strategy. Our colleagues in the European Union still trade with Burma, and they are running scared from taking a more progressive and harder line on sanctions. There has been some £4 billion of investment in EU trade there in the past 14 years. The chair of the all-party group and I, along with MEP colleagues of all political persuasions, hope to visit those EU countries to put the case for stronger action against Burma. I hope to hear from the Minister that the Government will be making that case to colleagues on the European Council to ensure that there is a unified European voice.

We need also to consider the fact that trade continues with Asian countries. It has been rumoured that, in the wake of BAT's disinvestment, China has stepped into the breach and is investing considerable sums. We must discuss that issue with the Chinese Government when we get the chance, given their commitment to becoming a much more active player in the world economy. There are therefore many different countries and forums that we need to tackle to ensure that the pressure we hope to continue to apply is really felt.

The all-party group is actively seeking another meeting with the Burmese ambassador, whom we have met on several occasions. Following the 2 July debate, we met him at the embassy, on 15 July, and pointed out that it was now time for the Burmese Government, if they are honestly intending to move towards democracy, to issue their road map. Unfortunately, that road map has constituted something of a run-around—as much of the documentation has described it—in that it has been used as a ploy to stave off international pressure. At the last meeting of the all-party group, we agreed to speak again with the Burmese ambassador.

Bob Spink: The hon. Gentleman is a recognised expert in this field and he has done much good work to draw international attention to these problems. Does he agree that one way to galvanise world opinion is to draw attention to the junta's links with the production of drugs and their trafficking across the Burmese border, which, of course, affects the entire world?

Mr. Luke: The hon. Gentleman makes a very valid point. As I said during last July's debate, the drugs trade is an essential part of the black economy in Burma, and to an extent it keeps the military junta afloat. If we can do more to highlight that issue and to embarrass the junta, we can bring about change.

We must continue to put pressure on the Burmese Government, and we will meet the Burmese ambassador—soon, I hope—to make that case. We shall point out that last July he promised that his Government would change their ways. However, no significant change has occurred, and in many cases there has been a re-entrenchment of the junta's existing attitude towards change. The Burmese Government have promised to introduce a civilian face to government by 2006, but I am very sceptical about whether they will live up to it. If they are going to make such promises, we must ensure that we continue to apply pressure.

There is a lot to do, and we must continue to work with as many groups as possible, such as Amnesty International, throughout civil society in the UK. Many trade unions are involved—Unison, for example, attends our all-party group's meetings in the House—and we need also to work with Church groups and the Burma Campaign UK to keep this issue to the fore. We did a great deal of work last year: for example, the early-day motions that we tabled on the issue were the most heavily subscribed of last year's quota, and we will continue to consider that option in the next few months.

The Government must continue to make a strong case for the Burmese Government's accepting the inevitable fact that, if they are to progress and to provide economic security for their citizens, they must embrace democratic change and bring about Burma's full membership of the economic community. That way, Burma can capitalise on its immense wealth as a producer.

I look forward to the Minister's reply. He has been very supportive in the past and I have no reason to doubt that he will be so in future, and that he will continue to make the case. The campaign goes on.

9.59 am

Mr. Michael Moore (Tweeddale, Ettrick and Lauderdale) (LD): This is an important debate. I congratulate my hon. Friend the Member for Orkney and Shetland (Mr. Carmichael) on securing it and on setting out the position in Burma in such a comprehensive manner. His remarks were complemented by those of the hon. Member for Dundee, East (Mr. Luke).

The position in Burma seems to go through a repeating cycle in which the regime's abuses get worse, international pressure increases to match them, concessions are suggested and then, over a period of time—frustratingly for us and worryingly for people in Burma—little is delivered. Thus we return to the beginning of the cycle once again.

A couple of years ago, there was considerable optimism when Aung San Suu Kyi was released from house arrest in May 2002. That came with the easing of restrictions on the National League for Democracy and the release of many political prisoners. Within 12 months of those happy events, however, the situation was almost completely reversed, particularly in the events of 30 May last year. As the Foreign Office's human rights report of 2003 put it:

"The past year has proved to be another depressing period for the people of Burma during which tentative hopes for moves towards democracy and improved human rights adherence by the military regime were raised, eroded and then abruptly shattered."

As my hon. Friend the Member for Orkney and Shetland highlighted, we have had recent promises of a road map—a fashionable diplomatic tool—to lead us to democracy. The convention idea of 12 or more years ago has been resuscitated and we should hope that some progress will be made, but the widespread domestic and international scepticism about the idea is understandable.

Events are set against the background of an economy in ruins. As the hon. Member for Dundee, East pointed out, the country has rich natural resources yet most of its citizens live in stark poverty. In response to the intervention of the hon. Member for Castle Point (Bob Spink), he also drew attention to concerns about opium production and its clear links with the military regime. As we reflect on the dire state of the country, we should not lose sight of its dire HIV/AIDS problems.

Abuses are widespread and continue to horrify everyone of a decent disposition. The State Peace and Development Council, as the military Government of Burma style themselves, could teach us a few things about irony, but I doubt whether they could do much on human rights. The EU and the UN echo the British Government's strong criticisms. Amnesty International, Human Rights Watch and the Burma Campaign UK, among many others, have catalogued the level of abuses.

Those abuses start at basic levels with the lack of any freedom of speech, freedom of the press or freedom of association: all the basic tenets of a civilised society are ignored. Even at the convention, as my hon. Friend the Member for Orkney and Shetland explained, where some discussion was supposed to take place, people were arrested for daring to bring other discussion papers to the process. People are detained on an arbitrary basis, and the most recent estimate of the Burma Campaign UK is that as many as 1,400 people are prisoners of conscience. As we have heard, ethnic minorities throughout the country are targeted by the regime.

There is a strategy of abuse in the economy with widespread use of forced labour; in the army with the use of child soldiers; and across the country with the most disgusting and systematic use of rape as a means of repression. Burma's generals oversee a loathsome evil state, but in all that, they have happily not broken the spirit of Aung San Suu Kyi or the thousands of others in her movement and across the country. Their shining example gives the international community a special responsibility to act on their behalf.

Significant progress has been made since the issue was debated here last July. The Minister deserves considerable credit for the decision of British American Tobacco to withdraw, coming on the heels of Premier Oil's decision earlier last year to divest itself of its interests in Burma. More recently, PricewaterhouseCoopers, with which I was associated in my Edinburgh days, and others have agreed to cease their involvement with the country. I also pay tribute to the so-called "dirty list" which, thanks to the campaigning zeal of the Burma Campaign UK, has become part of this country's debate on Burma. It has proved highly effective in drawing attention to the companies that continue to invest in, and trade with, Burma.

Trading is a delicate issue and we recognise the need, as the Minister highlighted, to ensure that sanctions on economic activities are targeted on the regime rather than on the generality of the Burmese population. It is clear from the National League for Democracy and others that that sort of campaigning is important, and they fully support it.

The issue of Burma has been raised in many international bodies and forums of the world. It is regularly aired in the UN, having been the subject of debates and reports by the General Assembly and by the United Nations Commission on Human Rights. One element missed from that list is the UN Security Council. When the Minister replies, will he touch on whether the Security Council could make more effort to bring further pressure to bear on the regime?

As my hon. Friend the Member for Orkney and Shetland pointed out, the countries that make up the Association of South East Asian Nations have a special responsibility because they have the closest links with the Burmese authorities. Those countries have a duty to reflect on their economic and political ties. Suggestions have been made—I put it no more strongly than that—that part of the current make-up of the Burmese regime may lead to its having a civilian as the head of Government just in time to be able to take over the presidency of ASEAN in due course. I believe that the world will see through such a charade, but it is incumbent on ASEAN and others to ensure that it does not come to pass.

Closer to home, the EU, which has been criticised by some campaigners, has a list of targeted sanctions, but people are concerned that since the US took tougher direct action against the Burmese authorities, the EU will soak up the trade and investment lost to America. I hope that the Minister will reassure us that he and his colleagues in European capitals are aware of that

[Mr. Michael Moore]

danger, and that he will tell us what action is proposed. I personally believe that if sanctions are to be applied from Europe, it is best to do so at the EU level, but that does not remove responsibility from our own Government to keep up the pressure.

I repeat my earlier tribute to the Minister for his work on BAT and other companies. Regular and strong denunciations of the regime are made, including by the Prime Minister. As a full participant in the EU and the UN, the UK has an important role to play. I acknowledge the difficulties that the Government would face if they were to act in isolation, but I hope that the Minister will be able to update us on the Government's plans to ensure that the pressure continues to be felt by the Burmese regime.

There is consensus among the political parties represented in this Chamber about the situation in Burma, and by and large about the response that is required. We must recognise the progress that has been made, but we must not lose sight of the fact that further efforts are needed before we get rid of this evil regime.

10.10 am

Mr. Richard Spring (West Suffolk) (Con): I add my warm congratulations to the hon. Member for Orkney and Shetland (Mr. Carmichael) on securing this debate. His introduction was comprehensive and powerful.

We can all agree that Burma has a brutal and oppressive military dictatorship that destroys the human rights of a people whose traditions are of peace and decency. I saw those traditions, and the landscape's mesmerising beauty, when I visited the country more than 20 years ago.

I applaud the hon. Member for Dundee, East (Mr. Luke) for the consistent way in which he has raised the issue of Burma in the House. Burma is a country of considerable natural resources and wealth, and it is quite shameful that the benefits of that have not permeated down to the people.

The concept of human rights as a legitimate consideration in the formulation of foreign policy is becoming increasingly entrenched around the world, and that is understandable and right. It is no coincidence that countries ruled by some of the least democratic and representative regimes—countries such as Burma—also have some of the worst human rights records.

The 2003 human rights report issued by the Foreign Office points out that the period that it covers was a depressing one for Burma. It states:

> "Human rights violations in Burma continue to be widespread and systematic and the Burmese ethnic minority groups suffer disproportionately."

Burma's human rights record is marked by consistent abuses and broken promises of reform. The ongoing conflict between the regime and various ethnic minority groups such as the Karen, until recent ceasefire talks, contributed substantially to an increase in the overall pattern of human rights abuses. Burma's regime has systematically detained large numbers of political prisoners, often elderly people, in appalling conditions. It has subjected them to torture and used rape and murder as weapons against its own people. It has forced farmers off the land, burned villages and employed child soldiers and slave labour. Religious freedom is, in many respects, non-existent.

By any yardstick, that is an absolutely horrendous catalogue of unacceptable violence and abuse against our fellow human beings. It is coupled with the absence of any real form of democracy. Aung San Suu Kyi's National League for Democracy has been deprived of its rightful place as the Government of Burma. As we have heard already, with more than 80 per cent. of the vote in the 1990 elections, the NLD enjoys an unimpeachable mandate—one of which politicians in any democratic country can only dream.

The Burmese regime persists in making promises about moving forward to the so-called constitutional convention now that the ceasefires have occurred. The convention has been promised by the country's Prime Minister. In theory, all parties and groups will have a say, and the intention is to draw up a new constitution as part of the seven-point road map to democracy.

Talk however, is easy, and promises from the Burmese regime in the past have been of little value, serving merely to distract attention. There were some improvements in 2003, only for everything to be reversed with the ambush of Aung San Suu Kyi and her supporters' convoy at the end of May. She has languished in detention, either in prison or at home, ever since. The "protective custody" explanation offered by the Burmese regime was a sick joke. I find it difficult to see how long-term progress can be made as long as Aung San Suu Kyi and her supporters remain in detention and excluded from participation in a proper dialogue with Government and the convention.

Not only are democracy and basic human rights absent from Burma, but the country's people live in abject poverty due to chronic economic mismanagement. Total spending on health and education amounts to just 0.5 per cent. of gross domestic product—a fraction of what is spent on the military forces of a country with no obvious external enemies. All that fosters a climate in which corruption and abuses of economic, civil and social rights are all too common.

The picture in Burma is indeed gloomy, but there have been some welcome developments. I freely pay tribute to the work that the Minister has done in that regard. We welcome BAT's decision last year, and Premier Oil's decision before that, to pull out of the country, thereby sending a very clear message to the regime. I pay tribute to the untiring efforts of the Burma Campaign UK, which does so much to keep the profile of this issue high and to persuade companies of the error of supporting such a brutal regime, however indirectly, by investing in the country.

The recent ceasefires that have been agreed and the ones that have been discussed by the Burmese military regime and the country's myriad rebel groups, most recently the Karen National Union and the Karenni National Progressive Party, are welcome. In addition, the transfer of Tin Oo, the NLD's vice-chairman, from prison to house arrest offers some basis for mild encouragement. Nevertheless, I see no valid reason why he should have been detained illegally in prison in the first place, and I deplore the fact that his "release" is

only a change to house arrest, rather than absolute freedom. However, such developments must be part of a far broader programme of change, reform and democratisation, and there must be genuine ceasefires involving a full withdrawal of SPDC troops from Karen areas. We must judge the changes' effectiveness by results, not rhetoric.

Too often, the lack of democracy in Burma and the plight of Aung San Suu Kyi is seen in isolation from the overall human rights situation and the suffering of particular ethnic groups. All these issues must be addressed in parallel, as they are facets of the same problem—the unwillingness of the Burmese regime to respect its people and its people's will. It is not good enough for other countries simply to wring their hands and to mutter platitudes about a vile regime, but to do precious little. The US has adopted a very tough line, and in June 2003 the EU's "common position" was apparently strengthened. It now includes "targeted sanctions", travel bans and asset freezes on regime figures and supporters. Also banned are defence links or arms sales, high-level visits, and non-humanitarian assistance from countries.

All that would be welcome if it were properly enforced, but in reality the situation appears somewhat different. In due course, I would value the Minister's perceptions on that point.

I am concerned that we have seen no evidence of positive results from the asset freezes and travel bans. The only official figure that we have, passed on to me by the Burma Campaign UK, is the freezing of €86 in Germany. Will the Minister take this opportunity to say whether that is accurate? What value of assets has been frozen EU-wide, and also specifically in the UK?

It appears that the Bank of England's list of assets to be frozen consists only of the assets of individuals, not of companies—even if, as in the case of companies such as the Myanmar Economic Corporation and the Union of Myanmar Economic Holdings, those companies are effectively adjuncts of the regime. Business activities by companies close to the regime, or even owned by it, fund its activities. The common position calls for the assets of entities to be frozen, yet the apparent failure to do that has given the military regime an opportunity to shift assets out of harm's way.

What steps are the Government taking to bring regional pressure, such as we have alluded to this morning, to bear on Burma from the surrounding countries, Bangladesh, India and China? India and China are regional powers of enormous and growing significance and of wealth and influence, and I am sure that they are concerned about what goes on in Burma. What conversations have our Government had with those countries about the situation in Burma?

To refer to a point that I made in our debate last year, what efforts are being made by the United Kingdom to secure a UN Security Council resolution to extend the common position to a larger number of countries and unequivocally to condemn the regime? What contacts have Her Majesty's Government had with officials and member states of the Association of South East Asian Nations to press them to take a tough regional stance?

Andrew Selous (South-West Bedfordshire) (Con): Does my hon. Friend think that the UN could take further steps to put pressure on Burma? Should the regime's obvious contempt for the people of Burma and its complete disdain for the democratic will of the people make Burma a candidate for expulsion from the UN?

Mr. Spring: My hon. Friend makes a powerful point and he correctly alludes to the abuses, although of course other countries commit human rights abuses but remain members of the UN. However, the UN is a forum for bringing such matters to international attention and the Security Council is the right place to do that. There is some evidence that, where that has happened in the past, the UN has had some influence. We need to approach the situation in a multi-faceted way.

Mr. Mike O'Brien: On the point raised by the hon. Member for South-West Bedfordshire (Andrew Selous) about membership of the UN, when the UN condemns a country that is a member of that organisation it sends a much more powerful message than if the country is not a member. The embarrassment factor is much greater because Burma is a member of the UN. There is more that the UN could do, but we have to remember that some members of the Security Council might not take entirely the same view as us.

Mr. Spring: I am grateful to the Minister for those comments. The British Government have, of course, had some experience over the past year of some members of the Security Council not taking an identical view, but I am sure that we can find a route through this problem.

Will the Minister enlarge on the steps that the Government are taking to promote a fully watertight and legal ban on British companies investing in Burma? The debate gives us an opportunity to send a further unequivocal message to the Burmese regime that its behaviour is unacceptable, that it must change and that it must democratise Burma.

I echo the point made by the hon. Member for Tweeddale, Ettrick and Lauderdale (Mr. Moore): there is no divide in the House on the issue and, again, I pay tribute to the Minister for his efforts in this regard. I hope that, in his remarks, he will be able to inform us further about the progress that has been made in dealing with this tragic problem, which is of such concern to all of us who cherish human rights and who are concerned about their abuse anywhere in the world.

10.24 am

The Minister for Trade and Investment (Mr. Mike O'Brien): I repeat my congratulations to the hon. Member for Orkney and Shetland (Mr. Carmichael) on initiating this debate. I also congratulate him on the constructive way in which he put his case. If I am unable to deal with all the points he raised, I shall be happy to meet him later to discuss some of the issues in detail. He raised a series of important questions, so it would be worth while going through the issues in a different context.

I share the real concern that is felt on both sides of the House about the appalling human rights situation in Burma. In recent years, there has been no significant

[Mr. Mike O'Brien]

improvement. Indeed, in many ways, the situation has worsened and I doubt that we shall see any serious improvement as long as Burma is governed by an oppressive, unelected military dictatorship.

We have gone through cycles with the regime. There was a period of engagement and liberalisation, with an election, but the regime did not like the result, so reaction set in. Periodically, the regime's grip on the country is relaxed but then there is further reaction. My diagnosis is that the regime has enormous control over the country. Many of the generals engage in economic and business activity: they accept backhanders, are involved in various forms of corruption, and are reluctant to give up the largesse that they receive from those activities. However, they want to maintain their grip not simply for financial reasons; there is also fear in the regime. The generals are afraid that their position and that of their families will be endangered if they liberalise and allow the Burmese people to control their own country.

Daw Aung San Suu Kyi has made it clear throughout that her aim is not overthrow and revolution but reconciliation. Her aim is that the military should be under democratic control, but she does not seek retribution. She shows a willingness to come to terms with the past which we recognise in other great leaders such as Gandhi and Nelson Mandela who have said that, in the long term, the key thing for a country is not to seek retribution but to be reconciled with its past. I have nothing but the highest regard for Aung San Suu Kyi in her articulation of those views.

I join with colleagues who express high regard for the Burma Campaign UK, which has maintained a high political profile for this issue for a long time, through all the cycles of liberalisation and reaction. It must have been deeply frustrating for members of the campaign when it looked as though things were going right and progress was being made, but then the regime suddenly clamped down and re-imposed its dictatorship. I hope that they will continue their campaign; they have broad support from all parties in the House. There is consensus that change must come in Burma, and as long as the dictators continue to run the country we shall continue to press for change.

The British Government have been at the forefront of international efforts to press for improvements in human rights in Burma. We co-sponsored a highly critical resolution at the United Nations General Assembly in December and we are working with our European Union partners on an equally firm resolution at the Commission on Human Rights in Geneva in April.

One difficulty in respect of the United Nations is that some members of the Security Council have close relationships with the regime in Burma. China, in particular, maintains a close dialogue with it. However, I have no doubt that China is seeking to bring about changes in Burma. On several occasions, in Beijing and elsewhere, I have engaged with Chinese leaders who certainly recognise that a series of regimes in the whole south-east Asian region, including China itself, want to bring about economic reform and/or democratic change.

All those countries are seeking to change the historic image to encourage investment into their region and produce economic benefits for their countries. I am thinking of Malaysia and Indonesia—one can go through the list—but one country is letting down the whole region, damaging international investors' perceptions and raising questions about whether it is safe to invest there and create the jobs that the people of that region want. That country is Burma.

The regime in Burma—the dictatorship—is so incompetently handling the economy and so appallingly damaging the whole international perspective that it is damaging the whole region. Chinese and other leaders recognise that that country's dictatorship is damaging not only to the interests of the people of Burma, which it so clearly is, but to all the wider neighbours in the region, because of the way it stands out as one of the most reactionary dictatorships in the world, thus damaging the whole region's economic prospects.

The UN's approach partly involves supporting the nomination and mandate of Professor Pinheiro, the special rapporteur of the UN Commission on Human Rights. He visited Burma in November and pressed for the immediate release of 1,350 political prisoners. We strongly support him and the work that he is doing.

I also join in welcoming the release, such as it is—we must be grateful for small mercies—of U Tin Oo, the deputy leader of the National League for Democracy, from prison to house arrest on 14 February, as well as the earlier release of 26 NLD members. Those are small steps, but I call on the regime to release fully all the political prisoners. I welcome the fact that it has released some of the political prisoners, but I want it to release more. I welcome the fact that U Tin Oo is no longer lying on the floor of a prison cell and is in his home, but I want more to be done and for him to be fully released, as I wish Daw Aung San Suu Kyi to be fully released.

We have repeatedly condemned the violent regime-sponsored attack on Daw Aung San Suu Kyi and her convoy on 30 May 2003. Since then, Daw Aung San Suu Kyi has been in detention or under house arrest. I had been in regular telephone contact with her until her arrest, but the regime has repeatedly rejected my attempts to speak to her on the telephone again. She is not even allowed to telephone her family. The regime has failed to respond to our ambassador's repeated requests to arrange to call on her. Daw Aung San Suu Kyi has repeatedly made it clear that she wants the process of change to be brought forward by dialogue and discussion. We hope that the regime will find a way to enter into serious dialogue with her, as that will lead to long-term and serious change.

Amnesty International was able to visit Burma in December. It noted a grave deterioration in the human rights situation. Again, let me welcome the fact that the regime allowed Amnesty to visit Burma. That is a change, and we must be grateful for those small mercies; they are small but important steps. Amnesty pressed the State Peace and Development Council to allow an independent investigation into the events of 30 May. I am glad that the UN resolution called on the SPDC to hold an independent inquiry. We await the SPDC's response. We will not hold our breath, but we hope that there will be some kind of investigation.

The regime's explanation for the events of 30 May defies belief. Its claim that there was some sort of communist conspiracy to overthrow the military dictatorship really does beggar belief. The communist party, as we know it, appears to be in China, and I am perfectly sure that the Chinese authorities would not allow those Burmese communists who are resident in China to carry out any sort of destabilisation in Burma itself. The prospect that there was some of sort of communist conspiracy is not a sensible or in any way coherent explanation for the behaviour on 30 May. Indeed, the regime seems not to have much of a sensible explanation for what it did at all. After it happened, there were various expressions of regret, and it almost seems as though the regime was so dysfunctional that one hand did not know what the other was doing. It ended up detaining Aung San Suu Kyi, without being quite sure why it was doing so. It simply continued with that process, and it is still in a bit of a mess. It is a very dysfunctional regime.

I should like to draw attention to the nine death sentences passed in November. Details of the charges are not known, but the accused, who were not allowed access to lawyers, were sentenced for conspiring with exiled dissident groups to disrupt peace and stability in the country. No doubt that was related to the events of 30 May. One of the nine was editor of a popular sports magazine—the first time that a journalist in Burma has received a death sentence. We condemn those death sentences and seek explanations from the Burmese Government for them.

The hon. Member for Orkney and Shetland referred to the death penalty. The presidency pressed the EU's grave concern about the sentences in a démarche to the Burmese authorities in early December, and we will continue to press them.

In August, the generals put forward their seven-step road map to build what they call a

"modern, developed and democratic nation."

The first step is to reconvene the national convention to draft a new constitution. At a meeting in Bangkok in December, the Burmese Foreign Minister announced that a national convention would be held this year. The Thai Foreign Minister, Dr. Surakiart, briefed my right hon. Friend the Foreign Secretary and myself on 18 December. We very strongly welcome —we wish to do so publicly—the Thai Government's engagement and their effort in trying to bring about change.

Mr. Luke: I hear what my hon. Friend says about the Thai Government's positive engagement, but does he share my concern about comments made in *The Nation*—a newspaper in Thailand—about a change in attitude by the Thai President and the Thai Government towards Burmese refugees who are now living in Thailand? There seems to be a hardening of policy. Indeed, some of the people who crossed the border to escape oppression have been returned to Burma. Has that been discussed with the Thai Government? Can we do any more to ensure that that hardening of policy is obviously softened?

Mr. O'Brien: We have indeed raised the issue of the Burmese refugees who have crossed the Thai border. We must recognise that the dysfunctional nature of the regime in Burma has had a severe impact not only on the Burmese people but on a number of adjoining countries, including Thailand, because there is a serious refugee situation. The Thai Government have engaged closely with the Burmese regime to try to encourage it to carry out the sort of reform processes that might relieve the pressure not only on the Burmese people, but, frankly, on the Thai Government and their people as well.

We very much hope that the Thai Government will respond positively to the needs of those who are fleeing from the dictatorship in Burma. The Thai Government recognise that they must engage with the Burmese regime and seek to bring about changes to relieve the human rights problems in Burma. I welcome the steps that the Thai Government have taken to try to encourage the regime to bring about a process of reform.

Given the history of reform efforts in Burma, it is difficult to believe that the regime is genuine in its wish to change things, but each time an effort is made to bring about change, we need to encourage it, despite our scepticism. If I am right and we are dealing partly with a fearful, as well as a mendacious, regime, we need to encourage it to recognise that reconciliation is in the interests of all the Burmese people and, indeed, ultimately in the interests of the military.

As for the new road map, we welcome the fact that at least an effort is being made in terms of an announced plan. Despite our scepticism, we wait to see whether that can be delivered. If so, we shall give a positive welcome to a national convention and to an attempt to devise a new constitution.

Mr. Carmichael: I was perhaps remiss in not acknowledging the role that the Minister has played in this matter. Sometimes, when dealing with a situation in which there are so many negatives, one forgets to acknowledge the positives, and his role is a real positive. I say that more by way of explanation than excuse.

Does the Minister agree that a great deal of the scepticism could be allayed, and that reassurances would be much more warmly received, if a concrete timetable were to be attached to the regime's proposals, given the suspicion that we are facing a further delaying tactic that will ultimately allow it to continue to consolidate its position?

Mr. O'Brien: The hon. Gentleman is right. There are obvious deficiencies in the road map put forward by the regime, including its lack of a clear timetable. Indeed, there are even doubts about whether the national convention will be held this year—I very much hope that it will—and about the sort of convention that it will be, who will be able to attend, and the possible role of the NLD. All those aspects are unclear and require clarification from the regime, but we must welcome the fact that at least we have a road map and the beginning of a process.

One key issue is who will draft the new constitution. We believe that the representatives chosen by the Burmese people in 1990 are those best qualified. The welcome ceasefires in the border areas have brought peace to places where polling could not take place in 1990, adding a new dimension to the constitutional drafting process. There is no doubt, however, that elected representatives from 1990 are essential to the

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process of drafting a constitution. My reading of the SPDC road map suggests that that is not ruled out. If the road map is to lead to reconciliation, the NLD and other representative bodies, including ethnic groups, must be given the opportunity freely to contribute to the debate in the national convention. On 23 February, the Burmese ambassador told me that the NLD was likely to be allowed to participate. We shall have to see how that is facilitated. Certainly, it cannot happen while Aung San Suu Kyi is under house arrest. Steps will have to be taken in the coming months to enable such a national convention to take place. Gagging orders of the sort seen in the 1993–96 national convention would not help. A constitution that has no popular support and is pushed through by whatever means, against the will of the people, will not contribute to national reconciliation or improve the human rights situation.

Several of the draft 104 principles that the SPDC says it wants a national convention to rubber-stamp seek to enshrine a constitutional military dictatorship. Nobody—least of all Daw Aung San Suu Kyi—would deny that the military has an important role in Burma's future, but its primary role should be to ensure the security and defence of Burma, not to run the economy or to enact and vote on legislation.

Mr. Luke: Will the Minister give way?

Mr. O'Brien: Yes, although I am conscious of the time.

Mr. Luke: The Minister will be aware that there is a Government in exile, who are based, I believe, in America. Has he had any discussions with them?

Mr. O'Brien: There is a Government in exile. Our primary links are with Daw Aung San Suu Kyi and the NLD, who are based in Burma, but we are aware of the other claims that exist. Let me put it on that basis for now, and perhaps I will discuss it with my hon. Friend at a later stage.

What is needed now is dialogue and compromise. That is why we continue to press for the release of Daw Aung San Suu Kyi and all her NLD colleagues, the release of all political prisoners, and freedom of speech and political activity. We want a genuine and meaningful dialogue between the SPDC, the NLD and other political parties and ethnic minority groups that will lead to national reconciliation. We want ultimately to see a Government who have the support of the majority of the Burmese people and promote and protect their human rights.

As the hon. Member for Tweeddale, Ettrick and Lauderdale (Mr. Moore) said, the EU common position expires in April. We are discussing its renewal with our EU partners. We believe that in light of the regime's road map, it would be wrong to send a signal that strengthened sanctions at a time when it is saying that it will undertake change. It would also be wrong to send a signal of a lack of resolve. We therefore support the rollover of existing measures of the common position in April and believe that that will maintain pressure on the regime. At the same time, we are saying that if it pursues its road map, that is fine, but if it does not, there are opportunities for a further strengthening of the common position at a future date. We shall await the outcome of events and hope that changes will take place.

On sanctions, I welcome the steps taken by BAT and, before that, Premier Oil, to disinvest. We must be clear that the EU common position is directed at the regime and its links with various parts of the economy. One sector that I am considering is tourism. Several UK travel agencies still promote tourism to Burma. We are encouraging them to cease to do so, because many hotels and other tourism-related activities in Burma are linked to the military regime. Because there are kickbacks and investments by generals in hotels and other parts of the tourism industry, people who go on tourist trips to Burma are in a sense actively supporting the regime and enabling those generals to receive financial advantage from it. I very much hope that anyone considering such a trip will decide against it.

The hon. Member for West Suffolk (Mr. Spring) asked about asset freezes. As far as we are aware, the Burmese have very few holdings in the UK, so we have not frozen any. They do not invest here partly because we would impose a freeze on any assets as soon as they arrived. The Bank of England actively monitors the freeze list, and we do not believe that there are significant investments here. However, if the Burma Campaign or others wished us to examine any assets, we would be happy to pass that information to the Bank of England to ensure that that happens.

I was asked about conversations with other countries in the region. We have had discussions through ASEM—the Asia-Europe Meeting—and bilaterally with several countries, including Thailand and China, which are important in this context. I have also talked to the Malaysians, the Indonesians and others, including the Indians, about their relationships with Burma. The perception of most of those countries is that the regime's activities are damaging the whole region.

We fully support the tireless efforts of the UN special envoy to Burma, Tan Sri Razali Ismail, and urge the regime to allow him to return to Burma soon. We believe that his work is enormously important, and we very much support it. We hope that he can play a crucial role in the reconciliation process.

Andrew Selous: Given the fact that Britain is a member of the UN Security Council and that the Government believe in the justice of the cause, will the Minister explain what would be lost if the United Kingdom tabled a Security Council resolution requiring the UN to take stronger action on Burma?

Mr. O'Brien: Gestures may look good, but it does not look good when they fail, because the other side then claim it as a victory. The regime would no doubt say that the UN had refused to pass a resolution condemning Burma, and would regard that as a victory. As for the way we play this, we need to maximise the pressure on the regime, rather than seek to make gestures that could prove to be counter-productive. We supported and promoted a strong resolution only a few months ago, which was subsequently passed. We were able to discuss it with other members of the Security Council and received their support or acquiescence. Some countries

have relationships with Burma, and may not wish to say particular things at certain times, so the timing of any steps at the UN is important. We also need to ensure that when we propose a resolution it is passed.

Andrew Selous: The Minister has been extremely generous in taking interventions, and I shall try to be brief. I accept that it would be unfortunate if the UN resolution were not passed, but I disagree with his argument. The pressure would then be on the countries that defeated the resolution, and the international community would ask questions of countries that were not prepared to put pressure on the UN through their Security Council membership. The Minister did not deal with that point.

Mr. O'Brien: As for the British Government's dealings with the UN and other countries in the region, we have engaged very actively indeed for more than a year with a number of countries to see whether we can maximise the pressure on the regime to get it to move. Our aim is to get results, not to make gestures for the sake of it. If, by encouragement, cajoling and pressure, we can get the regime to move in a particular direction, liberalise, provide more opportunities for dialogue, and respect human rights more, we shall obviously seek to do so. The timing can be difficult to judge—each step must be made at the right time and calculated to encourage a process, rather than discourage it. If I may be critical of the UK, I should say that in the early part of last year we could have been more encouraging of the process of reform undertaken before 30 May. We could have said that we welcomed that reform and been more positive. However, I have no idea whether that would have made a difference to events on 30 May.

We need to measure our responses carefully and see whether we can get the road map to deliver something positive for the Burmese people, get Aung San Suu Kyi released, and get a process of dialogue and reconciliation started. That is the objective of our policy, which is why we are working with UN Security Council members and other bodies.

Mr. Carmichael: I am grateful to the Minister for his generosity in giving way. I agree broadly with his analysis of the point made by the hon. Member for South-West Bedfordshire (Andrew Selous). However, in relation to the overall scheme of pressure, is there a role for a ban by this country on new investment in Burma? That would be a more substantial gesture that would not be subject to the vagaries of international opinion in the Security Council.

Mr. O'Brien: There is no particular need for a legal ban on investment in Burma because there is little or no investment there at the moment. That is not because there is a ban, but because any sensible company director, seeing the economic incompetence with which Burma is run, would say that it is not a country in which they want to invest. There is hardly any investment going into Burma at the moment. Businesses in one or two neighbouring countries are making a small investment, particularly in the tourism industry, but by and large there is little or no western investment. The investment by BAT and Premier Oil, as we have seen, has been withdrawn. Total is still there, but few other companies are. We do not foresee a need for such legislation, because we would be banning something that is not happening anyway. If that changed, the argument for a ban may well be made, but at the moment, we do not need a ban. It would be a gesture, but it would not have a positive result.

The SPDC repeatedly cites its commitment to national reconciliation, which is good. However, as long as we continue to receive reports that Opposition politicians and NLD supporters are being systematically harassed by the local authorities and the Union Solidarity and Development Association, I doubt whether that is achievable. In addition to facing physical violence, NLD activists are being singled out for other forms of harassment. A record of Opposition politics makes it difficult to get a passport or a train ticket from Mandalay to Rangoon, let alone run businesses or lease buildings. In May, a distinguished medical professor was sacked just because Aung San Suu Kyi visited her house while on release to see the professor's sick mother, who was staying there at the time. Two students have just been jailed for 17 years for distributing leaflets critical of the road map.

Hon. Members may have seen the recent television coverage of Aung San Suu Kyi's upcountry tour before 30 May, which showed the orchestrated violence and harassment that the NLD faced—organised, we believe, by military intelligence, even as thousands of people bravely turned out to show their support.

The hon. Member for Tweeddale, Ettrick and Lauderdale raised the issue of ethnic minority rights and the abuses suffered by the ethnic groups in Burma. As a consequence of civil war and a heavy military presence, those groups have suffered disproportionately, whether through forced labour, extra-judicial killing, rape, forced relocation or the destruction of their villages. About 140,000 refugees live in camps on the Thai-Burmese border. There are some 20,000 refugees in Bangladesh and about 630,000 internally displaced people within Burma, which is why we welcome reports of the recent verbal ceasefire agreement between the SPDC and the Karen National Union, and reports of talks with other insurgent groups. We hope that those talks will lead to a peaceful settlement in which the worst abuses become a thing of the past. The Government stand ready to consider what support we can give to a genuine peace agreement and how we can help to protect refugees and internally displaced people hoping to return home. However, the conditions are not yet in place for that to happen.

The Government are committed to enhancing the human rights of the Burmese people, the primary responsibility for safeguarding which lies with the SPDC. Major improvements could be achieved if less money were spent on the military and more on medicine and education, on which the regime spends less than $2 per person per year.

The international community, too, has a role. Within the EU, we are the largest donor of assistance to alleviate poverty and address basic human needs and health care in Burma, particularly on preventing the spread of HIV/AIDS. We do so mainly through local and international non-governmental organisations and UN agencies, and we monitor their programmes carefully to ensure that the regime does not benefit from

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them. We do our best to ensure, and we firmly believe, that our assistance enhances the prospects for a successful transition to democracy in Burma.

The situation in Burma is dire for the Burmese people, and damaging for neighbouring countries in the region. The rest of the world sees outrages and unacceptable attacks on human rights. The regime has, to some extent, recognised that the current situation cannot continue. A regime that lives on fear and seeks to maintain power in such a way must be pressured, encouraged and directed towards a transition to democracy and reform. As a Government, we will do all that we can to encourage that process.

D-Day Normandy Landings

10.59 am

Sir Sydney Chapman (Chipping Barnet) (Con): I am grateful to have the opportunity to raise this issue. The D-day landings on 6 June 1944 were one of the defining events of the second world war. If the declaration of war on 3 September 1939 was my earliest memory—I think that it was—I remember D-day vividly. I remember because, preceding it, literally thousands of American soldiers were stationed not far from where I lived in Cheshire.

Operation Overlord was one of the greatest, if not the greatest, military assaults of the 20th century. It opened up a second front against the enemy and was an extraordinarily dangerous mission, demanding courage and commitment. The landings were, by and large, a huge success, but getting a foothold behind the beaches turned out to be much more difficult. Indeed, after a month, the allies had not advanced more than a few miles from the channel. The fighting was bitter. I am told that there are no fewer than 38,000 allied graves in Normandy, which surely stands as testament to the bravery and sacrifice of our armed services.

The 60th anniversary commemorations will be the last—let us make no mistake about that. Age has taken its toll on the veterans, and many now have problems of disability or immobility. I am sure that the country, like me, wants the 60th anniversary commemorations in June this year to befit the debt that we owe to those who fought for our freedom 60 years ago.

It is estimated that about 10,000 British veterans survive. Some 8,000 are members of the Normandy Veterans Association, and I imagine that all are members of the Royal British Legion. No fewer than 97 branches of the association remain in Britain, and there are seven overseas. I am proud that one branch is in my constituency of Chipping Barnet, and its chairman, Councillor Terry Burton, tells me that it has 40 members. Two years ago, half of them applied to go to celebrate the 60th anniversary. Some will be going with their spouses or carers at a cost of £330 for the coach and bed and breakfast over five days. I am further informed that, throughout Britain, 3,000 of the 8,000 originally planned to go—those who could afford and desperately wanted to do so.

I applied for this Adjournment debate on 9 February, and a few hours later I was told that the Government had announced the heroes return initiative, backed up by £10 million from the New Opportunities Fund, for the 60th anniversary of events from D-day to the conclusion of the second world war. I would like to think that my initiative triggered that statement, but that would be grossly unfair on the Government; it was just a happy conjunction of events.

More seriously, I received a letter in January last year from the then Minister for veterans, which in effect said that the Government's view was that the 50th anniversary celebrations were to have been the last. However, I am glad to say that the present Minister wrote to MPs on 7 July last year saying that the main details of events to be held in Normandy next June are still being discussed with the French authorities, and confirming that two military bands would be provided,

that there would be a ministerial and senior armed forces presence and that a one-year free passport would be available for veterans who wanted to attend.

Since the heroes return announcement on 9 February, a large number of the remaining 7,000 veterans who had not been able to declare that they wanted to go, have now expressed an interest. Mr. Sidney Greenberg, who is on the executive of the Normandy Veterans Association, tells me that his organisation has been inundated with requests for information. Obviously, many veterans could not afford to pay for themselves and for their spouses or carers to accompany them on what must be the most emotional remembrance of their lives.

It would be churlish of me not to thank the Government for the heroes return scheme, and I do so most sincerely. However, I hope that the Minister will accept that severe problems remain. In the spirit of genuinely wanting to see the 60th anniversary commemoration succeed, I would like to put a number of concerns to the Minister, whom I know and respect on a personal basis. I will not go into the parochial detail of the concerns, but concentrate on a few particular themes.

First, the Ministry of Defence must immediately, because time is short, get involved with the French Government and authorities to ensure that the veterans get to the memorials, the services or the parades that they wish to attend. There are mobility issues to be taken into account; for example, anyone who is familiar with Normandy will know that the lanes leading to the beaches in question are extremely narrow. There will be logistical problems in addition to the understandable security problems. I hope that the Minister can confirm that the pace of his Department's liaison with the French authorities has increased, and that those matters are being tackled.

Secondly, the Department must, as a matter of urgency, liaise directly with the Normandy Veterans Association and the Royal British Legion. There has been a huge increase in inquiries and there is great uncertainty. I understand that only two officials are dealing with all those matters. I have been informed that the chairman of the Normandy Veterans Association, Mr. Leslie Frost, was sent a letter by an MOD official last autumn saying that there was no point in having a meeting. I find that inexcusable, and I hope that the Minister will reassure us that there will be direct, meaningful and continuing contact with those relevant organisations.

Thirdly, I believe that there is a need for a statement of clarification on the passes or identity cards that are needed for certain of the events, such as the Arromanches ceremonies, which I understand will be attended by the President of France and Her Majesty the Queen. The need for security is understandable, but it is essential to plan now to ensure that no veterans are disappointed.

Fourthly, I should like to say that, thanks to the Government's 9 February initiative, veterans from other branches can now afford to attend, because they will be reimbursed at least part of their expenses. However, they must receive their funding in time to be able to go. It is essential that the arrangements are made as soon as possible. After all, we are talking about a week in June that is only 14 weeks away. I might add that coaches and hotels in mid-summer are in high demand.

Finally, the Minister will know that the Normandy Veterans Association has arranged a service in St. Paul's cathedral in October, which must be the centrepiece of the commemoration in our country. I am informed that it will cost £10,500. I hope that the Minister will be able to confirm that the heroes return funding will cover that expense. Cathedral services will also be held in other places, such as York minster and Portsmouth cathedral. I am delighted to see the hon. Member for Portsmouth, North (Syd Rapson) in his place. I know that he will agree that we need to ensure that these commemoration events are successful.

I am delighted also to see my good Friend, my hon. Friend the Member for Stone (Mr. Cash). If my information is correct, his father was killed in Normandy, 60 years ago. I willingly admit in this short debate that I speak with a certain amount of emotion. But I believe that I speak not only for my generation, but for many younger generations when I say that, quite simply, our freedom today, which we perhaps all too readily take for granted, is due to the commitment, loyalty, patriotism and courage of those who fought for our ideals from 1939 to 1945. Let us not quibble about a few pounds here or even £1,000 there to deny the veterans of the Normandy beaches the gratitude and honour that they fully deserve.

11.12 am

Mr. William Cash (Stone) (Con): First, I congratulate my hon. Friend the Member for Chipping Barnet (Sir Sydney Chapman) not only on securing the debate but on the manner in which he presented his arguments, with which I entirely concur. I am delighted that these commemorations will take place. They need to be held in the manner that my hon. Friend described and consistent with the representations from the Normandy Veterans Association.

My father won the Military Cross at Maltot on 14 July. He was a young man of 25 and it is difficult for us now to realise just what that involved. I think that 2,000 men were lost in the preceding few days in one particular action on the hill of Calvary. It is called hill 112. It is difficult to imagine just how horrendous it must have been, although there have been some extremely good documentaries on this subject on television in the last few weeks.

I received a letter today from the Secretary of State for Defence, saying that there will be 80 days of events in Normandy. At his suggestion I have put it on the Whip that if there are any Members of Parliament whose parents were killed in Normandy they should make themselves known. There may even be in the House of Lords some people who fought there. I therefore suggest that Members who have an intimate and direct connection and those who participated should go over there. In that way we could show our respect, in an appropriate manner, for those who died. It would also be helpful to know from the Minister that we will be able to have the details, a point that my hon. Friend so rightly stressed.

11.14 am

Claire Ward (Watford) (Lab): I congratulate the hon. Member for Chipping Barnet (Sir Sydney Chapman) on securing this important Adjournment debate.

I want to add my thanks to the Government and the New Opportunities Fund for announcing the heroes return package, and I hope that the Government and the lottery distributors will do all that they can to ensure that it goes ahead with no problems. As we have already heard, those veterans made the greatest sacrifice that anyone could possibly make to protect this country and to defend the values and democracies in which we believe. As someone from a generation that does not remember that military action, I feel that it is essential that we do more to commemorate their sacrifices. I also want to ensure that the next generations will not forget those sacrifices and what happened, and that they will learn from that history for the future. It has been said that the events are likely to be the last celebrations and commemorations to take place, because of the age of many of those involved.

I also congratulate the BBC on its work in collecting the stories and reminiscences of those involved in the second world war to create a national archive. Will the Government consider establishing a national day of commemoration and public holiday, perhaps in October or November, when we could also remember the 11th hour of the 11th day of the 11th month? Will the Minister consider talking to colleagues in other Departments, such as the Department of Trade and Industry, to see whether that is possible?

11.16 am

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): First, I congratulate the hon. Member for Chipping Barnet (Sir Sydney Chapman) on securing this important debate on the remembrance and commemoration of the events leading up to the end of the second world war. I also welcome the contributions of the hon. Member for Stone (Mr. Cash) and my hon. Friend the Member for Watford (Claire Ward).

I am grateful for the opportunity to update the House on the significant progress made since the previous Adjournment debate on the issue on 11 November 2003. Let me begin by stating clearly that it is Government policy fully to endorse the importance of remembrance and commemoration. The D-day landings in June 1944 were particularly significant, as history makes clear. They were the largest international, combined forces amphibious assault that the world has ever seen. It is one thing to read about such momentous events; to have participated in person is another matter entirely. We collectively owe immense gratitude to those who put their lives at risk in such ways, and it is only fitting that the baton of remembrance for such momentous acts of human courage and perseverance should be passed on from that generation to our young citizens, who will be the next generation of the 21st century.

I was pleased to announce to the House on 15 January that both Her Majesty the Queen and my right hon. Friend the Prime Minister had accepted invitations from President Chirac to attend the main commemorative events to be held at Arromanches on Sunday 6 June. It is expected that His Royal Highness the Prince of Wales will attend events on Saturday 5 June in Normandy.

It was suggested that the Government could provide direct financial assistance to Normandy veterans for their transport and accommodation expenses, but we were concerned that it would not be fair to provide assistance to one anniversary or group of veterans rather than another. However, that direct financial assistance is now available through the New Opportunities Fund's recently launched veterans reunited programme to commemorate the 60th anniversary of the end of the second world war. That lottery-funded programme will help to ensure that all generations of United Kingdom residents can commemorate the anniversary together, both at home and abroad.

The three elements of the programme are: "Their Past, Your Future", which focuses on activities for schools and young people; the heroes return initiative, which the hon. Member for Chipping Barnet mentioned and which will focus on overseas visits for veterans, their spouses or widows and their carers; and "Home Front Recall", which provides funding for events and activities in the UK. "Their Past, Your Future" was announced on 12 January. The second part of the programme was launched on 9 February, and the third part will be formally launched in the spring.

Over the next 18 months, we will commemorate the 60th anniversary of some of the most remarkable events in this country's history: the Anzio landings, the eastern fleet's engagements with Japanese installations, D-day and the Normandy campaign, the landings in southern France, the campaigns in Burma, the battle for Italy, the Rhine crossing, the liberation of the Channel Islands, VE-day and VJ-day.

I am acutely aware that this will be the last chance for many of the men and women who lived through those events to commemorate them in any numbers. Just as importantly, it will be the last chance for new generations to learn at first hand from veterans what it was like to be involved in those events. Their memories and experiences will provide a lasting legacy for the nation.

That is why my right hon. Friend the Secretary of State for Culture, Media and Sport and I felt that that unique combination of factors deserved lottery support. We are pleased that the New Opportunities Fund has seized the idea and begun to deliver that new lottery initiative. Getting from inception to launch in less than six months is a good example of cross-Government working with the national lottery. I was grateful for the words of support on that basis from the hon. Member for Chipping Barnet.

"Their Past, Your Future" allows children to develop a deeper understanding of the issues around commemoration, remembrance, peacemaking and reconciliation. It allows our youngsters to learn more about the work of the British and Commonwealth armed forces, both past and present. As part of the project, children will work with different generations collaboratively, developing their critical thinking and learning about the past and present from museums, battlefields and other significant places. Children will also learn to reassess their attitudes towards people of different generations, nationalities and identities, and

will come to respect the contributions of veterans to past and present society.

It is impossible to over-emphasise the major contributions made by our veterans during the second world war. This generation of young people will have an invaluable opportunity to hear at first hand what our veterans did to preserve the freedom and security that we enjoy today.

Mr. John Wilkinson (Ruislip-Northwood) (Con): Will the Minister give way?

Mr. Caplin: I am afraid not.

The heroes return scheme will provide £10 million of lottery funding to help second world war veterans resident in the UK to arrange commemorative visits to the overseas areas where they saw active service in that war. The scheme will ensure that new generations can learn from those experiences. The New Opportunities Fund will make grants towards the cost of those visits, which, if feasible, will be linked with a parallel education project or visit. A fixed sum will be available for each veteran and their spouse and/or carer to go towards the cost of the visit. That is £10 million over two years. I heard what the hon. Member for Chipping Barnet said about Normandy, but the project has been designed to be a long project over those important two years, not specifically for the anniversary of D-day in June.

I hope that many veterans will be able to take advantage of the heroes return scheme. Since the launch of the schemes, the Veterans Agency freephone helpline has answered 12,856 calls, approximately 6,500 of which related to that initiative. That shows that there is considerable interest in that worthy scheme.

In my letter of 7 July, I said that the Ministry of Defence will send two military bands to Normandy and I mentioned earlier the attendance of Her Majesty the Queen and the Prime Minister. The UK will also be represented during that weekend by other members of the royal family, other Ministers, including me, and senior members of the armed forces. We are still finalising the attendance programme and I realise that that can be frustrating for those trying to organise events in France. However, I am sure that the House will accept that the armed forces have been busy across the world and at home in recent months, and deployments are taking time to arrange. Our resources are not infinite and must be utilised carefully and sensibly. I will make further announcements when able to do so.

I shall now deal with the question that the hon. Gentleman raised about security in Normandy. The only event that will require major security will be in Arromanches on Sunday 6 June. The details have been published and are available. If veterans ring 0800 169 2277, they will be able to get all the necessary details from the Veterans Agency, although not necessarily through their veterans organisation. A simple system of registration must be completed by mid-March and then photocards will be produced for those attending in Arromanches. We are also instigating a registration system for those attending other events over the weekend, but that does not need to be completed until mid-April. It comprises a simple list system primarily for travel operators taking groups, but also for individuals wishing to travel together. For security reasons we hope to have a complete register of those travelling to Normandy.

The hon. Gentleman also raised the issue of the Normandy Veterans Association, and I think that his information is slightly flawed. The national chairman of the association and the military attaché in Paris have met on several occasions, the last of which was 21–23 January this year in Normandy to discuss many of the issues that the hon. Gentleman raised. I assure him that the Ministry of Defence has already approached the Normandy Veterans Association and offered assistance to its service of remembrance and thanksgiving at St. Paul's on 20 October. That event is in the early stages of planning; again, I will provide more information when able to do so. It may be that the hon. Gentleman's question about the funding for that event forms part of the "Home Front Recall" programme that we will announce in the spring. That will be the time for the Normandy Veterans Association to approach the lottery operator for a possible grant.

Sixty years have passed since those final shots were fired. Although this will be the last official commemoration of the second world war, the fortitude shown and the sacrifice made by so many at home and around the world will never be forgotten. This Government take seriously all the 60th anniversary commemorative events, and I welcome the initiative that the hon. Member for Stone is considering. Perhaps he and I can talk more about that in the weeks ahead.

The Government have certainly not forgotten the bravery and sacrifice of all those who took part in the Normandy landings in June 1944 and who will participate in the events in this country and on the continent. Through the veterans reunited programme, the Government will ensure that future generations, rather than forgetting those deeds, will learn why they should take up the baton of remembrance to recognise the invaluable contributions made by all our veterans around the world during the second world war.

11.28 am

Sitting suspended until Two o'clock.

Second Chamber

2 pm

Mr. Graham Allen (Nottingham, North) (Lab): Given the number of hon. Members from all parties who have taken the time to be here this afternoon, we can see that reform of the second Chamber is an important issue. Three colleagues have said that they wish to make contributions to the debate and hope to catch your eye, Mr. Cook, as well as the Front Benchers. As we progress, I shall be pleased to take interventions from other colleagues. There is still a great deal of interest in the House about further reform, the need for which is manifest. Although there are many ways forward, few colleagues want to defend the second Chamber's current composition.

The reform that reduced the number of hereditaries was welcome, as are the proposals that may be introduced in the next week or so. However, those proposals must be followed rapidly by further, clear recommendations for reform that will introduce some broader aspects to our second Chamber. On the basis of press reports, it seems that the Government will soon be issuing a Bill on the reform of the second Chamber, and we are all interested to see what it contains.

What might the Bill contain? Judging by the consultation paper that the Government produced in September 2003, we can expect it to do at least two things. First, it will remove the remaining hereditaries. The House of Lords Act 1999 removed all but 92 of the 750 hereditary peers from the House of Lords and did away with the right to inherit a place in the Lords. It is hard to believe that such a relic of feudalism survived as long as it did. It is harder still to believe that the Conservative party, now supposedly the champion of a democratic second Chamber, wanted to leave it the same. The only partisan remark that I shall make today is to refer to the party of my colleague who sits on the side of the Chamber that I am sitting on today, the hon. Member for Beaconsfield (Mr. Grieve). The issue needs to command consensus in the House and beyond.

Mr. Dominic Grieve (Beaconsfield) (Con): The hon. Gentleman is being a trifle unfair because the position of the Conservative party was that the arrangements in 1999 should continue until there was a permanent settlement of the reform of the second Chamber. In the absence of a permanent settlement, there was no reason to interfere with the agreement that was reached in 1999. There was no desire to keep an elected element of hereditary peers until the end of time.

Mr. Allen: I am reassured by the hon. Gentleman's comments and I hope therefore that a more permanent settlement of the type that I shall float this afternoon will attract the attention of the Conservative party and, indeed, all other parties in the House, so that we make more progress towards a more permanent settlement.

Secondly, the forthcoming Bill is expected to set up an appointments commission on a statutory footing to determine the number and timing of appointments to the House, to select independent Members and to oversee party nominations. The composition and role of the second Chamber will also be affected by the Government decision that was announced in June 2003 to abolish the post of Lord Chancellor and to establish a new Supreme Court. That will be in another imminent Bill. It represents the beginning of a proper separation of powers that is long overdue and that, contrary to press reports, was not dreamt up overnight; it had a long gestation period. Indeed, I am proud to say that it was part of a package that I drew up for the Prime Minister when he held the shadow Home Secretary brief more than 10 years ago. That is likely to be the programme.

What are the Government's red lines? They seem to be that an upper Chamber will be

"composed of a membership appropriate to its revising and deliberative functions, and not duplicate or clone the Commons."

It will be

"political in approach—but not dominated by any one political party"

and

"representative of independent expertise and of the broader community in the UK—but not disrupt the relationship between elected members of the Commons and their constituents."

I am sure that I speak for many hon. Members in all parts of the House when I say "Amen" to that.

Mr. Kelvin Hopkins (Luton, North) (Lab): I am interested in Government red lines and I agree with my hon. Friend's thoughts that there should be no structural interference between the people and their democratic representatives. Why then did the Government, our leaders and our party choose to exclude even discussing the possible abolition of the House of Lords, let alone advancing the arguments for and against? That would have solved such problems.

Mr. Allen: My hon. Friend is far better connected to the Prime Minister and those at No. 10 than I am, and I am sure that he will make a point of asking them those questions. My hon. Friend the Minister may also touch on those questions in his reply, although I hope that he does only touch on them because I want to persuade Members from all perspectives that going back over the old ground of who said what, why and who voted for which option is a recipe for no progress whatsoever. Although I know the strength of feeling of my hon. Friend the Member for Luton, North (Mr. Hopkins), I could say the same of every hon. Friend. All of us have a perfect answer that would be the right way forward, if only the other 649 Members could see any common sense. However, this is politics and, if we are to make any progress, all of us will have to compromise to a large degree. Otherwise, we could retain our purity and make absolutely no progress.

Andrew George (St. Ives) (LD): I certainly say "Amen" to that. As an enthusiastic democrat, I am keen to apply democracy where it is appropriate. I share the hon. Gentleman's view that we should apply the best possible democratic system to the way in which we elect this Chamber. Does he share my concern that much of the debate about the reform of the second Chamber is about its composition and how that will be achieved? There is an obsession with means rather than ends. Does he not agree that we must concentrate on ensuring that we have neither a lapdog nor a logjam Chamber, but a

Chamber for sober second thought and for holding the House of Commons properly and effectively to account? We should not be too obsessed about how its Members are chosen.

Mr. Allen: A great number of difficulties need to be overcome if we are to make any progress whatsoever. The hon. Gentleman has touched on several of them.

We also need to be careful not to try to create, as an answer, a complete package that, which tries to solve the problems all at once. We will make progress only through a step-by-step approach. Whether we address composition first, as I suggest is necessary, or consider something else, we need to be extremely careful that—I come back to this repeatedly—we do not make perfection the enemy of progress. We need to try to achieve consensus, as far as is humanly possibly, on what may be some very modest first steps, but I hope that such steps will command broader support than has hitherto been the case.

I quoted the Government's approach in their document. Nothing that they said precludes some form of additional democratic determination of the membership. Although the Government's proposals are all welcome and necessary, I would like to consider what the consultation paper refers to as the goal of "representativeness". Rather than having a commission straining to achieve representativeness through meeting a series of quotas set by somebody, would it not be better for all of us to achieve at least some of that by a more democratic approach? Certainly it is the historic ambition of the Labour party, the Liberal Democrats and now, as we have heard, the Conservative party to bring an end to an unaccountable, unelected upper Chamber. How can we all work together to achieve that?

The key rule is that the proposal for reform—whatever it is, however modest it is—must command the support of the Executive and the legislature. No one can, on their own, impose a solution on everybody else. The key is to make progress on the basis of agreement between the Executive—by that, I mean Governments of all political complexions—and Parliament. It is no longer possible to make policy in this area by multiple choice, just as it is not possible to make policy on health, education or taking the nation to war by multiple choice.

A year ago, a number of options were put before us. It was no surprise to any of us that none of them gained sufficient support. The Executive were not on side for those proposals and the Prime Minister was in one of his screen-saver modes, if I may put it like that. Many of us felt that the opportunity for reform had been lost, possibly for a generation, and that any serious proposal for change might never come again in our political lifetime. I was very depressed at that prospect. However, the Bill to be proposed this week opens the possibility for progress again. Quite rightly, people are saying "Okay, we can have this change in terms of the hereditaries and perhaps an appointments commission, but where are we going in the near term on the issue?" People are right to ask that question and to request that the Government attach that vision to proceedings after that Bill has been dealt with.

The Bill opens up the possibility for progress, which some of us thought had been lost. Again, I underline that the aim should be progress, not perfection, and achieving a step forward, rather than making claims for a scheme that will never fly.

Mr. Clive Soley (Ealing, Acton and Shepherd's Bush) (Lab): My hon. Friend has said many things that I have argued for some time, including the fact that there is not, and never has been, a big bang solution. First, does he accept that we are looking for a policy process that enables us to reach a settlement, rather than the other way round? In my view, the Joint Committee of both Houses ought to be part of that. Secondly, does he accept the principle that, if the Second Chamber is a hybrid one, it has a better chance of being adopted—that is, mixed backgrounds to the way that one gets there? Thirdly, bearing in mind what the Government are doing in devolving power generally, does he accept that there should be a strong reflection of the regions to bring the United Kingdom back into the second Chamber?

Mr. Allen: There is a lot to be said for all three points that my hon. Friend, with his great experience, brings to bear. Process is very important. Since this is a matter that involves Parliament's rights and those of the second Chamber, that is a stumbling block that we should avoid. I hope that all of us—me above all—have learned the lessons from previous attempts, and certainly from the process last year, which did not show Parliament at its best, to put it in the kindest of terms. How we move forward in the process that my hon. Friend talks about is extremely important. It is incumbent on my hon. Friend, the Minister and his colleagues to take very careful soundings of all parties in this House to ensure that we can move together—however slowly—to achieve consensus. This is one of those issues where anybody can take their ball away and spoil the party, so the negotiation and the process itself will be important.

My hon. Friend the Member for Ealing, Acton and Shepherd's Bush (Mr. Soley) mentioned the Joint Committee. There is a role for that, although I am not sure that it should be the same Joint Committee that we had in February last year with all the connotations that that brings with it. I do not wish to show any disrespect to anyone who served on it, but it was associated with what happened then. However, there should be a joint body. A Joint Committee with all parties involved would make a lot of sense. It would help Ministers to move the process forward and represent all the different views in both Houses on the matter.

Andrew George: I feel a strong sense of frustration that a lot of this debate has still concentrated on composition—on how people get into the second Chamber—and has not addressed why we should have the Chamber at all. I would like the hon. Gentleman and the Minister to talk about that. We are debating how people get into that place, but what does it do? What is its purpose? We are arguing about how it will be composed but it must have a purpose and unless we are clear about that we cannot offer advice, or even consider how that Chamber might be best composed.

Mr. Allen: I am content to rest on current purpose and current powers. I say that not because I do not want any

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change, but because we should not get sucked into the details of how things might change. That would pre-empt the discussions of those who might come into the Chamber on a more legitimate basis. That argument is the same as an argument about devolution—about having a Scottish Parliament or assemblies for the English regions. If we decide in favour of devolution and a particular group of people is elected, it is incumbent on them to make certain decisions. We will often not approve of those decisions—that has been the case with some of the devolved organisations—but once we let go we have to let them take on some responsibilities.

That goes back to John Smith's original concept of introducing an elected element. I worked with him many years ago on that matter. His view was that, if we created a directly appointed element in the second Chamber, which was what was intended at the time, that element would be the engine for further change. However, that is less the case now than in those days. I am going to propose a slightly different way forward.

We can get hung up on specifics and details about changes that are not yet on the cards, so I shall focus on current powers and purpose until we get the one small step forward on the composition of the second Chamber. Other issues will then start to be smoked out. They will be dealt with by a process of reconciliation between the second Chamber, ourselves, and the Government. That is how a proper democracy should operate. I am deliberately avoiding both the hon. Gentleman's question and supplying answers to it, because it is appropriate for those answers to be given not by us but by people a little further down the line.

Pete Wishart (North Tayside) (SNP): I appreciate the hon. Gentleman's attempt to build consensus on the issue but what part would we who believe in the abolition of the House of Lords play in the process? How would our concerns be addressed, and how would we be a part of any consensus?

Mr. Allen: I am unsure whether that "we" refers to a party position or a personal one. I have spoken to a number of the hon. Gentleman's colleagues, and I think that he might wish to make it clear that he is expressing a personal view.

I have a strong personal view about direct election. Given the chance, I would pass a Bill tomorrow for 100 per cent. direct election to the second Chamber. That is not going to happen. I can take my ball away and pontificate about that up and down the land and get lots of cheers in halls everywhere, but that will not make a blind bit of difference to the progress of things in this House. That is not what I see as my role in this House. My role is to move the show forward. I would rather move it forward one step than pretend that there is a revolutionary answer that I can institute tomorrow.

The answer to the hon. Gentleman is that I hope that he, like me, sees this in political terms and wants to move his political cause forward as the whole show moves forward in the second Chamber. Under the proposals that I will elaborate on in a moment, that will have tremendous benefits for his political viewpoint and his political party.

Mr. Hopkins: My hon. Friend says that a fully elected Chamber is not going to happen. Is not the reason for that simply because our Government, and possibly a future Government of a different colour, do not want a fully elected second Chamber? Yet, if it were an option, the majority of the population and of MPs would vote for it.

Mr. Allen: I hope that my hon. Friend, knowing me as he does, will not expect me to take second place to anybody in respect of the efforts that I put in last year to create a wholly elected second Chamber. My credentials are clear. However, I have looked again at the six-way car wreckage that we saw last February, and I feel that we cannot reconstruct a Rolls-Royce from the nuts and bolts that are littered on the motorway. Where we are is where we are. We need to get together a coalition to ensure that we move the show on a little further than before. Ultimately, who knows what might happen? However, my immediate goal is to make the second Chamber something that more of us in British politics can be proud of than are at the moment.

Mr. Soley: Will my hon. Friend give way?

Mr. Allen: I shall give way to my hon. Friend because I know that he has to go. I have answered only one of his three points. I have the other two listed but other interventions have prevented me from getting to them. I will be glad to add another to the list.

Mr. Soley: I intervene on my hon. Friend only because of the last few exchanges—I remain here to comment on them at even greater risk to my other appointments.

Hon. Members, and the Liberals in particular, should bear it in mind that there are two cases for having the second Chamber. One is that it is a revising Chamber and the other is that it is a backstop to an over-weaning Government. On that score, when my hon. Friend and some of the Liberals talk about a fully elected Chamber, I ask them to remember that democracy and freedom are not the same things. Democracy is a majority, and a majority can be pretty brutal to smaller groups—the Liberals ought to be aware of that danger. The trick is to get the balance right between democracy and protecting minorities.

Mr. Allen: My hon. Friend speaks wisely. The current second Chamber is a backstop. Through the Parliament Act 1911, the second Chamber can prevent the Government in the first Chamber from extending their own life. Some of us would like that backstop power to be extended to things such as human rights or the ability of local government to be constitutionally independent of the first Chamber. I make no bones about the powers that exist, but these are arguments that we need to have with our colleagues, when we can genuinely call those in the second Chamber our colleagues. That is no disrespect to the hard-working Members of the current second Chamber.

My hon. Friend the Member for Ealing, Acton and Shepherd's Bush made the point about the need for a hybrid version. One of the lessons that I have the humility to say I have learned is that a 100 per cent. solution—whether it is all elected, all nominated, or all singing, all dancing—is not the way forward. If we are

to make progress, we must ensure that there is some form of hybridity and joint action that is acceptable to all those who have an interest.

The final point that my hon. Friend made was about the regions. It is insulting that there seems to be a sense that people from the north-east, the east midlands or anywhere else—whether Scotland, Wales or any of the English regions—do not have a valid contribution to make. I do not wish to talk in the language of class warfare about people who have been born into certain situations. I would rather be positive, look at the people around and the talent available in the nations and regions, and say, "Let's put these people to work."

What fantastic brain-power we have in our regions. We know what great strides have been made in Scotland, Wales and the regions of England, even given the partial devolution settlement in the past few years. If we put those people to work, they will be tremendous assets not only to our economic system, but to our political system. What variety they could lend. What sensitivity and experience they could bring to issues, based on their localities and areas. No Government should stand accused of wasting that talent.

We must accept that the Executive dominate our Parliament and that, although we can influence Government, without Government support no proposal will make progress. As I have said, it is impossible to create that proposal out of the wreckage of last February. The percentage gain is finished. Fully elected versus fully appointed is fully expired. The effort has to move on. In both Houses, an alliance has to be created between the legislature and the Executive and within parties to unify all those who care about the issue.

I was encouraged to read the words of the Lord Chancellor last week. He said:

"I am genuinely, personally very committed to seeing real progress on the Lords made beyond this bill"—

that is, the Bill to abolish the rest of the hereditaries—

"and there is widespread support in government for that."

He said that that Bill

"is not the fundamental reform . . . I do not exclude any option, but the one that needs particular examination is indirect elections."

That involves talking not about a percentage of the second Chamber, but a real number of, let us say, 300 people whom we would want in the second Chamber. It involves not a direct election, but an indirect one; not the perpetuation of a metropolitan elite, but recognition of the need to represent the diversity of all the regions and nations of our country. We need not a rival to the Commons, but a complement and a partner, with sufficient legitimacy to command public respect, but not so much as to threaten the first Chamber. Those with good will towards a reformed second Chamber should encourage the Government to think further along those lines and encourage them in their search for consensus.

The Leader of the House recently said:

"What I favour is the secondary mandate. The same votes cast in general elections would go into a regional pool".

He seemed positive about that possibility. Under that system, there would still be one election to Parliament: there would be a general election. However, the votes cast, as well as determining who was returned to the Commons, would count towards determining some Members of the second Chamber.

I am sure that the following figures are etched on everyone's memory, although I did not recall them—I was helped out on them just before the sitting started. At the last election, 43 per cent. voted Labour, 31 per cent. voted Conservative, and 18 per cent. voted Liberal. I do not have the breakdown of figures for Scotland and Wales; I hope that colleagues will forgive me. They will know what the percentages were better than I do.

Andrew George: I fear that the second Chamber would be the cause of logjam if its make-up were politically opposed to that of the first Chamber, and a lapdog that rubber-stamped things if, politically, it shared the views of the first Chamber. If the hon. Gentleman follows that line, he will certainly propose a situation in which the second Chamber is likely to prove a lapdog to the Government. I have some serious concerns about that proposal from that perspective. The second Chamber should be holding the primary Chamber to account. It should be scrutinising what the first Chamber is doing, and providing independent sober second thoughts.

Mr. Allen: The hon. Gentleman makes a very good point. That is an obvious worry, to which we have given considerable thought. I hope that he will join us in thinking through the matter, so that we do not get the very problem that he has highlighted. That is the last thing that I want. I will leave the more detailed explanations to those who have been more intimately involved than I. However, there are many ways through that problem. A certain number of the Members of the current Chamber could be retained, for example. The election could be staggered, so that a percentage of the votes came from this one, the previous one or even further back, depending on how complicated one wished to make it.

Mr. Paul Stinchcombe (Wellingborough) (Lab) *rose—*

Mr. Allen: I gladly give way to my hon. Friend, who has worked very hard on some of the details of this issue, and who will be more expert than I in his contribution.

Mr. Stinchcombe: Does my hon. Friend accept that one of the advantages of the secondary mandate system is that no single party could ever have majority control of the second Chamber? If the party of the hon. Member for Beaconsfield (Mr. Grieve) were returned to power, that system would ensure that for the first time in history his party would not have a majority in both Houses when in power.

Mr. Allen: It is unusual for one party to get more than 50 per cent. of the electorate's vote under any system. One of the advantages of the proposed scheme is that, although my party has devolved power to areas in which we have been fairly sure that there would be a Labour majority under the first-past-the-post system, devolution has led to shared power in more instances than not. The proposal could provide a coalition that was not Labour-based for the first time, if one looked at

[Mr. Allen]

it like that, in a generous light. My hon. Friend is right and I hope that hon. Members such as the hon. Member for St. Ives (Andrew George), who feel passionately about the democratic agenda, will lend us their expertise to ensure that people are reassured about where the project could lead.

I know that people will chip in later to fill out the detail if they catch your eye, Mr. Cook. This proposal is not cast in stone. It is a possible way forward that might command consensus. I ask Members not to take me too literally. To continue the example, each region and nation could have 25 seats, which could be allocated to the parties on the basis of the percentage of votes cast for them. A national top-up list would also figure in the model to reach a more precise proportionality. If there were 25 seats, and one seat were allocated for every 4 per cent., there would be a bit of leeway or leftover that a national list would help to bring as close to proportionality as possible. A variety of rules for the regional lists could be added; for example, alternation between male and female candidates, closed lists, open lists—there are many possible options.

There are many disadvantages to the scheme. Last February, I could have come up with many such disadvantages if we had talked about two options: that proposal and a directly elected system. Colleagues who supported other options could have done the same. This is a wonderful game because there are 100,000 ways to say no, but probably only one way to say yes. That proposal might be the basis of one way in which we could all say yes to progress on the issue of the second Chamber.

When I was a Front-Bench spokesman in the then shadow Home Secretary's team, I served my time on the Plant commission, which Labour Members will remember. I know that there is no such thing as a perfect system, and that is what has decided my pragmatic view that there are different systems appropriate for different circumstances and institutions. Let nobody look for the perfect answer. Let us try to provide a progressive answer.

Mr. Hopkins: I accept that finding a perfect answer to satisfy us all will be extremely difficult. However, does my hon. Friend accept that there are certain dangers that should be avoided in any system? The main danger is that the second Chamber could become simply a place of patronage and control from Downing street—it could become no more than a Downing street cipher.

Mr. Allen: Yes, I do. I agree that we must be aware of that great danger. If we are to show good will to the proposal, we must all be involved and ensure that that eventuality does not happen. However, the biggest danger is that in search of the perfect answer we retain a system of appointees in the second Chamber, either because of past prime ministerial patronage or future appointments commission patronage, believing that the people of our country do not have the wisdom or maturity to be involved in that process. The perception, rightly or wrongly, that that attitude is displayed in our political society is a reason why fewer people participate in our democracy. That worries colleagues in all parts of the House. The proposal may help to restore confidence and make people say, "Yes, my region has a voice in the second Chamber."

Mr. Grieve: Is there not a danger in the interesting model that the hon. Gentleman is proposing that a degree of democratic accountability will not exist? If people are selected from regional lists put together by political parties, where is the extra layer of democratic choice?

Mr. Allen: We must be aware of all the dangers that the hon. Gentleman refers to, and we must eliminate them through discussion and consultation to ensure that indirect election is as democratic as possible. For example, the process could include primaries, which his party is experimenting with. It could involve all sorts of possibilities. It is incumbent on us to ensure that we do not end up with a system that flies in the face of what we are trying to achieve through reforming the second Chamber. We must all compromise to make progress. Taking our ball away and protecting our pet scheme from adulteration is the easiest option.

I want to underline the positive elements in the proposal. There are many advantages. Every vote cast would have a value and would be recognised, possibly for the first time in a parliamentary election. That would reduce one of the negative aspects of the first-past-the-post system, which should not apply to a second Chamber. The proposal would rule out the need for separate elections to a second Chamber. I hope that it will also ensure that there is no ambiguity about the primacy of the House of Commons.

The proposal would provide balanced regional and national representation, which is absent from the upper Chamber. Only two of my colleagues, one of whom is the Lord Chancellor, have an east midlands connection in the second Chamber. That is an outrage and should not continue. The Lord Chancellor is an able and eminent individual but he does not, sadly, carry the whole region with him when he speaks in his official capacity in the second Chamber. We want other colleagues to help him while he devotes himself to government.

The means by which each region determines the allocation of candidates could be decided by that region. The Scottish Parliament might want to nominate candidates. There might be primaries of registered supporters in the east midlands. There could be drawing of lots in the north-east. In other words, we should respect whatever method a region or nation chooses to deliver its Members to the second Chamber. Let those people decide. In the first instance, it may be in order to ensure a sense of direction; perhaps a closed system might be the model. I should like to float the idea that our regions and nations must be trusted to agree with their people their own system of indirect election to the second Chamber.

This is probably the last chance that we shall have before the next general election to make some serious progress on the issue; it may be the last for a generation. I hope that the Minister will respond positively about departmental thinking on the matter. If he gives any word of encouragement, I hope that he will consider a serious process of pre-legislative scrutiny involving all

the different views that are represented in both Houses, Government, Parliament, and the country. The process should be on-line, so that a serious, considered, rational debate can take place in the atmosphere of pre-legislative scrutiny rather than in Standing Committee. It could take place under a newly constituted Joint Committee of both Houses, with wide representation but without any of the burdens of the work that was so heroically done by the previous Joint Committee before February last year. Thereafter, that Committee should be requested by Government to distil one option into a draft Bill, which could be put out to further consultation in this House and beyond. It would then be required, like a normal Bill, to come back to this House for a yes or a no.

We have all learned a lot of lessons in recent years, which has been difficult in many respects. However, I hope that the experience gained will enable us all to make a serious contribution to what we all want—a second Chamber that works well for its incumbents and for Parliament and that, above all, works well and enjoys the respect of the people who helped to put some of the people into it.

Several hon. Members *rose—*

Mr. Frank Cook (in the Chair): Order. During these Adjournment debates in this Chamber, it is conventional to start the first of the three winding-up speeches 30 minutes before conclusion. That means I have to call the spokesman for the minor Opposition party in 17 minutes. I ask Members who want to speak or to intervene to bear that in mind when they make interventions or contributions or respond to them.

2.43 pm

Mr. David Clelland (Tyne Bridge) (Lab): I shall try to be brief. I congratulate my hon. Friend the Member for Nottingham, North (Mr. Allen) on securing this important and timely debate and on bringing the issue to the fore again. In the Labour party manifesto at the last election—I do not have it with me—we said that we wanted to produce a more democratic and more representative second Chamber. I wholeheartedly agree with that, and I was pleased to hear my hon. Friend's remarks, because I think that we are coming together on the issue.

There was a bit of a knee-jerk reaction to that manifesto promise, and hon. Members immediately thought that if the second Chamber was to be more democratic and more representative, it must be elected. That is, in my view, not necessarily so. A more democratic Chamber could be obtained simply by getting rid of the hereditary peers. It would then be entirely appointed by the Prime Minister, but, as he is elected, it would be more democratic than before. We can certainly have a more democratic Chamber without having direct elections, although I am not advocating that policy.

The Government's proposals for an appointments commission are in breach of the manifesto, because that method of appointing people to the House of Lords is not a more democratic solution. Without taking the directly elected option, a more democratic solution would be to widen the responsibility for making appointments. A democratic appointments system would give us a better and more balanced House.

An important question was asked: what is the second Chamber for? We should have started with that question before we came to the issue of how to get Members into the second Chamber. I liked what the hon. Member for St. Ives (Andrew George) said from the Liberal Benches—the second Chamber should provide sober second thoughts, which is a good way of putting it, but he also said that the second Chamber should hold the Executive to account. There we part company.

Andrew George: Parliament.

Mr. Clelland: Yes, holding the Executive to account is a job for Parliament, not the second Chamber.

The second Chamber should be advisory and deliberative, and it should add value to our system of government. Elections cannot guarantee a Chamber composed of people who would add value. If people are to advise, deliberate and help the House of Commons in its work, they need experience, expertise and knowledge to be able to do so, but, as we know, the process of election does not necessarily guarantee that they have those qualities. A lot of people in the House of Commons are able and talented, a lot are not so able and talented, and a lot think that they are able and talented.

We need a system that would guarantee that the second Chamber was made up of people who were respected by the country and by the House of Commons for their views. How can we get such a system? If we held elections, we could end up with another Chamber like the House of Commons, which is full of teachers and lawyers, because there is no guarantee of a good spread of expertise and knowledge. Elections produce the candidates that the political parties decide to throw up; there is not necessarily a good balance of people. To achieve that, a planned system is needed. I strongly agree with my hon. Friend the Member for Nottingham, North, who said that we need to ensure that we have good representation.

We need a second Chamber that represents the whole United Kingdom. As my hon. Friend said, very eloquently, the current second Chamber certainly does not do that. The devolved assemblies and the English regions should decide whether to appoint or elect representatives to the second Chamber, which would give a good geographical balance. Local government, too, should be represented in the second Chamber.

Political parties are an important part of our democracy, but that does not mean that we are entirely reliant on elections. Many voluntary organisations, professional bodies, business organisations and trade unions play an important and legitimate role in a democracy, but they are not directly elected by the people. Those organisations should also be represented in the second Chamber.

The secondary mandate that was mentioned by my hon. Friend the Member for Wellingborough (Mr. Stinchcombe) would mean the political parties deciding on their representation in the second Chamber, but I do not agree that it should be composed entirely of politicians, as a broader expertise is needed.

We can produce a more democratic, representative second Chamber that adds value to the political process by including more people in the system of appointments.

[Mr. Clelland]

If we take that route, or a combination of my thoughts and those of my hon. Friend the Member for Nottingham, North, we can achieve a consensus that will move the issue forward and result in a second Chamber that commands respect and adds value to the political process.

2.49 pm

Mr. Paul Stinchcombe (Wellingborough) (Lab): Thank you, Mr. Cook, for allowing me to contribute to this important debate.

I congratulate my hon. Friend the Member for Nottingham, North (Mr. Allen) on securing the debate. He and I recognise that the imminent publication of a Bill to remove all the hereditary peers from the second Chamber presents us with a political challenge and a constitutional opportunity of historic importance. The challenge is simple: it is to prevent the second Chamber from becoming a House of cronies. The opportunity is even greater: it is to achieve what so many for so long have considered unachievable—building a consensus across a divided House of Commons on how properly to complete House of Lords reform and provide this country, with its nations and regions, the second Chamber that it needs. It needs a second Chamber that is both more democratic and more legitimate than today's, but not so democratic or so legitimate that it can challenge the primacy of the Commons.

If we are to start that process of consensus building, we must find ways of reconciling the various factions that divided the House of Commons last February. That requires us in turn to not only understand but respect the reasons why hon. Members voted as they did in rejecting first a directly elected House, then an appointed House and then a hybrid House that was partly directly elected and partly appointed.

I voted for elections. Those who voted against a directly elected second Chamber last year did so not because they are not democrats. First, they wanted to protect the supremacy of the Commons, which is democratic and is supreme precisely because it is democratic. Secondly, they wanted to prevent our parliamentary democracy from being brought into disrepute by Parliament imposing on an election-weary electorate another tier of elections that they would not turn out to vote in.

If those who voted for an appointed Chamber did so because they considered themselves democrats, so more surely did those who voted for a directly elected second Chamber. As democrats, they could see no point in reforming the House of Lords unless it was to make it more democratic. They believe that, although democracy may not equal legitimacy, it at least confers it. It affords two vital constitutional protections: government by consent and government by representatives.

Indeed, it is precisely because the hereditary peers are an affront to democracy that we are soon to be asked to vote to remove them. But as soon as we vote to remove the hereditary peers we are confronted by the next problem: what to do about the life peers, who are also undemocratic. They are there only by reason of patronage. They have never been voted in and they do not have the legitimacy that only election can confer. That is why hon. Members voted against an all-appointed Chamber.

Hon. Members also voted against a hybrid Chamber. They did so because that may be the worst possible outcome in many respects. The unelected element would still remain illegitimate, and the elected element might also be illegitimate if the turnout was so low that the whole process was tainted in the eyes of the public. More fundamentally, we have to ask ourselves whether a stable constitutional settlement can ever be based upon a Chamber of Parliament in which Members have different legitimacies. Many of us believe that stability demands that all Members have the same standing and that none is more legitimate than any others. A hybrid House is not an answer, but a fudge, and two wrongs rarely make a right; they often simply make two wrongs.

When this House considered on 4 February last year the options for composing the second Chamber that the Joint Committee put before it—a directly elected, an all-appointed and a hybrid House—it rejected each for reasons of principle. We may not agree with all those reasons, but there were objections of principle to all those options. It was the fault of the Joint Committee that that happened. I served on the Joint Committee and I assume my fair share of the blame for that. We allowed the debate to become too narrow. We reduced complex constitutional issues—primacy, legitimacy and participation—to a mere set of choices between varying proportions of Members elected and Members appointed, all apparently plucked from the air. We gave Members the opportunity to restate their prior positions, but in truth, we never gave them an opportunity to reconcile them.

If we are ever to build consensus out of the wreckage to which my hon. Friend the Member for Nottingham, North referred in respect of the February votes, that is precisely what we have to do. We have to ask one critical question that we have never asked ourselves before—not what proportion of MSCs we elect, but how we elect them. He is absolutely right. We need to devise an electoral model that will be democratic, but that will also ensure through the nature of the election itself that the second Chamber neither duplicates the composition of the Commons nor receives a mandate from the electorate that allows it to challenge its primacy. That must mean that we need to develop a model of indirect elections for the second Chamber.

Under my hon. Friend's proposed model of secondary mandate. Members of Parliament would continue to be elected by a first-past-the-post system and enjoy the primacy that only direct elections can confer, but each vote cast at the general election would carry with it a secondary mandate for a second Chamber. As he says, that Chamber could be could be 300 strong, with each of the 12 regions and nations of the UK having 25 seats. It would be composed by distributing the seats in direct proportion to the votes cast for each party in the general election in each of the 12 nations and regions. As well as being a democratic expression of political preference, the secondary mandate would be just that—secondary—in conferring a legitimacy one step removed from those elected by the first-past-the-post system. As such, Members of the second Chamber could never challenge the prime mandate of directly elected MPs.

As my hon. Friend also noted, the secondary mandate would underscore the primacy of the Commons because it would encourage the electorate to re-engage with the democratic process by voting at the general election. That is crucial, and it is the unique selling point of the system. Turnout is threatening to fall to American levels of non-participation, and this model is the only one that encourages people to vote in our general elections. Rather than add another tier of elections to an election-weary electorate when they are increasingly ignoring the elections that we already have, we should simply add weight to the votes that are already cast.

The ballot paper would look the same as it does today. Only one mark would be made, against the candidate of one's choice. As present, only the votes cast for the winning candidate count. I voted in Beaconsfield in 1997 for the Labour candidate, and it did not count. In the future, all votes would count, and all would lead to representation, including regional representation to cure the appalling ill that has been referred to—government of the nation not by the nation, but by the south-east instead.

Mr. Grieve: Only one cross would be made on the ballot paper. Is not the implication of making that cross that the elector would be sanctioning the move into the upper House of a group of people who were selected only by the party of the MP for whom he or she votes?

Mr. Stinchcombe: I will come to that point after I have completed the point on representation.

The proposed system would also lead to proportional representation, so that no single party could ever command the majority of the House of Lords or second Chamber, as I would call it. It would also be far more pluralistic, with smaller parties able to find their voice through the democratic process rather than the engineered means of patronage and appointment.

As my hon. Friend the Member for Nottingham, North said, no system is perfect. There will be problems with the secondary mandate model. As the hon. Member for Beaconsfield (Mr. Grieve) suggested, the lists will be closed, but that does not mean that they will not be democratic or transparent. We could have primaries and ensure that the party members choose their list and its order, with each member having one vote. We could re-engage people at an earlier stage with participatory democracy.

Let me deal with another potential worry. The system might mean that the British National party has more people standing and gains more representation. However, we should beat the BNP through democracy rather than run away from democracy because of it. Let us see what candidates it is forced to field if it wants to stand in every constituency in a region, let us see how many articulate skinheads it can find and let us expose it for what it is under the spotlight scrutiny that only elections can bring. Let us watch its protest votes dissipate to the other, more respectable parties, including the United Kingdom Independence party or socialist parties, and let us see it waste its money on lost deposits as it is finally defeated.

I accept that no system is perfect. The secondary mandate system is not perfect, but perfection should be the enemy only of the bad and not of the good. The secondary mandate system is not just good; it is the best that we have on offer. It is simple and meets all our objectives. It underscores the primacy of the Commons, encourages people to vote at the general election and would make a second Chamber more legitimate than it has ever been while denying it the equal authority of the Commons. It secures regional and independent representation, pluralism and the continued presence of the experts needed to make the Chamber effective.

Most importantly, such a system would bridge the divide that was so evident in the Commons in February last year, so that we can finally move on and go into the next election with more to offer the British people than a House of cronies. As Lord Falconer said, this model will fly.

2.59 pm

Mr. Paul Tyler (North Cornwall) (LD): I am delighted to follow the hon. Member for Wellingborough (Mr. Stinchcombe), because of his thoughtful contributions both to the debate this afternoon and to the Joint Committee. I hold up my hand as one of the other guilty persons on that Committee for failing to identify clear choices on which the two Houses could have taken a view on 4 February last year.

I want to make it clear that my Liberal Democrat colleagues in both Houses are determined to do everything they can to assist the Government in fulfilling what they said in their election manifesto. As other hon. Members have pointed out, Labour Members of Parliament were elected at the last election on a manifesto commitment to make the second Chamber more democratic and more representative. As several hon. Members have said this afternoon, that task still remains to be completed.

I pay tribute to the hon. Member for Nottingham, North (Mr. Allen), not just for his speech today, but for the single-minded way that he has worked to try to find practical and pragmatic ways in which we can move forward. However, my colleagues in both Houses and I do not believe that we can make real progress unless from now on we have a road map. It is not good enough to stick with the Bill that is to be published later this week.

As the hon. Member for Nottingham, North made clear, that legislation will provide a transitory solution, which will not be sustainable in the longer term. As a responsible and constructive Opposition, we therefore feel that unless we can clearly see the continuum and momentum thereafter, it would be wrong for us to support that Bill in its current form.

As the Minister will know, my colleagues and I have suggested to the Secretary of State that there should be not only that Bill, but a further draft Bill soon to cover the next stages. We cannot complete the process for this stage of the continuum unless we have that draft Bill for pre-legislative scrutiny now. By "now", I mean not next week, but certainly within the next few weeks, so that we can make real progress this Session—although, of course, that Bill could be carried over into the next Session.

I read the proceedings of a debate in this Chamber in which the hon. Member for Nottingham, North led on the issue of pre-legislative scrutiny. This issue is a classic

[Mr. Paul Tyler]

case in which that would help to narrow the options and to reach consensus between and within the parties as to the way forward that he and other hon. Members have been promoting this afternoon. Without that, the Government cannot rely on Liberal Democrat support to remove the remaining hereditaries.

The tinkering legislation that we expect to be published this week will almost certainly fail, either during consideration in Committee, which must take place on the Floor of the House because the measure is constitutional, or in the House of Lords. Without a road map, I believe that the Bill is doomed, in one House or another. I cannot believe that the Government, in the dying days of this Parliament, would try to use the Parliament Act to push through, against the other parties and some of their own Members, a temporary solution to what is a long-standing problem. I hope that the Secretary of State is listening to the Liberal Democrats because, as he knows, we may not have the swing votes on many issues in the House of Commons, but we often do in the other place, unreformed as it is.

The option of an all-appointed Chamber was the one major casualty of the parliamentary pile-up that occurred on 4 February last year. Although that vehicle was driven by the Lord Chancellor, with a co-driver from No. 10, it left the motorway with sensational results and disappeared out of sight. It would be ridiculous if the House of Commons were now to ignore that vote and, by voting through this temporary Bill without any promise of further reform, ended up with an all-appointed House.

Mr. Clelland: Does the hon. Gentleman agree that what was defeated was not necessarily the principle of appointment, but the status quo?

Mr. Tyler: I would not agree. It was quite clearly put to the House by the Leader of the House and by Members on both sides that an all-appointed option was not a goer—and it left the motorway.

I should also say in response to hon. Members who mentioned abolition that a unicameral system also disappeared without trace—that vehicle was a complete write-off. The only vehicles with some semblance of continued existence were those heading for a hybrid solution. I am not wedded to a figure of 60 or 80 per cent. All I am convinced of is that if we are to move forward, the Government must make a firm proposition for a form of election.

I support the view, which has been expressed during the debate, that we must examine the different forms of election. I say to the hon. Member for Tyne Bridge (Mr. Clelland) that that does not include the election of interest group representatives. That would take us back to 1832, as it is the legitimacy that supposedly existed for the pre-1832 Parliament in which the landowning interests were thought to be the only important sectional interests in the country that deserved representation.

I believe that Cornwall then had more seats than Lancashire. Indeed, in my constituency, Bossiney had a seat, which had previously been represented by Sir Francis Drake—one of my illustrious predecessors. That hardly constituted legitimacy or legitimate representation. Therefore, we must discard the idea that somehow democracy can be served by having a better system of appointment by different interest groups. I think that it was the right hon. Member for Richmond, Yorks (Mr. Hague) who said in the House that in this country talking of democratic appointment means election and anything else would be a misuse of the phrase.

We need to make real progress. I believe that there is good will in the Government. All the signs that we have seen in recent weeks from the Secretary of State for Constitutional Affairs—in this capacity he is the Secretary of State as far as I am concerned, rather than the Lord Chancellor— from No.10 and from the Leader of the House are that there is an opening now.

I endorse the comments made by the hon. Member for Nottingham, North that if we do not take this opportunity, it will be lost until after the general election. Imagine the situation if the three parties produce their manifestos for the next election with this issue unresolved and no progress made. It would be ludicrous. I say to the hon. Member for Beaconsfield (Mr. Grieve) that it would be a great irony if the Conservative party, which is split down the middle on the issue, were to occupy the moral high ground of being able to say to the Government, "Look, you are not doing anything like what was in your manifesto, as with all your other manifesto promises. Maybe you have torn them up." Surely we can persuade No. 10 and the Minister that this issue is something on which real progress can be made.

I turn to the issue of different forms of election. There is merit in examining the proposals that have come forward from Mr. Billy Bragg, and from hon. Members present, for some form of election that is different from that to the Commons. I have come round to the view of the different parts of the United Kingdom having some equality of representation. That would distinguish between the two Houses very effectively. If Cornwall were to become a region, I would expect 25 Members for Cornwall. Whatever the appropriate way to do it, there is merit, as in the American model, in giving precise regional and national representation in the second Chamber to distinguish it from the first.

We must recognise the fact that there is concern over primacy and supremacy in this House. I accept that, and it is why the votes last year must be taken into account. A Government who refuse to take note of the fact that the House of Commons voted against an all-appointed second Chamber—just as the vote went against its abolition—would be a Government who were trying to undermine the primacy and supremacy of the House of Commons. I do not believe that to be the case, so distinguishing between the two Houses is a helpful way forward.

I am convinced that Members from all parties will want to be involved in the process. The right way for that process to take place is within Parliament. We have had enough consultation papers; we have had enough royal commissions. It is time to have some concrete proposals to narrow the options down. Clearly, the option that I have referred to needs to be involved.

I have some doubt as to whether secondary mandate or indirect election is the precise description that we should adopt, because "mandate" implies a mandate

not just for the individual constituency representative, but for a Government. For that reason, I have concerns about the suggestion that there should be only one ballot paper and one vote, and that those should be counted for both purposes. Once someone is in a polling booth, there is merit in having two ballot papers, or two sections to the ballot paper, so that one would vote for the Government one wanted and the constituency Member on one paper, and for the second Chamber representative of the party on the other.

My speaking time is up. I am delighted that the debate has taken place this week because it gives the Government a great opportunity to come clean and tell us what they intend to do.

3.10 pm

Mr. Dominic Grieve (Beaconsfield) (Con): The length of the contribution of the hon. Member for North Cornwall (Mr. Tyler) does not suggest that there is a fixed view about the best way in which to approach the problem.

I congratulate the hon. Member for Nottingham, North (Mr. Allen) on securing the debate. I repeat that he has been assiduous, not only in respect of today's debate, but in promoting the reform of the second Chamber, something that he believes in passionately.

I start from the view expressed by the hon. Member for Ealing, Acton and Shepherd's Bush (Mr. Soley), who I am sorry to see has left the Chamber. In an intervention, he asked about the purpose of a second Chamber. It is obvious that it is not to achieve pure democracy. If we were in a state of pure democracy, we would be voting annually on whether to execute the Minister on the basis of whether he had succeeded in fulfilling his mandate and promises over the previous 12 months, which would be along the lines of the Athenian model. Mercifully, we do not do that.

We have parliamentary government. The democratic element introduced to it is the first-past-the-post system under which we are elected and the electorate's opportunity to express their view every five years. The purpose of the second Chamber is to revise and preserve freedoms, and freedom and democracy are not necessarily the same thing. Democrats can be oppressors just as much as tyrants. I start from that premise. Speaking personally, if we consider whether the present House of Lords and, for that matter, the House of Lords before the hereditary peers departed, has succeeded in fulfilling that purpose, it seems to me that is rather good at doing its job.

There is no overall majority in the second Chamber. There must be some movement among people of different political allegiances in coming together if the Government are to be defeated. As we have seen consistently during the past year or two, it has been successful in getting them to think again about important matters. Moreover, it is obvious to those who believe in a unicameral legislature that we do not have the time to carry out proper legislative scrutiny, let alone revision. The hon. Member for Nottingham, North, with whom I have had the pleasure of sitting on many a Committee, knows that the House of Commons is still not succeeding in properly scrutinising legislation. It would be disastrous to believe that we can wave a magic wand and make the second Chamber disappear.

Can the second Chamber be improved? At the outset of the last election, the Conservative party's commitment was to a mainly elected second Chamber. I suspect that that is the majority view within my party, although, as was rightly said, others hold different views, as they do on the Labour Benches. Indeed, a diverse view has been expressed this afternoon. There is a respectable argument for saying that we can have a wholly appointed second Chamber, although if we follow that route it will be difficult to justify current levels of prime ministerial patronage. Indeed, we would have to become reliant on something similar to a judicial appointments commission, such as a Lords appointments commission, set down with parameters enshrined in statute determining what it is supposed to do.

We could argue that such parameters would ensure that there was no overall majority, that the Chamber was broadly representative of the make-up of political parties nationally, and that there was an independent element. We could introduce other measures, such as a ceiling on the total number of Members of the House of Lords, allowing political parties to put forward their nominees without guaranteeing that they would be accepted, and setting a date for retirement from being an active Member. Those are perfectly logical suggestions. Another option is to have a broadly elected second Chamber. I shall return to that because it is important. The hon. Member for Nottingham, North put forward a variant of that proposal.

On the hybrid arrangements, I was a little surprised to hear the comments of the hon. Member for North Cornwall because it has always struck me, from both anecdotal conversation and what I heard in the House when we debated this last year, that a hybrid solution—having a substantial mix of elected and appointed people—is the option that commends itself to the fewest people. It raises enormous difficulties about the legitimacy of the appointed as against the elected element, and it would turn out to be undesirable. However, if we were to have a largely elected second Chamber, I can appreciate that there might be an argument for having a mechanism for introducing a very small top-up of independent appointees, or even of people co-opted by the House, to add certain areas of expertise.

Mr. Tyler: Will the hon. Gentleman give way?

Mr. Grieve: I will do so, but only briefly I hope.

Mr. Tyler: Does the hon. Gentleman recall that the majority of his colleagues voted for a hybrid second Chamber?

Mr. Grieve: The voting that took place in the Chamber was quite mysterious and illustrated the diversity of views. However, it is increasingly not my impression—certainly the more I look at the current make-up of our colleagues—that the hybrid option commends itself. Many Members of all parties might have taken some pleasure in voting for entirely contradictory options one after the other because they did not want any great progress to be made. The hon. Gentleman might want to speculate on that, or to look at the voting figures in that debate.

[Mr. Grieve]

I want to do justice to the hon. Member for Nottingham, North's contribution by addressing his proposal for indirect elections. I hope that he will forgive me if I deliver something of a critique. The proposal is perfectly reasonable because it protects the supremacy of the House of Commons. What bothers me, however, is that it is a recipe for a House of placemen. If there are closed lists, the people who are put on them will be entirely at the behest of the political parties who put them there.

I noted with interest the suggestion that parties might, with great generosity, hold primaries or have other systems, but I do not understand how Parliament can impose that on them. My experience of politics suggests to me that if parties are left to their own devices there will be closed lists, with the most loyal placemen rewarded with a position at the top.

We will end up with an unsatisfactory solution if we pursue that route. Although it fulfils the hon. Gentleman's objective, which I share, of providing a greater degree of public choice, it also withdraws that because when closed lists are introduced the public have no choice. We know from European elections that that lack of choice is reflected in low turnouts. When people come to vote on election day and they put their cross next to the person they want to elect as their MP, they will not pay a blind bit of notice to the list or to who is going into the upper House, or whatever we happen to call it. The electors will then complain that those people are unrepresentative of their views, and those people who have been elected will know that they are beholden to no one except their political party for putting them back on top of the list when the next election comes around. That is the reason for my rooted objection to the proposal.

I was interested to hear what the hon. Member for Tyne Bridge (Mr. Clelland) had to say. He had another model: corporate representation by groups within society that are regarded as stakeholders which elect their representatives to Parliament. That is the original fascist model. I hope that he will forgive me for saying that, as I do not mean it pejoratively. That model survives in one country in particular—the Republic of Ireland. When it was set up there in the 1920s it had some vaguely fascist affinities. Irish people might be embarrassed to realise that. His proposal is not completely idiotic, but it does introduce a sclerosis, because who chooses those groups?

We must give the subject careful consideration. I think that we could go for a form of direct election, but there must be straightforward accountability, with constituencies or at least counties returning a certain number of people and identifiable individuals being sent to Parliament to serve. I would decouple that from the general election process. I would have a separate system involving rotation, with one third coming up for election at different intervals. That model commends itself to me quite a lot. Alternatively, if we cannot do that, for goodness' sake let us get rid of prime ministerial patronage and at least have an appointed second Chamber that is not seen as consisting entirely of the Prime Minister's henchmen.

3.20 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): I congratulate my hon. Friend the Member for Nottingham, North (Mr. Allen) on securing this important debate. He made a thoughtful, constructive and detailed contribution on many seemingly intractable issues, and I appreciate the points that he made. Having heard the contribution made by the hon. Member for Beaconsfield (Mr. Grieve), I am not sure exactly what Conservative party policy is, but perhaps a longer conversation with him will elucidate that.

Obviously, many hon. Members referred to what happened last February. My hon. Friend the Member for Nottingham, North called it a six-way car wreckage. I am not sure that I would characterise it as such, but in any case there was a failure to record a majority in favour of any option. Some have speculated as to the motives of those who voted. As the Joint Committee has suggested, perhaps the multiple choice system that sought to break down the proportion of elected versus appointed Members was not the best approach to take.

I suspect that there are other routes towards finding consensus and forming a final view on what our second Chamber should look like. Many ideas about those potential routes have had an airing today. There is no doubt that there are significant flaws in the current system. The events of last February significantly changed the landscape of where we stand, and a Bill making a variety of proposals will be published shortly. We cannot, for example, continue to have a hereditary element in our second Chamber. That is simply intolerable. Surely all people with democratic instincts see that as the most obvious point. We have recently seen a small number of hereditary peers selecting another hereditary peer to represent them. I would not call it an election; I would call it a selection. How long can such a system be sustainable? Choosing from hereditary peers who have had experience in the second Chamber is one thing, but choosing hereditary peers who have had nothing to do with the second Chamber takes us into particularly difficult circumstances.

We have an Appointments Commission process, but on a non-statutory and informal basis. It is a matter of policy, not statutory law. Again, there are disadvantages to that situation, given its impermanence. I hope that the current Bill will stabilise the second Chamber, remove hereditary peers, put the Appointments Commission on a statutory footing, introduce rules for disqualification and allow peers to resign their membership without resigning their peerage. Nothing in that Bill need block off any road towards further reform. Nothing in the package is designed to lead to the entrenchment of the current system. We want to keep the route open for further ideas and we intend to keep working on reform.

I hope that one benefit of this debate will be that we can begin to forge a consensus on a solution that will spread across as many different political parties and corners of parties as possible. The Secretary of State said in the introduction to the consultation paper that we issued last September that

"there is more to be done on Lords reform ... Parliament is clearly divided",

but we hope that we can now shape a consensus on the way forward.

I should like to comment on several important contributions that were made today. First, there was the idea that there could be a regional component in the composition of a future second Chamber and that regionalism could be part of the reform process. Regional identity is becoming increasingly important in our country. Referendums are occurring in October for the three northern regions, and this country has a strong tradition of local democracy elsewhere too. Regions form the basis of many different aspects of our life not only in economic, development and planning terms, but in our representation in the European Parliament. I believe that, if that proposal were developed more thoroughly, regions could have a number of advantages as the basis for membership to a second Chamber. They could provide a different but none the less geographical focus for Members' interests, and they would provide a sufficiently broad base not to undermine the position of constituency Members of Parliament as the primary form of democratic representation in Parliament.

It is also important to comment on a second related aspect, which was clearly brought out by my hon. Friends the Members for Nottingham, North, for Wellingborough (Mr. Stinchcombe), and Tyne Bridge (Mr. Clelland) and other colleagues—the route of indirect elections, which can take several different forms. The idea of the secondary mandate has been floated not only by the royal commission, but by Mr. Billy Bragg, who is to be commended for putting this proposal into an easily obtainable form. Today, the Fabian Society is holding a debate in this very Chamber, and it will be interesting to see how that develops.

It is feasible to consider indirect elections as a way forward. They are used in many other democracies across the world, including in European countries. Germany has a particular system and France has an electoral college. Indirect elections can serve purposes that direct elections cannot. They can contribute to establishing a proper hierarchy among the institutions of Parliament. They are pertinent to precisely the arguments over which we are wrestling with the House of Lords, and they deserve a much fuller examination.

There will be a number of deep-seated problems if we stick to the approach of fully elected versus fully appointed, and my hon. Friend the Member for Tyne Bridge mentioned many of them in his contribution. There is the idea of the Commons' supremacy and how we deal with that issue if people feel that an elected component undermines it. That supremacy is cherished, and there is widespread consensus that we need to preserve it. The Government understand those concerns, and we must face up to the fact that a fully elected second Chamber might not automatically defer to the elected House of Commons. There must be a proper understanding of what its roles and functions would be and of the extent to which it could refuse to agree to legislation to which this House had agreed.

Other questions have been raised about diversity of representation. What added value is brought by the second Chamber? Again, some of the questions about hybridity are important; they cannot be dismissed and need to be thought through carefully.

Unicameralism was an option that arose last February, and it was defeated, but I sensed from the hon. Member for St. Ives (Andrew George) in one of his interventions about the point of a second Chamber that there were questions about whether we need to continue with it. I suspect that that is a debate for another day. We want to see further moves. A Joint Committee is important, and I earnestly appeal to other parties to consider taking part in it to drive forward the consensus in the long term.

The key to the issue is finding a way of reconciling the Commons' supremacy with a more legitimate revising Chamber of Parliament. We can find ways forward, and I hope that all hon. Members and all parties share a belief in that entirely reasonable and feasible prospect. I look forward to the debate continuing in that manner.

Iraq

3.30 pm

Mr. David Stewart (Inverness, East, Nairn and Lochaber) (Lab): I am pleased to have the opportunity to make the case for debt relief for Iraq. Reconstruction of Iraq is one of the most important issues facing the international community. Nye Bevan once said that

"socialism if anything is a crusade";

I believe that debt relief is also a crusade.

My involvement with this issue is twofold. First, I have been committed since my election in 1997 to the Jubilee 2000 campaign, and thoroughly support and praise all the individuals, the non-governmental organisations and the Churches that have lobbied for decades for the cancellation of unpayable developing world debt. I also support Jubilee Iraq and Oxfam, which have campaigned specifically for debt relief for Iraq. Secondly, on a personal front, I had the opportunity in September, through the armed forces parliamentary scheme, to spend three days in Basra, where I met Royal Air Force personnel and ordinary Iraqis, so I have some first-hand experience of the state of that country. There is clearly a great need for infrastructural growth and for new work to go into central services to promote sustainable development in Iraq.

I should like to share one word-picture with the Committee. Near the end of my time in Basra, some of the RAF officers and I left the secure compound to go just outside the gates. We were dressed in body armour and camouflage fatigues, and as I walked out of the gate, I passed a bus-load of young Iraqi children entering the base. I was not sure what sort of response we would receive, as they obviously considered us all soldiers. In fact, the response was immediate and unanimous: every single one gave us a thumbs-up sign. Some cynics might say that they could have presented another sign to us, but it was quite gratifying to me because they saw that having armed forces there was not just about the military aspect, but about breaking away from Saddam towards reconstruction.

I strongly believe that the Iraqi people will be free from Saddam's legacy only when we can break the chains of debt that he created. How do we do that? Iraq needs the oxygen of economic growth to tackle its shocking poverty. We need to improve employment rates, standards of public service, health and education. Of course, the international community understands that: it is committed to provide about $32 billion of aid to Iraq to rebuild the cities, towns and villages, and to create the climate in which to grow new jobs. The Madrid conference in October 2003 was a good step towards Iraq's recovery. However, Iraq continues to be crippled by unsustainable debt, which threatens to undermine reconstruction efforts. Iraq's debt is not practically repayable: repayment would effectively involve the next 20 years of Iraq's oil revenues. That would mean less money for hospitals, schools and sanitation in a country that is desperate to rebuild.

I am aware, of course, that Iraq has potentially the world's second biggest oil revenues, but that is not much comfort to ordinary Iraqis, who earn about $2 a day. International assistance, not least from the United Kingdom, will have a central role in Iraq's reconstruction. The danger is that creditors' demands will lead to over-dependence on aid. In his classic analysis of the treaty of Versailles, "The Economic Consequences of the Peace", John Maynard Keynes wrote:

"By fixing the reparations payments well within Germany's capacity to pay, we make possible the renewal of hope and enterprise within her territory."

If debt repayments and reparations—the other important factor—continue to be required of Iraq, the country will have to pay out a large proportion of the aid that it is receiving, which will mean that plans to reduce poverty and rebuild the country will be seriously compromised. Beyond that, I believe that there are moral and legal grounds on which to justify the cancellation of Iraq's outstanding debts, enabling its full recovery. The truth is simply that Saddam never spent the money that he received from creditors for the benefit of his people. Ordinary Iraqis had no say. Iraq's debts were accrued under Saddam Hussein for his purposes only. Why should Iraqi people repay a debt accumulated by a tyrannical regime, which borrowed from creditors that lent to Saddam with their eyes open? Surely, with the fall of the dictatorship, Saddam's debts should be wiped out to enable Iraqis, who gained nothing from Saddam's spending, to start afresh. Thus, I call for debt relief for Iraq on the basis that the loans were odious and the debts are illegitimate. Put simply by Mohammed Kamil, of the Iraqi Prospect Organisation:

"When Saddam executed people, he used to charge their families for the bullets used—this is what the creditor countries who financed Saddam are asking of Iraqis today."

The principle of odious debt is important. It is borrowing that is undertaken by a regime without the consent of the people and not spent for the benefit of the people. The doctrine of odious debt goes back to 1927, when it was developed by the Russian lawyer, Alexander Sack. More recently the International Development Committee referred to it in its report on debt relief. Oxfam argues a specific point. It says that what is needed is an internationally agreed framework to deal with odious debt as it arises. It proposes an independent, UN panel of economists—the analogy could be made with our Monetary Policy Committee—to rule on the legitimacy of Iraq's debt. Will the Minister respond to that in his summing up? That seems to be a sensible, constructive idea worth supporting.

Let me take the Chamber back in time to 1979 when Iraq had $36 billion of cash reserves and no foreign debt. Over the past 24 years, under Saddam's rule, Iraq fought three wars, suffered 13 years of sanctions, and has suffered gross state mismanagement of the economy and human rights abuses. Three million people have died and infant mortality has doubled in just over a decade. Average incomes have fallen from $9,000 to as little as $200 a year. The World Food Programme reports that one fifth of Iraq's central and southern population is chronically poor, and unemployment in some areas reaches 50 per cent. The Iraqi people have clearly gained nothing from Saddam's rule.

Estimates vary, but the Government's estimate is that Iraq owes about $120 billion of debt and $80 billion in reparations and compensation payments, particularly to Kuwait. Therefore, each Iraqi owes about $11,000, despite the average income being as low as $2 a day. The

Gulf states and western and former Soviet countries provided export credit. Some of that funded arms; some funded non-military purchases. It enabled Saddam to channel his oil revenues into the oppression of his people and increased military spending. Under the previous Administration, Britain provided about £623 million, but the overall figure is now estimated to be about £1 billion if interest payments are also taken into account.

I put on record my thanks to the Chancellor for the positive work that he has done generally on debt relief, which I recognise and welcome. With regard to Iraq, some progress has been made in the past 10 months in measuring the scale of the debt and obtaining agreements from most creditor countries that, in principle, debt should be reduced.

Nick Harvey (North Devon) (LD): The hon. Gentleman just quantified the Iraqi debt to the UK as about £1 billion. The UK has pledged just over £500 million to Iraq for assistance with its recovery, which is most welcome and I echo the words of the hon. Gentleman in drawing our attention to that. However, does that contrast not highlight the problem? The UK has pledged £500 million but is owed £1 billion. The UK could give a great example to others if we were to face up to the sheer illogicality of that and wipe out that debt.

Mr. Stewart: I thank the hon. Gentleman for his contribution; I know that he has a great interest in the subject and has worked very hard on debt relief issues. There is a danger of giving with one hand and taking back with the other. That is a good point. I am just about to touch on the Paris Club and the International Monetary Fund.

As hon. Members will be aware, debt relief to Iraq is at present being tackled through the IMF and the Paris Club, which are looking at restructuring initiatives. As I understand it, the scenario is for two-thirds debt "forgiveness", which will leave Iraq with at least $40 billion still to pay. There are some worries about that, because the Paris Club conditions—that is the list of creditors, effectively—depend on what it calls economic "conditionalities". That may mean, for example, the privatisation of a lot of Iraqi industry. There are big issues involved about the ultimate independence of Iraq.

Professor Rowat of Birmingham university said:

"If the new government inherits a heavy debt load, it will have fewer carrots to spend on establishing its legitimacy, leaving it to rely on sticks".

Although I welcome the move of the IMF and the Paris Club, the fundamental issue of the illegitimacy of the debts has not been properly addressed. If the loans are odious, surely there is a strong argument for not simply restructuring but cancelling them altogether. No debt has yet been written off, but the Paris Club has agreed a comprehensive treatment of Iraq's debt by the end of the year to give a fully rounded picture. No arrears of debt are currently being sought, as I understand it.

I welcome the Evian report, which, under the Paris Club arrangements, is looking to adopt longer term solutions for countries with serious debt. Again, that appears to be sensible. The Government have pledged to ensure a fair and sustainable solution to Iraq's debts, but surely, in the disagreement between Iraqi people and the creditor nations over the legitimacy of Iraq's debts, the only fair way forward is through the process of arbitration.

In conclusion, my hope is for a future in which a democratic Iraqi Government work with the international community to rebuild and reconstruct their country, which has been shattered by wars and strangled by Saddam's oppressive regimes. Iraq is a country of stark contrasts: on the one hand, there was fabulous wealth, privilege and palaces for Saddam's inner circle; on the other, there was the poverty, starvation and torture endured by ordinary Iraqis.

My call is for a cancellation of odious debt, an independent UN panel of economists to rule on the legitimacy of Iraq's debt, and debt negotiations that are fair, with a strong Iraqi voice. That will give ordinary Iraqi men and women such as those I met in Basra the opportunity to win the peace.

3.42 pm

The Economic Secretary to the Treasury (John Healey): I congratulate my hon. Friend the Member for Inverness, East, Nairn and Lochaber (Mr. Stewart) on securing this debate and on the way in which he presented his case. His speech was not only heartfelt and passionate, but widely referenced, well informed and erudite, reflecting his long-standing interest in issues of debt and development, and his active interest in Iraq. As he said, in September, he and the hon. Member for Huntingdon (Mr. Djanogly) were among the first Back-Bench Members of this House, Mr. Cook, who—

Mr. Frank Cook (in the Chair): Order. I would be remiss in my responsibilities if I did not call the attention of the House to the fact that, in this Chair, the title of the first three members of the Chairman's Panel is Deputy Speaker.

John Healey: Mr Deputy Speaker, I seek—

Mr. Frank Cook (in the Chair): That is okay; just continue.

John Healey: I have not paid you due respect, and I apologise.

I was commending my hon. Friend the Member for Inverness, East, Nairn and Lochaber for the commitment and interest that he has shown in Iraq, particularly as in quite early days, he and the hon. Member for Huntingdon were among the first Back-Bench Members of this House to stay in Basra as part of the armed forces parliamentary scheme.

My hon. Friend raised the issue of debt relief with my right hon. Friend the Chancellor at the most recent Treasury questions. As my hon. Friend has said, the question of Iraqi debt is one of the most important international issues facing us today. I welcome the chance to debate his concerns more fully than was possible at that Question Time.

I welcome, as the Government do, the wider Jubilee debt campaign to cut the debts of the poorest countries around the world. My hon. Friend has also recognised the role that the campaign, other charities and Church groups have played, which has been tremendously important in shifting international opinion on the issue.

I hope that my hon. Friend will be reassured to know that the UK Government have made it clear that our goal is a fair and sustainable solution to Iraq's debt

[John Healey]

problems, although that is just one essential element in our overall aim of helping Iraq back on to the road of long-term peace and prosperity.

Iraq should be a wealthy country. It has the second greatest oil reserves in the world—some 110 billion barrels. However, as my hon. Friend so vividly explained, because of Saddam Hussein's tyranny, wars and mismanagement, Iraq's people are now desperately poor. The population has an average income per head of only $500 a year, which, as was said, is less than $2 a day. That is particularly depressing when we consider that more than 20 years ago, its per capita income was $3,600 a year.

On a more optimistic note, however, Iraq's abundant human and natural resources offer the potential for a rapid return to relative prosperity if the right conditions are created in the short and medium term. In order to access its potential wealth, Iraq needs to have in place the right economic conditions and institutions, which is why the Department for International Development's objectives for the next two years are to support economic growth, bring about effective and accountable governance and encourage much greater social and political cohesion and stability.

My hon. Friend is right: to achieve that objective, Iraq's debts must be brought back to sustainable levels so that it can start to invest and grow again. He is also right about the scale of the challenge, and his figures are correct too. Iraq's debt to the international community currently stands at about $120 billion. As the UK Government have already made clear, our view is that creditors will have to write off the vast majority of Iraq's debt to restore economic stability. I say to the hon. Member for North Devon (Nick Harvey), whose intervention I also welcome, that the Government stand ready to make a full commitment to do so.

I must say to my hon. Friend the Member for Inverness, East, Nairn and Lochaber that we believe that the most effective way to deliver that commitment is through the Paris Club, which has already announced that it intends to agree a comprehensive treatment of Iraq's debt problem by the end of 2004. We will then work with the international community to ensure that other creditors offer comparable treatment. The plan is to deal with the debt under the Paris Club's new Evian approach, which he welcome and endorsed this afternoon. In our view, that approach offers a long-term solution for countries with the most serious debt problems, including debt reduction where the need is clearly demonstrated.

The Paris Club is the only forum in which major creditor countries work together to negotiate fair and sustainable debt treatments in a timely manner, drawing on assessments of needs, resources and obligations from the International Monetary Fund, the World Bank and other responsible international organisations. My hon. Friend may be aware that preparations are now well advanced and that we hope to see a solution in the Paris Club following the transfer of power to a transitional authority in Iraq. In the meantime, I can confirm to him and the House that the UK will seek no repayment of debts.

Let me also be clear about the scale and nature of Iraq's debts to the UK Government. The Export Credits Guarantee Department has unrecovered claims of £623 million arising from insured commercial export contracts with Iraq signed prior to the first Gulf conflict in 1991. With interest, that figure could increase up to about £1.15 billion. Of those claims, only a small fraction—about £26 million—relates to defence cases, all of which had export licences from the Department of Trade and Industry and none of which directly involved arms.

The ECGD can provide insurance on repayment risk, the premiums for which are based on the risk of default. It is important to stress that under the business principles introduced in 2000 by this Government, the ECGD now carries out rigorous environmental and social impact assessments of its cover decisions. For the poorest countries, the ECGD would issue guarantees only if the project contributed to the social and economic development of the country and did not lead or add to an unsustainable debt burden.

I recognise that many argue the case for an automatic 100 per cent. write-off of debt and that they do so, as my hon. Friend has this afternoon, on the basis of the Iraqi people's suffering under Saddam Hussein's regime. We expect the vast majority of Iraq's debts to be written off. Our aim is a settlement that will bring Iraq back to debt sustainability so that it can invest and grow again.

In the long term, however, Iraq is not comparable to the poorest countries of the world that are granted debt relief under the heavily indebted poor countries initiative. Although Iraq is extremely poor now, as my hon. Friend has pointed out in the past and as I have tried to underline this afternoon, in the long term, its prospects for prosperity are good. It has the second largest oil reserves to draw on.

Any further debt relief beyond what is needed to make Iraq sustainable has to be considered against the country's other pressing needs: humanitarian relief and reconstruction. The Government have worked very actively to promote understanding of Iraq's needs in the international community. We have keenly supported the US presidential envoy James Baker. During recent months, his work has led to the building up of a G7 consensus that there should be substantial debt reduction for Iraq in the Paris Club this year. He has also persuaded several other large creditors to commit themselves to grant substantial debt reduction as part of the $32 billion pledged towards Iraq's reconstruction needs at the Madrid donors conference in October. That includes the Saudis and the Kuwaitis, who together hold more than 30 per cent. of claims on Iraq. The work is ongoing, and the UK actively participates and contributes financially. Our total reconstruction commitment in Iraq since April 2003 now stands at £544 million.

I now turn to the matter of odious debt, which my hon. Friend dwelt on in his speech. I understand the moral concerns that underlie that concept. The Government believe that the most appropriate response to such moral arguments is to ensure that Iraq is in the best possible position to support its people now and in the long term. That means that we must focus on pragmatic and practical means that can deliver a sustainable debt solution. As he will be aware, there are thousands of individual debts and it is not practicable to

go through them one by one. To do so would plunge the Iraqi people into a legal minefield and damage the prospects of finding a long-term, sustainable solution. There are also serious concerns about the workability of odious debt as a legal concept and the impact on other developing countries' ability to raise much-needed finance.

We believe that the multilateral process that we are supporting will lead to the writing off of the vast majority of Iraq's debt in the shortest possible time. We would welcome the involvement of the UN as an observer in that process. The Government also share the concern expressed by many groups, including Oxfam and some with which my hon. Friend is well connected, that we should work together to ensure that developing countries do not build up unsustainable debts in the future.

Mr. Michael Connarty (Falkirk, East) (Lab): I hoped that my hon. Friend would move on to talk about the individual components of the debt. Just before the conflict began, I went to the Kurdish enclave in the north. I took Foreign Office information about the £1 million a day it was costing the allies to keep the no-fly zone in place. Will the Minister give an assurance that when we add up the debt owed by Iraq, we will not charge the cost of that no-fly zone policy to the Iraqi people, and through them to the Kurdish people in Iraq?

John Healey: I welcome my hon. Friend's intervention and the expertise and interest that he brings to this debate, but he may have missed my point that the UK Government, at this stage in the process of preparing to take decisions about the amount of debt that we should write off as a country through the Paris Club process, will in the meantime require no repayments of existing debt.

With regard to the importance of the institutions and interest groups that want a long-term solution and a return to prosperity in Iraq, the Government welcome the work of the IMF and the World Bank on debt sustainability in low-income countries, which we expect to be completed over the coming months.

In conclusion, I should like to stress that the Government's overall aim is a peaceful and prosperous Iraq. That requires actions and commitment on many fronts, including debt relief. Finding a sustainable solution to Iraq's debt problems, essential though it certainly is, should be seen as only one part of our efforts towards that end.

I am keen to draw this debate to a conclusion on a more positive note, despite the scale of the challenges that are undoubtedly faced in Iraq. I say to my hon. Friend the Member for Inverness, East, Nairn and Lochaber that he will know from his practical experience in Iraq that progress is being made. He touched on it himself: the coalition has launched more than 17,000 reconstruction projects; food distribution systems were restored soon after the conflict; almost all the 240 hospitals in Iraq are functioning; water and sanitation projects are providing cleaner water; schools across the country reopened in October; and power supply surpassed pre-war levels in October. Against this background, the UK's commitment and work to help Iraq will continue. If the right measures are taken now and the economy is able to grow, Iraq's human capital and oil reserves should enable it to meet its future needs without significant external grant assistance.

As my right hon. Friend the Prime Minister said in the House earlier this month:

"The people are free, and Iraq—a nation of immense history and deepest culture—is no longer a pariah, with its people enslaved. It is now a country with some hope for the future in its heart."—[*Official Report*, 4 February 2004; Vol. 417, c. 782.]

We recognise that we have a big role and responsibility to help nourish that hope, and debt relief will certainly play a central part in that.

School Funding (Guildford)

Sue Doughty (Guildford) (LD): I am most grateful for the opportunity to put to the Minister some of the problems in schools in the Guildford area. I pay tribute to the schools in my constituency. Each and every one has dedicated, strongly committed staff who deliver good education. The problem is that good schools are faced with difficulties in meeting the Government's financial controls and in dealing with their impact. I believe that the Government still fail to recognise the problems caused by the funding crisis of 2003–04, which has continued into the following year.

We are not a poor area, but low funding is causing major difficulties in meeting the requirements set by the Government. We run the risk of undoing good work, which the Government asked of our schools and which they worked so hard to deliver. Locally, the high cost of living, of which the Minister is well aware, is producing recruitment and retention challenges and driving up costs, as is the proximity to London schools, where teachers qualify for an extra £2,000 in allowances.

In Guildford, new teachers do not start at the bottom of the pay scale, as that would make it impossible to recruit. The problem of the bottom of the scale was ignored by the Government in their financial plans. Like schools across the country, the schools in my constituency were forced to plan for deficit budgets and cuts in staffing. More than 80 per cent. of Surrey schools project in-year deficits for 2003–04, and a sample survey by Surrey showed that 125 full-time equivalent posts have been lost.

The impact on total balances for schools in Surrey is a projected reduction of £12 million, which would bring balances down to about £3 million. That is unsustainable.

Mr. Nick Hawkins (Surrey Heath) (Con): As the hon. Lady is aware, the southern part of my constituency is also in Guildford borough. I share her concerns, expressed on behalf of local schools, including the very successful Ash Manor secondary school, whose headmaster, Bob Linnell, is one of the leaders of secondary heads in Surrey. All of us in Surrey have had the problems that she talks about. Does she agree that local education authorities such as Surrey county council, which is well led by Dr. Paul Gray, are doing an excellent job in trying to support schools, despite the difficulty caused by the lack of funding from the Labour Government?

Sue Doughty: I thank the hon. Gentleman for his intervention. I have no problem in agreeing with him about the excellent work that is done by the department and by the director of education and children's services. However, it is like pushing rocks uphill.

The precise impact of next year's formula settlement is not known but it is expected to increase the budget by about 5 per cent. There will be the protection of a 4 per cent. minimum per pupil funding guarantee and the Government have diverted additional funding to education, so the 2004–05 settlement will produce between 1 per cent. and 1.5 per cent. of additional resources above inflation. That will translate into an additional £3.5 million to £5 million maximum in the Surrey schools' funding pot. It means that a minority of schools that successfully balance their budgets in 2003–04 may have a real terms increase, but it is insufficient to tackle the cost pressures that resulted in the cull of £12 million from balances.

The county council is facing growing pressures across all services. Demographic changes in adult services such as those for older people are resulting in the need for further care packages and independent care, the cost of which I have raised before in the House.

Children's social care is getting more expensive because there are increasing numbers of looked-after children and a lack of foster carers, and high council tax rises to pay for it are not an option. The scope for the county council to find additional funding for schools is therefore severely restricted in 2004–05. The Department for Education and Skills has acknowledged its responsibility for the funding crisis of 2003–04, but it concedes only to having moved too fast in its reforms, which gives us no real hope of change, especially in the hard-pressed local authority.

New regulations restrict the budget increase that local education authorities can make to centrally managed school functions, such as those involving the education of pupils with special educational needs and early-years education. Pressures on those budgets are immense following new statutory duties placed on local education authorities for the education of sick children, for example, and the rising cost of placements for pupils in independent and out-of-county settings. In my constituency surgeries, I regularly meet families who are desperate to get the right education for their children, for whom there is no decent funding. Will the Minister tell me where the money is supposed to come from to provide fair treatment for the disadvantaged?

The Government responded to the crisis by adopting a stability-before-equity policy for 2004–05 funding and are seeking to target funding to schools and LEAs in difficulty. Surrey did not qualify for transitional support grant, so that was one opportunity gone. The second approach suggested by the Government was for Surrey to target additional funding to schools in financial difficulty from within its total schools budget, which top-slices the funding for all other schools. Surrey consulted its schools forum and decided not to undertake targeted funding in 2003–04, as more than 80 per cent. are predicting in-year deficits. There is no room to achieve stability before equity.

Despite Government reassurances, schools in my constituency are facing considerable challenges, which will not be fully funded—for example, work force reform and teachers' upper pay scale 3. Problems have already been caused by UPS2 being funded at only 60 per cent., and UPS3 is around the corner. Again, the Government have made reassuring sounds but they have no clarity. Will the Minister tell me whether the Government are going to fund UPS3 in full, or, if not, how much of it they will fund? In the race for funding, we know that Surrey is never going to be a major winner.

In 2003–04, the Department encouraged local authorities to license school deficits and to approve the use of formula capital for ongoing running costs, but in recent months there has been a noticeable change in approach, with heads' ability to manage school budgets

being called into question by the Department and the introduction of training for school managers in running schools with declining funds. In Surrey, those managers have been doing a tough job for years. Does the Minister really believe that the shortfall in funding is coming from poor management?

In view of external audit concerns regarding the low projected level of schools' balances, the county is seeking in-year balance budgets from schools in 2004–05. It is a hardline approach. It appears that there is a lack of recognition of the difficulty that that will bring to many schools. Surrey has had to recognise the concerns of some heads that, if they make difficult decisions, they may end up subsidising the schools that cannot. A deficit in any school could ultimately result in the top-slicing of all schools' budgets, either to write off a deficit if a school has to close, or in response to departmental targeting requirements.

Schools are taking a deep interest in this debate and many have been in touch with me. They point out other aspects of their experience. A chair of governors has pointed out that they are performing a management skill. They are eking out the money. They are spending the time. We are paying school managers to spend their time finding savings here and extra money there. We are investing merely to try to plug the gaps. Our heads expect to manage, but spend a disproportionate amount of time on trying to balance books. Managing a deficit budget is a headache and one for which there is little remedy.

A local head said to me:

"We have done everything that is asked of us. We have implemented the workforce reform agreement but with no funding. Funding doesn't meet inflation."

He has cut back wherever he can. He has cut back on his plans for improving the schools. He is scraping even to get on with basic repairs and emergency repairs. Now his only hope is to lose a specialist music teacher. I should like the Minister to see the music work that is done at that school to understand the loss that that would be.

We have the problem that as teachers and teaching assistants move up the experience scale they get more expensive. The Minister is aware of our problems in retaining teachers. We want to retain these people. We have got to the stage in Surrey where as teaching assistants move up the salary scale they have to take a drop in hours if the books are to be balanced. As teachers move up the pay scale, more money is needed and they have no idea what will happen when teachers reach the top.

Decisions have to be based on finance and not on educational reasons. The chair of governors of a school that had a really good Ofsted report wrote to me:

"As a governing body it is fair to say that we are desperately disappointed that we have had to cut back in numerous areas of spending this year in order to reduce a deficit budget which has arisen due to a rise in income which continues to bear no relation to the much deserved increase in teachers salaries and employment costs over which we have no control. We have made these cuts in relation to our discretionary spending on various resources, curriculum, property maintenance etc but this spending is at embarrassingly low levels and certainly not something which we could continue to repeat in future years. We have not made any redundancies in our already cut back staffing as we feel that this would really impact upon our children's quality of education.

As a businessman I completely approve of keeping things tight—but not to the point of strangulation. Listening to the government is like living in a different world—I wish they would come down to the pit face and explain to my governing body that, contrary to our governors perceptions, our school is fortunate to have been so well funded this year and next. This just doesn't wash!!

We are living off our reserves and when they run out—well it will be interesting to see how things move on from there. At the moment 2005/2006 and onwards is very worrying indeed."

He also points that school governors are volunteers who become governors in order to run an efficient school to the benefit of the community. They are there to serve the community and the school and not just to wield the knife on behalf of the Government.

Ewhurst school in my constituency has no staff room for non-contact time for its teachers. It is not acceptable that, in this day and age, teachers spend non-contact time on a bench in a kitchenette. St. Thomas of Canterbury school is spending 91 per cent. of its budget on salaries, in common with many other schools that are way above the guidelines for salary spend. The recommended level is 80 per cent., but only three schools in the whole of Surrey have gone below that figure. When we reach 90 per cent. on pay and pay costs, the situation is desperate.

Money for in-service training is a joke in our schools, yet they, like others, need to plan for refurbishment. Schools need to make improvements. They need to spend on information, communications and technology. The schools can raise funds, but that is such a distraction from their core business of teaching kids.

Mr. Hawkins: Does the hon. Lady agree that, when she meets the heads of schools in the primary sector, one of their main worries, in addition to the shortage of funds to which she correctly referred, is the immense burden placed on heads, teachers and governors—especially on heads and governors—just to deal with the huge tide of paperwork, circulars and ring binders full of advice that they have statutory obligations to read, which churn out of the Minister's Department? Each head whom I have met during the past seven years has said that the burden is enormous and that the huge tide of paper coming from the Labour Government must be stopped.

Sue Doughty: I thank the hon. Gentleman for his intervention. It is right to pay tribute to the people who are handling such enormous problems. It is way beyond what they signed up to, what they wanted to give their personal commitment to and put their lives into—the service of our communities and schools.

I draw the Minister's attention to the problems experienced by infant schools. They face a further hurdle. Children are not funded for full-time places until the term in which they are five years old. Schools must find the money for spring and summer-borns who are in full-time school before their fifth birthday. Will the Minister consider such discrimination in infant schools?

I wish to highlight a further comment by a Guildford head teacher, because our governors and teachers tell the same story. In a long letter to me, he said:

"By September 2005 we are looking at having to provide our teachers with 10 per cent. PPA non contact time. To achieve this we would have to appoint 1.4 Full Time Equivalent of a teacher.

[Sue Doughty]

However, there is some scope in the regulations to use Teacher Assistants to take classes instead of a teacher to achieve the PPA time. My teaching staff are not keen on this approach, but needs may dictate that we have no other choice. In order to balance the budget last year we actually reduced the number of Teacher Assistant hours. Given that covering the PPA time with teachers is too expensive to be a likely solution, then Teacher Assistants would need to be trained to become Higher Level Teacher Assistants to be qualified to provide this role. One would expect that in the interim period namely next year, we would be increasing the number of TAs and providing them with training. Which brings us back to the budget."

In my closing remarks, I want to go back to the budget. Guildford is an economic powerhouse. As a nation, we need our kids to do well. As an MP, I want them to do well. We need them to thrive and to pay taxes to support the education system for the benefit of the country as a whole. Guildford is an area of investment for this country but my schools are being forced to go backwards against all the improvements that we have seen in education. We do not want gold plating. We just want fair treatment. Will the Minister promise to take the situation far more seriously?

4.14 pm

The Minister for School Standards (Mr. David Miliband): It is a pleasure to serve under your beneficent chairmanship again, Mr. Deputy Speaker.

I have discovered that hon. Members take two approaches to such debates. One is to seek out common ground, present a fair balance of the facts and find a sensible way forward. The alternative is to paint a picture of disaster and desolation and to try to impress on the audience the gravity of the situation, thereby achieving action. In my experience, the first approach is far more likely to be effective than the second. I am sorry that the hon. Member for Guildford (Sue Doughty) chose to paint such a black picture of the situation in Surrey.

I am pleased to have the opportunity to return to the issue of education funding in Surrey. I had a useful meeting with the hon. Member for Surrey Heath (Mr. Hawkins) and his colleagues, although unfortunately the hon. Member for Guildford was not able to attend. I understand that there have also been Adjournment debates on the subject, which were responded to by the Under-Secretary of State for Education and Skills, my hon. Friend the Member for Enfield, Southgate (Mr. Twigg).

One harmonious note from the hon. Member for Guildford was her word of congratulation in the first few seconds of her speech for the hard work done by teachers and pupils in Surrey. I am pleased to say that when she speaks of the hard work done by teachers, we can point to the increased number of teachers in Surrey. In 2003, there were 7,660 compared with 7,220 in January 1997. That is an extra 440 teachers, which is an increase of about 6 per cent. I am pleased that they have joined their 7,000 colleagues in working hard on behalf of local pupils.

Over the same period, the number of school support staff working in the county rose from 3,280 to 4,620. I am surprised that the hon. Lady was not able to refer to those statistics while painting her picture of the situation in the Surrey local education authority area. She might also have pointed out that the teacher vacancy rate is 1.1 per cent. I am happy to put on record my gratitude to the hard-working teachers and school leaders who have delivered significant improvements in education in Surrey.

In a non-partisan fashion, it is also important to place it on the record that the achievement of Surrey pupils in some ways reflects the high priority that Surrey county council puts on education, which was noted by Ofsted at the time of its last inspection. I shall address the funding challenges, but it is significant that results across all key stages in Surrey consistently exceed national averages, and the recently introduced comprehensive performance assessment mirrors that situation.

With regard to central Government funding, out of 150 authorities, Surrey is the 65th most generously funded. Between 1997–98 and 2004–05, our estimate is that Surrey's funding per pupil has increased in real terms from £2,820 to £3,540 per year. That is an increase of about £710, or 25 per cent. in real terms, or about £1,000 in cash terms. That does not include capital investment, to which the hon. Lady briefly referred. In 1996–97, capital funding in Surrey was £8.5 million. In 1997–98 it was £11.7 million, and by this year it was £49.3 million.

The system for devolving funds from the Department for Education and Skills to local education authorities works on the basis that we calculate the number of pupils, give top-ups to reflect extra need—for example, to account for pupils whose families are on income support or the working families tax credit—and then, where appropriate, recognise additional costs. Surrey is 146th out of 150 authorities in respect of percentage of pupils from families on income support and percentage of pupils from families in low-wage employment. Surrey is a prosperous county, although it has areas of deprivation that need to be targeted by the local formula chosen by local government.

The hon. Lady knows that responsibility for funding schools is shared between central Government and local government. Both raise funds for education, and both have formulas for the distribution of those funds. The Government's money goes to the local education authority, which then has a formula for its distribution to schools. If the hon. Lady has concerns about how deprivation in her constituency is recognised in Surrey local education authority's funding formula, she should take them up with the authority.

Mr. Hawkins: First, I am glad that the Minister paid tribute to what Surrey local education authority has done. I declare a personal interest, because my wife, Jenny, was vice-chairman of Surrey county council's education committee until 2001. I pay tribute to the work that she and her colleagues did, and that their successors have continued to do.

In the meeting that other Surrey colleagues and I had with the Minister, he recognised that Surrey has always passported on to schools more than the Government recommend in respect of central Government funding. That is a proud record. Does he not recognise that teachers get frustrated that the extra bureaucracy is taking up so much of their time and money?

Mr. Miliband: The hon. Gentleman was doing well until his last sentence. The passporting by Surrey has

met the basis set by the Government, but I was referring to the formula by which Surrey local education authority gives out money to different schools. In a large authority, that is obviously important. His allegation that the money is somehow swallowed in bureaucracy is belied by the fact that there are more teachers and support staff, all of whom are being paid more. That is the obvious explanation of where the money has gone. I thought he was going to refer to problems that he raised at the meeting, which are worth discussing.

Sue Doughty: I want to make a couple of points of clarification. I was surprised to hear the Minister say that I was not with my county colleagues at the meeting with him. I seem to remember that I was there. I see my Surrey colleague, the hon. Member for Surrey Heath, agreeing.

We are talking about the funding formula, and I hope that the Minister will address the overall situation. He will have heard me pay tribute to the schools, their excellent work and the improvements that they made at the Government's request. However, we have not addressed issues of deprivation. We are trying to sort out the Government's end of the formula, so I would be grateful if the Minister built on his discussions with me and my Surrey colleagues and addressed those points.

Mr. Miliband: If the hon. Lady says she was at the meeting, I do not doubt it. My notes said that she was not, but I am terribly sorry if I have misled the House and obviously I do not deny her memory of it.

In the summer, the Secretary of State set out the principles he would follow to restore confidence in the school funding system, and in late October he made an announcement on the approach that we are taking. He set out for the first time a guaranteed minimum increase in the budget of every school throughout the country, which will be 4 per cent. per pupil in 2004–05. The guarantee takes account of the unavoidable standstill cost pressures on school budgets, which we, with the National Association of Head Teachers and other teacher organisations, estimate to be 3.4 per cent. That is the first bit of headroom.

The hon. Lady said that she does not know what the increases are for Surrey next year. It is public knowledge that we have ensured that every local education authority will receive a guaranteed minimum funding increase of 5 per cent. per pupil, and Surrey's increase is above the average at 6.3 per cent. That gives further headroom for the authority. In addition, there is a package of transitional support for those authorities that had the lowest increase in 2003–04 and 2004–05.

We also discussed in our meeting the fact that certain schools have been hit hard by changes to the standards fund. The devolution of responsibility for the fund to local budgets was seen as good in theory on both sides of the House. It was urged on us by local government, but in practice it created particular problems in individual schools. The standstill that has been guaranteed for 2004–05 and 2005–06 in the operation of the standards fund gives welcome stability. Unlike the hon. Lady, I do not believe that that will be at the expense of equity. The standards fund is used on the basis of need, and it is right that we keep those funds for the next two years.

It is important that LEAs play their part in the process of delivering funding to schools, the passporting that the hon. Member for Surrey Heath mentioned and the attempts to limit central spend outside the individual schools budget so that the money goes through to the front line and resources are targeted to ensure that every school is helped to financial sustainability over the medium term.

Hon. Members should also remember the Chancellor's announcement of 10 December, which had a significant impact on school funding. He announced a further £317 million in the revenue support grant for 2004–05 for local authorities with education and social services functions. That is on top of the increases already announced in the provisional settlement. In the case of Surrey, the additional grant amounts to £7.3 million. That means that in 2004–05 the grant from central Government to Surrey county council will rise by 7.7 per cent., which is well above the rate of inflation.

The hon. Member for Guildford mentioned the fact that Surrey faces recruitment challenges because of its proximity to Greater London, and I do not deny that. Pay is not the only factor influencing teachers' decisions, but I was interested in her remark that the stability and experience of the Surrey teaching force mean that they have higher salaries. She will also know that newer staff have the fastest increase in salary on the main pay scale. Their salary rises once a year and those increases are worth between £1,000 and £1,500 an increment. On the upper pay scale, increases occur every two years. She is right to refer to the upper pay spine and I will refer to it briefly in a moment.

The funding formula that we have put in place is designed to be objective and reflect the relative needs of Surrey compared with those of other authorities. It tries to strike a proper balance between the basic funding and the top-ups that I referred to. The hon. Lady knows that Surrey benefits from additional funding through the area cost adjustment, which helps authorities with the highest staff recruitment and retention costs. Surrey's ACA factor is higher than that for those outer London authorities to the east of central London, but just below that for those to the west of central London. I am sure we could debate the size of that ACA—the hon. Lady may believe it should be bigger to reflect the recruitment challenges in Surrey—but I hope she recognises that it exists in the context of the current formula.

The hon. Lady also mentioned the work force agreement, and this academic year is the first year of its operation. Teachers will be relieved of the 24 administrative tasks, which will be passed on to teaching assistants. Next year, there will be a limit in respect of 38-hour cover and in 2005–06 there will be a limit of 10 per cent. in respect of preparation, planning and assessment time.

We have made it clear—most teacher organisations would support this—that work force reform involves the use of the whole budget, not just a marginal part. Our responsibility is to ensure that every school has the headroom to make the necessary changes to deliver on the higher standards that we believe will follow from helping teachers to focus on teaching and giving them

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support staff. I hope that I have addressed all the issues in the 30 minutes available for the debate.

Sue Doughty: I thank the Minister, but I am a little concerned about his remarks on headroom. We have schools operating with more than 90 per cent. of their budget going on staffing. How much headroom does he think there is?

Mr. Miliband: Headroom refers to the difference between the increase in costs and the increase in budget, both of an LEA and an individual school. The increase in the budget of an individual school is a matter for the LEA. We distribute money to the LEA, but its formula determines what the increase will be for individual schools.

Some people believe that there should be a national funding formula and that the famed powers of competence and sagacity of the Department for Education and Skills should be used to distribute funds to 24,000 schools across the country. That is not the Government's position. We believe that the constitutional settlement that gives an important role to local government—people who are closer to the front line than those in Whitehall—is right. That constitutional settlement demands that LEAs make a judgment about how to distribute money, thereby determining the headroom available to each school in its area.

Question put and agreed to.

Adjourned accordingly at twenty-nine minutes past Four o'clock.

Westminster Hall

Thursday 26 February 2004

[SIR NICHOLAS WINTERTON *in the Chair*]

Government Performance Measurement

[Relevant documents: Fifth Report from the Public Administration Committee, Session 2002–03 HC62–I and the Government's response thereto, Sixth Report, Session 2002–03 HC1264.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Margaret Moran.]*

Mr. Deputy Speaker (Sir Nicholas Winterton): I have great pleasure in calling the Chairman of the Public Administration Committee, Mr. Tony Wright.

Hon. Members: Hear, hear.

2.30 pm

Tony Wright (Cannock Chase) (Lab): Thank you very much, Mr. Deputy Speaker, and colleagues who have showed their approbation in the normal way.

The Committee decided at the beginning of this Parliament that through the course of the Parliament we would try to track the Government's public service reform agenda, and that we would do so in a series of reports that we thought would deal with some of the major themes. We first produced a report on what we call the public service ethos, looking at some of the underlying values. We then produced the report that we are discussing today, about targets and what we call more generally the measurement culture in Government. We are now beginning work on a further inquiry looking at issues of choice and the role of consumers, ranging across the public services in a cross-cutting way.

We hope that those reports together will make an important contribution to parliamentary thinking about the public service agenda. The Public Administration Committee is well placed to do that because, unlike single-subject departmental Committees, we are able to roam widely and consider cross-cutting themes wherever they go. The Government explicitly want to insert some of those themes into their approach to public services. We think that it is right that a Committee such as ours should try to track them.

The report, "On Target? Government By Measurement", is by any test a pivotal report for the examination of the Government's public service reform programme. One always claims that reports in which one is involved have some influence, but in this case the Committee can genuinely claim that its work in the area has had a significant impact on the development of the Government's thinking. Indeed, from the time that we began work, towards the end of 2002 when we were still in the grip of the high tide of targetry, we began to have a constructive dialogue with Government. The nature of the conversation changed considerably over the following months, so that by the time that we came to report in July 2003 the Government were much more minded to think seriously about what we were saying and to find a way of connecting it with what they were saying about their continuing aspirations for the organisation of public services.

If that was the constructive side, we conducted our report in a climate in which there was another side, which made sensible public discussion of the issues almost impossible. Indeed, the word "target" had almost entered the lexicon alongside terms such as "paedophile", "asylum seekers" and "special advisers"—words that one could hardly utter and hope to gain any kind of sensible discussion. We thought that it was our job to try to do better, but it was extremely difficult to insert some element of rationality and balance into the consideration of the matters, given the salience of the issue at the time. "Target" was a talismanic word because it seemed to represent an approach that was hotly contested politically and in the wider world.

When our report appeared in July 2003, there was a vivid example of how difficult that was. We thought that we had produced a sober, dispassionate, intelligent and balanced account of all these matters, but one would not have thought that that was the case given the media response to it. They alighted on one paragraph that reported what an eye surgeon in Bristol had told us. He said that because of the attention paid to reaching a target on first out-patient appointments, people who needed referrals—or secondary appointments—were being delayed. He said that in a number of cases that had led to serious consequences for the eyesight of some people.

After that had been reported, all our attempts at balance and intelligence went out of the window within 24 hours. I make a public apology now to the medical director of that Bristol eye hospital whose week was ruined by the publication of our report. He appeared on every news bulletin to be pressed on how many poor people he had managed to blind that week. By the time the story had gone round, the figure had grown from tens to hundreds, and when *The Sun* got it there were thousands of people; the Government were systematically going around seeking to render people blind. Despite all the efforts of myself and others, it became very difficult to wrest the argument back to a more balanced discussion.

David Taylor (North-West Leicestershire) (Lab/Co-op): I congratulate my hon. Friend on chairing a Committee that has produced such a superb report. He is talking about the coincidence of events. Would he be surprised to know that on the day that the Committee produced the report, the University Hospitals of Leicester NHS trust received a star rating that had cascaded down from two to zero on the basis of an administrative error and a very large accident and emergency unit, which unfortunately had a couple of emergency admission rates over the absolute—but not the relative—target? Is he happy that what has been learned since then will lead to that kind of lunacy being avoided in future? The Government's use of targets is generally at a B-plus level. They are approaching key stage 2 in their life—the next general election. I think that the electorate will look back and give them a B plus. That is a pity.

Tony Wright: I am grateful to my hon. Friend for those remarks. We address such issues in our report. In relation to cases of the type that he mentions, we say that it makes no sense to have a star rating reporting system

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for hospitals that rewards hospitals for simply getting people through A and E quickly but takes no account of the quality of what happens to those people when they get into A and E. That is a vivid example of some of the difficulties in this area.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): The hon. Gentleman rued the fact that we do not get balanced media coverage of these issues. The media might be exaggerating when they describe a hospital with no stars as a failing hospital on the basis of nine performance indicators that are based on the ability to jump through hoops and not a single one of which is based on the quality of care, but would he concede that if three people in Bristol and elsewhere suffer because people who reach the maximum waiting time are prioritised ahead of more urgent cases, the media would be right to say that that is a scandal caused by targets?

Tony Wright: I do not dissent for a second from the view that people should report instances of perverse consequences of a target system. I was only suggesting that it is necessary to have a longer discussion about possible remedies and how we can get things right, although I acknowledge that it will be difficult to have that debate.

I have another example of the difficulty of having any sensible discussion on that matter. I will roll it back. Last year there was constant warfare between the Government and the Opposition over the extent to which targets were or were not being met. The Government constantly claimed that a high percentage of targets were being met, and the Opposition constantly claimed that a vast percentage were not. The Government claimed that 85 per cent. of targets under the 1998 public service agreement system set up by the first spending review had been met, and the Opposition claimed that 38 per cent. of those targets had not. There was no way to reconcile those claims. That was good politics, but completely useless as an attempt to have any kind of sensible discussion about those matters.

We undertook a significant exercise. We sought to go through every target from the 1998 PSAs and track every one in departmental reports and autumn performance reports until we got to the bottom of the matter. I invite those who are interested to look at the sections of the report where we list our findings. We give full details in an appendix. We found that we could either say that neither Government nor Opposition were right, or that both Government and Opposition were right, as it depended entirely on how the reporting system was decided upon. It depended on what a target being "partly met" or "not yet met" meant. If it was ordered in one way, one figure was produced; if it was ordered in another way, a different figure was produced.

It was utterly perplexing for people in the outside world who were at the receiving end of the crossfire and it did no one a service. I hope to insert a little sanity. Our work shows our best estimates of the final outturns of the 1998 PSAs.

If we wish to add another story to show how difficult it has become to talk sensibly about those matters, we only have to think of the example of my good friend, my right hon. Friend the Minister for the Arts. My colleagues may remember that she had to resign because the Opposition pursued her on the basis of an undertaking that she had given that she would resign if literacy and numeracy targets were not met to the figure given. She did that with honour—but it was an utter nonsense because she was reporting on targets that had substantially been met. She was reporting on the success of a set of literacy and numeracy targets that had carried primary schools forward considerably; but because they had not been absolutely met, to the number, there were demands that she should resign. And she did. That was an utter nonsense.

We took evidence from people in the private sector about their use of targets. We took compelling evidence from Lord Browne of BP, who is often said to be the most successful business man in the country. He talked about the role of targets in BP and said, "Of course we have targets, but we often don't meet them—and it is often very good not to meet them." He went on to say, "It is sometimes very good to fail—if you know why you have failed, and learn from the failure."

Mr. Howard Flight (Arundel and South Downs) (Con): The reference to BP and Lord Browne is particularly important as BP is an old, monopolistic corporate body. Generally, the private sector has completely abandoned target regimes such as that imposed by the Government and has switched to participatory objectives, bringing everyone in on a bottom-up basis to sort out how they can improve delivery. When it comes to a regime of targets set from above, I am afraid that Lord Browne is a business dinosaur if he attaches any serious importance to them in that sort of business.

Tony Wright: The hon. Gentleman must have his own argument with BP and Lord Browne, and I am sure that they will be delighted to hear the way in which he has just described that major British company. I thought that I was making a point that supported what he said, which is that the approach to targets is extremely flexible and they are simply instruments that may or may not be useful in shaping activities. The contrast between that and the way in which they have been used in the public sector and then transferred into the usual political exchanges has made it impossible to use them in the former way.

One needs to ask oneself only whether it is conceivable for a Minister to get up in the House of Commons and say, "I have failed to meet my target, but it is good to fail. It is good to fail because targets are simply a device; they are a learning instrument. We are a better organisation because we failed." Of course it is not; the culture is quite different. The demand would be that heads should roll. Indeed, heads have rolled because of such matters. I do not believe that that is a sensible way to think about the use of targets—in any organisation.

Dr. Evan Harris: Is it not also the case that because of that problem, Ministers are under pressure to set only achievable targets, which they can guarantee meeting, for self-preservation purposes? If the idea is to stretch

the organisation—I do not accept that definition anyway—that whole culture is self-defeating because targets become a done deal and a charade.

Mr. Deputy Speaker: Order. Before the Chairman of the Select Committee replies, may I try to help? I understand through the usual channels that there will be a Division by 14.53. That will no doubt help hon. Members.

Tony Wright: I agree wholly with what the hon. Member for Oxford, West and Abingdon (Dr. Harris) said. If pressure to set targets that did not stretch us was to be produced, that would undercut the purpose of the enterprise. The more politicians' heads roll because of the failure to meet targets precisely, the more the temptation will be to move back from stretching targets and towards floor targets, so that one is safe anywhere. That will probably not be helpful. I gave those examples because we tried to make the contents of the report useful against that background.

Brian White (Milton Keynes, North-East) (Lab): I want to make a point about the discussion that my hon. Friend is having on the private sector. Does he agree that one of the interesting things that emerged from the evidence that we received was the fact that targets were mixed up with performance data, and that people did not understand the difference between the two? That was one of the crucial factors.

Tony Wright: Indeed it was. I was going to say a little bit about that later. It is important to ensure that we do not confuse measurement with other things. A number of things get conflated once we start talking about the subject. One of the virtues of our report is that we try to separate out some of those issues.

As I was saying, it was against such a background that we tried to be more dispassionate and rational. I shall not point out the core findings of our work exhaustively, but I will run through them briefly. First, the Government have been absolutely right, since coming to office, in saying that if we are going to spend large amounts of public money on public services, we should have expectations of what will happen to that money. There should be some discipline and accountability about such money. We now take that for granted. However, it came as quite a revelation when it was realised that one did not simply spend money on services, but sought to link the money to the outcome of spending it. That is at the core of the PSA system. We take it for granted now, but it is worth saying that it was a major innovation. It was a good development, and we want to build on it. It was the underlying rationale for the direction that we took, and targets came out of it. The Government are right to say that it is so crucial that they will not resile from it in any way.

The second point to come out of the evidence that we took during our inquiry was that virtually no one thought that we should get rid of targets.

Dr. Evan Harris *rose—*

Tony Wright: I have found someone who does want to get rid of targets.

Dr. Harris: I know that it is not the same as formal evidence giving, but I had a conversation with the hon. Gentleman in the Members' Lobby. I cannot see what we gain from having targets as opposed to performance indicators over a range of services. Indeed, they lead to a whole series of distortions simply because they are fixed. The point is not that we must choose between targets and no performance monitoring at all; it is that targets, as I hope to have a chance to say later, are very damaging.

Tony Wright: If I may, I shall continue for a second, because I was just coming to that point.

When we took evidence, we were told almost uniformly, not by people who were simply theorising about the issue, but by those who actually deliver health services, police services and education services on the ground, that targets provided a focus; indeed, that was the word that they repeatedly used. They said that targets provided a focus for activities and told them what those who were providing the money thought the key priorities for their services were.

We heard and saw the evidence, and one could make quite a little roll-call of areas in which targets have been beneficial. Unquestionably, the literacy and numeracy revolution in primary schools would not have taken place in the way that it did without the imposition of central targets. Indeed, the chief constable of Thames Valley police put it very forcefully to me that—

Mr. Deputy Speaker: Order. I hesitate to interrupt the hon. Gentleman, but he will be aware that I must suspend the sitting for 15 minutes for a Division in the House. I hope that hon. Members will be back in plenty of time to resume our debate.

2.53 pm

Sitting suspended for a Division in the House.

3.8 pm

On resuming—

Mr. Deputy Speaker: I remind hon. Members that, as a result of breaking for 15 minutes for a Division in the House, we receive extra time in this Chamber. The debate can continue until 5.45 pm. When I suspended the debate, the Chairman of the Committee was on his feet.

Tony Wright: Thank you, Mr. Deputy Speaker.

Before we were interrupted, I was dealing with a point raised by the hon. Member for Oxford, West and Abingdon, who does not like targets. I was trying to persuade him that, in taking evidence from people delivering public services, we discovered that, although they had great reservations about targets, they broadly agreed that, if applied properly, targets could provide an important focus for their work. I was about to refer to the evidence of the chief constable of Thames Valley police, Mr. Peter Neyroud, who, talking about the street crime initiative, said:

"From a Thames Valley perspective, we had a high level of robbery and rising, which clearly needed sorting out. Actually energising folk into reducing robbery this year has completely energised the organisation over this last eight, nine months. There

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are examples where a target, which is something which people firmly believe is something they should be doing . . . can deliver much better results than you were expecting".

We could trade examples all afternoon, but that was a concrete instance where the effect of a clear target for an area of activity was, as Mr. Neyroud said, to energise the organisation. It is a truism that every kind of organisation in the land, whether it is in the public, private or voluntary sector, tends to use targets in one way or another. Almost every church in the land has a board outside with a thermometer showing a fundraising target. That energises the church around a particular objective, and is a vivid illustration of how targets work.

Of course the same example leads us to think about some of the difficulties and limitations of targets. If all the churches in the land were told that they had to have the same target irrespective of their circumstances, it would make no sense at all. Indeed, if the churches were told by anybody other than God that the target was the purpose of the organisation, it would be seen as absurd; the target can only, if appropriate and at best, serve the organisation's purpose. Even in that humble example there are lessons about how we should think about targets in relation to public organisations.

Dr. Evan Harris: Using the same example, would the hon. Gentleman think it okay for churches that failed to reach the top of the thermometer to be labelled failing churches, for the vicar to lose their job because they were deemed to have failed, or even for God to be forced to resign? That is the situation in the real world when we work with these targets.

Mr. Deputy Speaker: Order. I hope that we will not go too far down this path. Government is powerful, but I did not know that it was all-powerful.

Tony Wright: I am grateful for the reminder. I had already decided to keep the Almighty completely out of my remarks for the rest of the afternoon. If the hon. Gentleman will just listen to me for a second, he will see that what he and I are both trying to say are not a million miles from each other: there can be an underlying point in having a target, but what the target must not do is subvert the real purpose of the organisation.

Mr. Flight: Perhaps the hon. Gentleman has just said this, but the whole issue is surely that targets as an aspiration are one thing, while targets to be met as measurements of performance, which was the whole basis of installing the target regime, are something quite different. It is the latter to which a large number of us object.

Tony Wright: The targets were designed to give a discipline to public sector organisations, and to provide some public accountability for the way in which they used their money. I will seem more congenial to the last two hon. Gentlemen if I now move rapidly on to some of the difficulties in this area, which we talk about in our report at some length and spent some time wrestling with.

Of course there can be far too many targets. That has been one of the difficulties. If everything is a target, nothing is a target. They are designed to give focus to an organisation, but they can do so only if they are relatively few. If targets serve to diffuse activity because there are too many, the effect achieved is the opposite of the one intended.

Targets can be inappropriate; they can be set for the wrong things in the wrong way. None other than the Cabinet Secretary, Sir Andrew Turnbull, gave a vivid example of that recently. He was talking about how the Government were now reducing the number of targets and taking rather a different approach towards them, and he said:

"There was a target to increase the number of farmland birds. The easiest way to increase the number of farmland birds is to breed them in cages then release them. But the real outcome you want is better stewardship of the countryside. In that case, the target was an indicator of an outcome rather than the outcome itself."

We can have good fun swapping examples of the absurdity of inappropriately set targets.

Brian White: One of the problems identified was that when targets are reduced to a very small number—in the private sector that is simply to the bottom line—people with particular interest groups, usually Liberal Democrats, say, "Our interest group is not covered by the target—please include it."

Tony Wright: Indeed; that could also be a consequence. Everybody might want a share of the action on the target front. That is probably less common than people wanting a lesser share of that action, but it could happen.

There can be too many targets, inappropriate targets, and perverse consequences of setting targets, leading to unwanted patterns of behaviour, as in the eye hospital example. There can be game playing by organisations around targets, or cheating if targets or reporting on targets would unlock penalties or rewards. In such cases, as we have seen in the health service and some schools, there is a standing incentive to start playing around with reporting against targets, lest there be adverse consequences or lest rewards that would otherwise come do not.

Mr. David Heyes (Ashton-under-Lyne) (Lab): Does my hon. Friend recall the Select Committee's visit to Bristol in December 2002? I have the minutes of the evidence that we took. We invited the junior and middle-ranking employees of the health service and other public services, and they gave some of the most powerful evidence that we gathered. Does he recall the witnesses who told us of the perception in the middle and lower ranks of the health service that the senior people were too afraid to challenge the system? There was an emperor's new clothes syndrome; people were too intimidated to challenge and question.

Tony Wright: Yes, I recall it well; that kind of remark influenced our thinking greatly. On the whole, our work and that of the National Audit Office on what demotivates people in the public sector shows that issues of pay and conditions are not the key factors; those are more to do with pressures felt from external targets and

associated mechanisms. That is a major reason why, if we are concerned about the development of public services, we must pay attention to the role that such mechanisms play.

As my hon. Friend reminds me, in preparing the report we went to a lot of trouble to talk directly to front-line providers to establish how a targets regime and a broader measurement culture was impacting on their work and what they thought the benefits and problems were.

We thought that a number of things were required. We had to move towards fewer targets than at the beginning of the 1998 PSA round. I am glad to say that the Government have moved in that direction. Targets have been cut substantially, but further work can be done. We felt powerfully that it was crucial that the people engaged in meeting targets had a direct role in setting them. Unless people feel some ownership of targets, they will not properly perform their role but will act as if the target is an external imposition—one that is out of kilter with how the organisation really is and where it sits.

We were seeking to explore a moral; we had far more local target setting, although someone has to have some accountability for the targets. As I said earlier, why would anyone set a stretching target if they could get away with one that was less than stretching? As far as possible, those who are delivering on targets should feel that they own them, but someone must be accountable for the nature of those targets. We thought that far more independent validation of target performance was needed, and I gave the example from the party exchanges about whether targets were being met.

On the general reporting side, although we started thinking about league tables and other performance reporting, we were much more interested in exploring a move away from crude league tables to the use of more sophisticated measures to show whether an organisation was making progress. People really want to know whether public organisations are going in the right direction. We will not often get the answer from crude quantitative measures; they will give only part of the picture. We were far more interested in exploring benchmarking—comparing similar organisations—to obtain a rounded view of how a public body was doing.

I shall make a few final observations. Targets are simply a tool. They are one part of the toolkit. They are not an end but a means. We will get ourselves into trouble if we forget that and make targets the end rather than the purpose of the organisation. That is true of measurement in general. A variety of measurement tools is needed, and good organisations will measure themselves all the time. Whether it is done publicly is a separate question, but if it is done all the time they will know how they are performing. The danger of judging organisations only by what can be measured is that they will often not be judged properly. Many of the most valuable things, such as quality of care or the time taken to do jobs, will not be valued, whereas crude quantitative measures will be. That was one of our general conclusions.

We wanted also to draw attention to the difference between what we call a measurement culture and a performance culture. A measurement culture—it is important that measurements should be made—should serve a performance culture, not supplant it. The danger is that it might supplant it if we do not get it right. Public sector organisations of all kinds must be seen as learning organisations whose objective is to improve performance.

We are making some real progress. I welcome the way in which the Government's approach on all such matters is developing and maturing. The current spending review will take us further in that direction. It will give us a real opportunity to get a far more sensible approach to such matters than we have seen in the past; the Government, too, must be a learning organisation. They have to learn from their experience of PSAs and of using a target regime to track the use of public money. There are good developments. We are, for example, moving far more towards what we now call strategic regulation, which is much less interventionist and far more strategic.

Looking back, we can see clearly that the target regime was intended to be a form of shock therapy for the public sector. We can make judgments about the extent to which that was necessary or successful, but that phase has passed. We can now move from shock therapy to gentle massage. If we do that, we are far more likely to make durable improvements to the health and performance of public services.

3.26 pm

Mr. Kelvin Hopkins (Luton, North) (Lab): I am very pleased to speak in the debate and to support the report. I am also pleased to support the splendid introductory speech made by my hon. Friend the Member for Cannock Chase (Tony Wright), the Chairman of the Select Committee. I very much agree with him on the need to achieve a balance between being hostile to targets and adopting a hard-line pro-target position, which would be inappropriate and would not move us forward.

It is as well to look back to where we have come from. I have been concerned for a long time about failures in some of our public services. I will deal briefly with health first. If one looks at the NHS in total and considers what has gone in and what has come out of it over the years, one can see that it has performed remarkably well. It is a very efficient system, which does a wonderful job compared with the American health service, which is grotesquely bloated and inefficient and does not serve a large proportion of the population. The problem with the NHS is resources—I have said that to Ministers many times, but it has not always been very well received. In terms of resources, the NHS in Britain has been given far less than health services in Europe; we have been at the bottom of the league table. The position is improving, and I commend the Government for their decision to put a great deal more into the health service than has been put in in the past.

The Select Committee visited Bristol and talked to people working in the medical field. We spoke to a German consultant who said that Britain's health services were terribly under-resourced. Five years ago, Germany spent 4 per cent. more of its gross domestic product than Britain did—that is about £40 billion, or £60 million per constituency. The health service would be transformed if £60 million more was spent on health every year in every constituency. It is testament to the tremendous work done by people in the health service that the health service is as

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good as it is, given the resources that go into it. However, I am pleased that the position is changing.

I am also concerned about education, of which I have some experience. Some 30 years ago, I taught A-level economics and politics. We found that the A-level students were doing very well, because they were constantly tested and examined, but the rest of the student population, particularly those who did not even have GCEs, were given short shrift. They received a very poor standard of education. That came out in the comparative figures provided by the Organisation for Economic Co-operation and Development, which show that Britain compares well with the rest of the world at the top end of the scale, but at the bottom end we compare very badly indeed: the bottom third, and especially the bottom tenth, of our pupils do poorly. The Government are addressing that problem, and the measurement and target regime is part of that effort. We are making progress, but it will take time. We have had to turn around a supertanker that was going in the wrong direction.

When I was teaching, my department was responsible for testing the English of business studies students. Some were day-release, some were full-time, but they were not as academic as others. Regrettably, some of those students were failed. Their English was not up to the standard required, and colleagues in my department said, "This young man's English is so poor that we cannot possibly pass him—he can't be considered a successful candidate." The head of the business studies department grew annoyed, and in the end blurted out, "His English may not be very good, but he does dress nicely." I wondered what dressing nicely had to do with English. That remark was indicative of view that, for less academic pupils, testing was not to be taken seriously.

I could cite other examples. Twenty-five years ago, a friend who is now retired was a remedial English teacher in a primary school. He used to test pupils' English, and in one class, he found six pupils who could not read, although the teacher said that they were doing well. When he took the matter up with the teacher and said, "Six of your pupils can't read—I'll take them out for special lessons," she said, "Nonsense, you're telling lies." She refused to accept that they could not read. He asked the pupils to read some simple English, and they could not, so he took them out of the class and taught them to read, which was good. My point is that because at that time we were not measuring or testing and not setting even modest targets, we ignored the fact that such things were going on. Something had to be done.

Let us come back to the present day. The hon. Member for Oxford, West and Abingdon (Dr. Harris) referred to failing schools. Four schools in my constituency were made subject to special measures and they have been transformed. New head teachers and extra resources have been put in, and now the schools are rocketing upwards. We tested, measured and set some targets, and they started to perform well. The morale of pupils and teachers is rising and things are starting to hum in schools that were failing. Under the old regime, we would not have done that and pupils in some of the poorest parts of my constituency would not now be being better educated. That is an advance.

When testing, we must be careful to measure properly. I studied mathematics, where it is simple: one can check that two plus two equals four, whereas essays and things such as English style are more difficult to measure and mark. As one who was keen on multiple-choice questions, I was regarded as reactionary, authoritarian and even conservative—with a small "c"—by my fellow teachers. My attitude was that it was a good idea to give people five choices and give them a mark if they chose the right one, and not give them one if they did not; after 100 such questions, one would have a fairly good idea of whether the pupil understood economics. But people thought that that was far too intrusive and authoritarian because it was testing and measuring in a direct way.

We have to make sure that the tools we use to measure are accurate and that they work. When I worked in industry many years ago, there was a notice on the wall of some of our laboratories with a picture of "Fred the wheel tapper". In old railway technology, a man would go along tapping the wheels to find out which ones were cracked. The notice said that they changed 265 wheels before they discovered that Fred's hammer was cracked, so we should check our instruments.

We must be accurate when we are measuring. Last year we had a scandal when many examination results were wrong. Hundreds of scripts from schools and colleges in Luton had to be re-marked. Pupils were being told that they had passed when they had failed or that they had failed when they had passed, and the gradings were all over the place. The whole lot had to be re-examined. We must be sure that we are getting this right and that we are not just pretending that somehow examinations are working, markers are doing their job and our instruments are working.

There are obvious dangers in the regime. We are all slightly uncomfortable about having targets, measuring, testing and checking on people. I spent many years working as a researcher in the trade union movement and I still have close connections with it, so I know that many trade unionists are concerned about the target regime. They have not said, "Ban targets, full stop"—they concede that targets have a role, but they want them to be used carefully. The danger of targets and of being too rigorous and exerting too must pressure is that people become demoralised. Demoralising employees—or even Members of Parliament—is a bad thing in any circumstances. One does not get the best out of people by draining their confidence. Some of the measures that have been tried in industry have had a demoralising effect.

Mr. Flight *indicated assent.*

Mr. Hopkins: The Conservative spokesman, who is nodding, mentioned the oil industry earlier. I know that 10 to 15 years ago, British Aerospace introduced a regime of performance-related pay to raise productivity. In fact, productivity decreased because people were resentful. One must be careful about the targets and measures that one uses to raise performance.

Recently, when standards fund money was put into six-form colleges, it caused problems. The college with which I am associated decided that, if all the teachers

were doing a good job, they should all have a share, so the money was shared out equally, However, at the same time, the college was concerned that one or two teachers were not performing very well, and it wanted to be proactive and try to improve their performance. However, giving performance-related pay and promotion to some and not to others would have been a recipe for demoralisation. One must be very careful.

Another danger is bullying. Sometimes, managers who have a target to meet start to bully their staff. We must guard against that.

Brian White: Is not one of the problems that not enough training is given in how to use performance data? People have performance data but do not understand them.

Mr. Hopkins: My hon. Friend has a point. One of the results of our rather poor primary education for the less able is that we have not become a very numerate country. Some five years ago, the Moser report revealed, much to our concern, that 50 per cent. of the population did not know what 50 per cent. meant. Poor numeracy is a big problem. If people who are not very numerate are shown a lot of statistics, they cannot assess them—but we will get better at making such assessments because, in time, we will all become more numerate.

The point about bullying is important. One of Britain's great problems is that we have had very poor managers in many spheres. People have perhaps been promoted for the wrong reasons and not because they are good at managing, and some have not been trained for management. I have had a variety of employment experiences and I know the difference between a good and a bad manager. I have seen many bad managers, some of whom were appallingly incompetent, and many of those who were incompetent were the bullies—the ones who felt insecure and bullied their staff to overcome their sense of inadequacy. Such people should not be managers, or if they are poor managers they ought to be retrained.

Mr. Heyes: I mentioned the Committee's trip to Bristol, where we obtained some illuminating evidence. People in the junior ranks in the NHS spoke very convincingly about the culture of bullying. They traced that back to the targetry that dominated their managers' behaviour. The bullying was cascading down through the organisation, but they traced it back to the targetry.

Mr. Hopkins: My hon. Friend makes a strong point. I was going to allude to that a little later on. One of the reasons why that situation arose was lack of resources. In the health service, if one is trying to squeeze blood out of a stone—or whatever the appropriate metaphor is—but the resources are not in place and pressure is being exerted to reach a target, a manager inevitably gets panicky and starts to bully. That has happened in the health service because it has been under-resourced. If the resources are supplied, one can start to expect better performance.

Mr. Graham Stringer (Manchester, Blackley) (Lab): Does my hon. Friend accept that parts of the health service with the same resources have very different performance outputs? Measuring what is going on, and comparing and contrasting work practices, are useful ways of assessing whether we are getting best value for taxpayers' money.

Mr. Hopkins: I accept that point entirely. In education, too, we must compare. I do accept that we must look at schools, measure and compare them, and if we find schools that are not doing well, we can then discover the cause, get proactive and get stuck into solving the problems. Simply bashing on the outside—telling schools that they are not meeting targets and have to improve their performance—will not work. We have to look more closely at what is going on. Sometimes, if a school has gone wrong, it is because it does not have a good head teacher, but simply applying external pressure might give the head teacher a nervous breakdown and some of the other teachers serious problems. We need to find out what the problem is.

I know of one school, sufficiently distant in time to allow me to refer to it, that became a failing school. It has now been transformed by a wonderful head teacher. Before, when inspectors came around, the head teacher hid in a cupboard and pretended he was not in the school. An adjacent school, which happened to be a Church school—although that is neither here nor there—was doing brilliantly, drawing its pupil population from the same estate in my constituency. My hon. Friend is right to say that one has to measure and compare, but one has to do it by going inside the school to find out about the problems, rather than by saying, "Meet your targets, or else." Early retirements and moving the right people into the right jobs are the way forward, and that can be done without demoralising people too much.

I like car analogies: to make a car work better, one does not simply put one's foot down on the accelerator. If there is something wrong with the engine, one lifts the bonnet and tries to find out what it is. We have not been doing enough of that in education, and perhaps not in health either, but I am less familiar with the health service. I know about education because I have been involved in it directly and indirectly for a long time. I can walk into a classroom and know what the problem is. Health is more difficult. I know something about cars as well, and when engines go wrong I have sometimes been able to repair them. We need to make schools perform better, and we will not do that simply by putting our foot down.

Morale is crucial. Supporting people, even when there are targets, is of primary importance. Industry has had a bad experience of using performance-related pay and pressurising people. We have learned from that, and we must make progress. The schools in my constituency work under a great deal of pressure and have a lot of bureaucracy, but they are still inspired by education and by the children they teach, and they love success. When their school is appreciated for the job that it is doing, often in difficult circumstances, they do well. The morale of teachers and head teachers in my constituency has risen by leaps and bounds in recent years. Increasing the focus on what they are doing has not damaged their morale, but improved it.

Some of my remarks about measurement and targets may sound a little too enthusiastic. I know that there are dangers. If we applied performance-related pay in a crude way, that would be bad, but we are getting to grips

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with what has been going wrong in education and we are, rightly, setting reasonable targets. I would like to examine value-added measures more closely. We do not expect pupils from non-traditional academic backgrounds to do brilliantly in school, but we can expect them to improve. If we measure where they were when they entered a school, and where they are when they come out, we can get some idea of how well they are doing and how good the school and their education has been, especially when the data are used to compare their school with a neighbouring one drawing from the same population.

The report is balanced and heralds movement in the right direction. Some people will still be hostile to the idea of targets, but I am happy to support the report and the fine speech by my hon. Friend the Member for Cannock Chase, our Chairman.

3.45 pm

Mr. Graham Stringer (Manchester, Blackley) (Lab): Later in my speech I will refer to MANCAT, Manchester College of Art and Technology. I do not know whether it is a declarable interest, but I leased my constituency office on their premises. If that is declarable, then it is declared.

I hope that the debate will finish before I have to leave. Because of the delay that we have suffered, I might have to leave before it ends. I apologise if that happens, but I will try to avoid it.

I congratulate my hon. Friend the Member for Cannock Chase (Tony Wright) and his Committee on producing an excellent report. He described it as a contribution to a debate that started with the "Modernising Government" White Paper, which was produced by my right hon. Friend the Member for Copeland (Dr. Cunningham) in March 1999. The core of that paper was five objectives: to have empirically based policy making; more responsive public services to have better-quality public services; to make better use of IT; to have and to value public services. Apple pie and motherhood, really—who could disagree with that? I have always regarded targets as the nuts and bolts that would help us; to achieve those worthy objectives, which when they were stated stood in a vacuum.

I refer back to a debate that we had when I was a Minister and in which my hon. Friend took part. He made pertinent points about the vacuum in which the debate took place and the changes that were taking place in its nature. It is worth referring back to that discussion to see that prior to 1997–98, the political exchange between the two main parties had been about how much was spent on public services. The view was expressed that, by and large, to spend more was better, without looking at the outcome. Looking at the outcomes and the quality of services was a change.

My hon. Friend pointed out that the public sector world in 1999 was very different from that of 18 years before, when services were provided either by central or by local government. Now, there is a range of non-departmental public bodies, quangos and various other organisations, which makes it more difficult to understand how public services are accountable and to know what is going on. There has been a fragmentation of public services. I say that to set the background because, in my conclusions, I intend to refer to the way in which it is sometimes difficult to use targets.

Given the introduction, I am more reluctant than I was when I started to say that I am in favour of targets in the right place and used in the right way. To me, they have never been akin to paedophilia or other nasty things. I should like to give two examples of how they work in my constituency. One example is British Aerospace, coincidentally referred to earlier. My hon. Friend the Member for Ashton-under-Lyne (Mr. Heyes) and other MPs in the area have been concerned for a long time about the viability of the British Aerospace plant in Chadderton, on the edge of my constituency.

I visited the plant one day and saw huge lathes churning out parts of large aeroplanes for both British Aerospace and—surprisingly at that time—Boeing. On those lathes were bar charts that referred to the change in the amount of waste in the machine, productivity, the number of hours that people worked, and the speed with which jobs were done. They were all set against targets over a two-month period—the length of the job. The targets were not arbitrary, and the men to whom I spoke were keen to achieve them: there was real buy-in to both the process and the targets, not only because the factory would close and their jobs would all go if they did not, but because they had been involved in setting up the targets. The system worked and, against all the odds, that factory is still there, 10 years after it was threatened with closure.

That was not surprising, because the people involved were sophisticated engineers, who were good at sums and who knew their measurements. However, I also visited a girls' school about a mile and a half away. It was one of the most quickly improving schools in the north-west—the head, Jean Gledhill, who has now moved on, did an amazing job. As I walked around the classrooms, I noticed exactly the same bar diagrams, but they were about progress being made in attendance and tests, rather than waste metal. There were ticks and bars explaining what was going on. One could almost have taken them from the classroom and moved them to the lathes, and vice versa. That method works. The girls bought in to it, as did the teachers and the head, and the school improved. Those are excellent examples of situations in which the use of targets has worked.

I found chapter 1 and, particularly, chapter 2 of the Select Committee's report to be the most interesting parts. Chapter 1 discusses the clash of cultures between capacity building and targets. I have never thought that such a clash exists—I think that the two can work together if they are done properly. Chapter 2 contains pretty frightening information about perverse consequences in the ambulance service and in eye hospitals in Bristol, and explains how some targets went wrong. Five problem areas are identified, some of which are due to bad target setting. If two organisations need to co-operate to achieve a particular end—reducing drug use, for example—they must be in agreement and pull in the same direction, but, unfortunately, their targets often cause them to work in opposite directions, sometimes for good reasons, sometimes for bad. Some targets have perverse consequences simply because of their nature: for example, suppose there is an NHS target to increase the number of heart operations, but

expenditure on statins and drugs is increased: that may make the health service much more effective, but not nearly so many heart operations will be performed. That makes the target seem very silly.

I have given examples of technical problems, but some problems are due to dishonesty or lack of buy-in. The press has become obsessed with targets, but when professionals and workers—people who spend public money—have cheated the system, the press has said, "Well, isn't this a stupid Government?" The Government have got it wrong occasionally, but that does not excuse the actions of people in the ambulance service or the NHS who have put people's lives at risk by doing silly things, nor does it excuse the submission of untrue reports by people working in health or education bodies. Such people are not fit to be public servants and should be exposed, but somehow the debate has been turned around: targets are blamed for people's dishonesty. That cannot be used as a justification.

My hon. Friend the Member for Luton, North (Mr. Hopkins) said that when targets are in place, some managers bully their staff. I accept that, but does it mean that the targets are wrong, or that a very unpleasant, nasty manager should have been dealt with properly? Such people would probably get better results if they managed the system more effectively to meet the targets.

Mr. Flight: People are only human, and if targets give them a strong incentive to cheat, it is not only the people who cheat who are wrong but the people who gave them the targets. To take a specific example just from the past two months, we have learned that out-patients who are given lockers will not be counted in the targets for out-patient treatment. Officials from the Department of Health have been going round pointing that out to hospitals, deliberately giving them an incentive to cook the figures on A and E treatment. One cannot simply blame those who respond to the incentive to cheat on targets: one must also blame those who gave them that incentive.

Mr. Stringer: I do not think that anything I said disagreed with that statement. I said that people sometimes choose the wrong targets, and that that is their responsibility. I disagree to some extent with my hon. Friend the Member for Cannock Chase, who talked about Secretaries of State sacrificing themselves and resigning because they had failed to meet targets. I have great respect for my right hon. Friend the Minister for the Arts, and I am pleased that she is back in the Government, because she is a decent, honest and hard-working Minister. In most such cases, however, macho, tough Ministers have stood up and said that they would do something, and when senior Cabinet Ministers do that, they should be held to their promises. I accept that some targets have been inappropriate. However, I do not accept dishonest and dangerous behaviour from people paid out of public money. Nothing that I have said contradicts the intervention from the hon. Member for Arundel and South Downs (Mr. Flight).

Dr. Evan Harris: The hon. Gentleman makes an interesting distinction, but what about the dilemma faced by someone who can meet the target by prioritising one patient at the expense of another, sicker patient who falls outside the target? They know that that is not in the best clinical interests of the sicker patient so they can either breach the target or pretend to have met it. There is a huge temptation not to dump the hospital in it by missing the target, but to do the right thing and then seek to conceal the fact. People throughout the country face that dilemma. That does not mean that they are evil or malicious.

Mr. Stringer: The hon. Gentleman is repeating the same point in more detail, although he helps me to move on to the next issue, which was omitted from the second chapter of the report. We underestimate at our peril not the dilemma caused by inappropriate targets—everyone accepts that they are sometimes set—but the sheer professional and establishment resistance to change, even where the change is intended to improve the quality of public services.

Members of the Labour party are brought up on the fact that consultants, although not evil, strongly resisted the national health service that Aneurin Bevan wanted to create. They did so in their own interests, and not necessarily in the interests of patients. It should come as no surprise to us that in many areas there is at best inertia, and sometimes professional resistance, which is to the detriment of public services paid for out of public money. The new Labour philosophy of trying to triangulate everything is not good at dealing with professional resistance at its worst.

I mentioned consultants, and there is still resistance to change among them, but I can give another, small example from my experience as the leader of a local authority. It took me a long time to realise that professionals—whether planners, engineers, landscape architects or architects—were deeply resentful of politicians trying to change their professional views. I will give one example of the hundreds possible. Planners like privacy distances—that is how they produce a plan. The fact that houses built with the privacy distances that planners like do not replicate any successful urban housing there has ever been is a problem. As it is what planners are taught in universities, they dislike intensely being told by councillors, as the clients, that they should not have those privacy distances. I could give hundreds of other examples from my experience in local government, but I will not.

Let me give an example from education. I had some experience in local government, but when I was a Cabinet Office Minister with some responsibility for the "Modernising Government" White Paper, I spent a long time talking to front-line deliverers of services, once or twice every week. I talked to police officers in police stations all over the country, to GPs, to VAT people, to Customs and Excise officers, to tax people and to teachers, and I learned a lot. I am not sure it contributed vastly to the improvement of public services, but I was a much more knowledgeable person at the end of it.

I will relate one of those experiences. I was sitting in an extremely good comprehensive school in Plymouth talking to the teachers, who, to a person, hated and despised Ofsted and all the measurements and inspections that came with it. I asked them a simple question: how has this school improved over the past five or six years if it is not to do with Ofsted? Is the improvement a coincidence, or an example of cause and effect? I found the answer desperately depressing: to a person, they said it was coincidence. When I asked what

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then had caused the improvement, they said, "That lot who came before us, those other teachers, were not very good, but we are." What was depressing was their denial that the targets and the Ofsted inspection regime—with its faults—had helped their improvement. There was a real difficulty that that had not been accepted as part of the process.

The core of public accountability is that where public money is spent, we should know what the money is being spent on, what it is trying to achieve and whether it is achieving that. There should be inspections to discover that information. They should be sensitive and humane and not lead to teachers having nervous breakdowns, but there should be consequences if there are failures. I do not like what is happening with the changes introduced by Mr. Bell, the chief inspector of schools. There are a number of things happening with targets, including a huge political debate, with people like the hon. Member for Oxford, West and Abingdon (Dr. Harris) and *The Sun* hating targets and trying to say that they are genuinely evil. None of us really likes being accountable, none of us likes having to say whether we have done the work we are supposed to, but I fear that the combination of professional resistance, resistance to accountability and the pressure from tabloid newspapers has meant that the Government have backed down on some targets.

Mr. Hopkins: My hon. Friend appears to be suggesting that Ofsted inspections are rather like examinations. We do not like exams, but we know that they are necessary. By the same token, some said, and may still say, that if we got rid of exams, education would improve. I suspect that would not be the case. Will my hon. Friend comment?

Mr. Stringer: I agree completely—that is a bit of a no-brainer. When we are talking about how targets can contribute to a very good agenda of improving public services, it is not helpful of the chief inspector of schools to say that he is investigating "capacity to improve". I defy anyone doing any exam paper anywhere to define that, as opposed to finding out whether children can read and write, whether lessons are intelligent and interesting and whether there is genuine improvement in the school. I doubt that "capacity to improve" can be measured, even with a no-notice inspection carried out within 24 hours, which is a shame.

Unfortunately, that view is backed up the Minister for School Standards, who says that the system will provide intelligent accountability. I do not believe that that can be the case when there is to be no parental information in the new reports. I am afraid that I disagree with my hon. Friend when he says that we are moving from shock therapy—some of it was shock therapy at the beginning—to a more gentle improvement. I think that some of the progress that targets were helping us to make has been abandoned.

Talking about MANCAT will bring me to my conclusion, but to get there I would like to describe the educational situation and targets in my constituency. One national target should be a priority: reducing the functional illiteracy rate in this country. I do not know how many hon. Members know that that rate—in so far as anyone has measured it in the past 100 years—has stayed at about one in four people. That is a shocking figure. My right hon. Friend the Member for Manchester, Withington (Mr. Bradley) asked the Secretary of State about it recently, and got the answer that the rate was about 23 per cent. That rate has been constant, and although I accept that the literacy and numeracy of the other 75 per cent. or so of children have improved, that tough quarter remains functionally illiterate. I mention that, because it would be an excellent subject of a national target.

A school in my constituency was receiving children from a certain primary school 50 per cent. of whom were functionally illiterate—a staggering, shocking and dreadful figure. The secondary school did a good job of improving their achievement. In 1997, the proportion of 16-year-olds going into full-time education in my constituency was about 25 per cent., and the proportion of post-18s going into further education was about 18 to 20 per cent.—a very low figure. MANCAT, by using educational maintenance allowance and many innovative schemes to target children from different ethnic backgrounds and young people with no real educational support or experience at home, has changed those figures, ward by ward, so that now 62 to 70 per cent. of children stay on post-16. That is an achievement for which I am proud to praise MANCAT.

No one can achieve that kind of improvement in performance without one-to-one relationships. It cannot be achieved by putting a standard further education lecturer in front of a class of not very motivated young people and saying, "Stay there", because they will not. MANCAT has done it by paying people less money—by employing youth workers and other non-lecturers, who eventually get the young people into the classroom and get them qualifications.

MANCAT is funded by the Greater Manchester learning and skills council. The learning and skills council has a series of policies, which it quite properly audits. However, because MANCAT is working in an innovative way, albeit one that is effective and successful, it is not complying with the rules about employing full-time lecturers; as a result, the college is being penalised £300,000 because what it does does not fit in with what the national Learning and Skills Council and the Greater Manchester LSC want it to do.

I wrote to the chief executive of the latter, Liz Davis. She replied:

> "The fact that MANCAT is innovative in its approach to widening participation does cause some difficulties within the Learning and Skills Council's arrangements for funding and audit of colleges."

That is one of the most extraordinary sentences that I have ever read in a political lifetime of receiving letters from official people. She continues:

> "We do however also need to ensure that policy is developed properly and in consultation with others to ensure consistency and accountability for public funds is maintained, and not in response to the demands of individual providers."

Basically, she is saying that it is more important to conform to the LSC's targets, priorities and policies than to provide money for a system that has been more successful. That is where target systems go wrong. There are other problems with the Greater Manchester LSC—for example, it has made a mess of spending European social fund money—but I will not go into them now.

I have talked about professional resistance, which is something that the report is light on. I would be delighted if the Committee followed up its conclusion in paragraph 143 of the fifth report, that

"There is a further issue. Centrally imposed targets are the expression of a centralised political system, in England at least, in which the weakness or absence of effective channels of accountability for services at other and more local levels means that all accountability has to run through the single channel of Westminster and Whitehall."

I know that the Committee has done work on quangos and other bodies, but I hope that it does work on this area too, because it is fundamental to some of the other reasons for resistance to efforts to improve the quality of public services. We need a proper balance with central Government. Some of the things that have gone wrong—in health, education, the police service and elsewhere—have been to do with centrally determined targets that take no account of experience on the ground. If professional resistance is to be overcome, people have to believe that what is being done is not only right for the public, but can be achieved; they have to buy into it.

There is a role for central Government setting central targets. I gave the example of literacy: the Government have not been successful in that area so far, and I hope that they make a push to be so. After 100 years, we should be improving those figures. However, a lot of other targets are within the remit of those who are accountable locally, and that means that local democracy must be refreshed. Some quangos work, so I would not get rid of all of them, but local authorities surrounded by quangos find it much more difficult to deliver on objectives and to get buy-in across the range of organisations. I am not saying that everything that Manchester city council did in further education 20 years ago was perfect, but it would never have had a perverse target that said, in effect, "You are achieving more with difficult young people than has ever been achieved before, and we will penalise you for doing so." We must get the balance right between local democracy and central Government. Democratic accountability has to be part of the process of improving public services.

Mr. Deputy Speaker: Order several hon. Members *rose*—Before I call the hon. Member for Milton Keynes, North-East (Brian White), I wish to point out that we have just over an hour and a half left. I say to the Front-Bench spokesmen for the Liberal Democrats and Her Majesty's Opposition that this is an important debate and we want the Minister to have adequate time to reply. However, we are not pressed for time if the hon. Member for Ashton-under-Lyne (Mr. Heyes) does not wish to speak.

4.14 pm

Brian White (Milton Keynes, North-East) (Lab): I am pleased to follow my hon. Friend the Member for Manchester, Blackley (Mr. Stringer), whose work on "Modernising Government" should be recognised, and my conservative and authoritarian friend, my hon. Friend the Member for Luton, North (Mr. Hopkins).

Targets have become an important feature of public services. They began as an aid to improving performance but the debate has highlighted the fact that there are now a number of problems with them. They have started to hinder progress in some areas. The evidence contained in the report that we are discussing did a good job in examining the pros and cons of government by measurement. My hon. Friend the Member for Manchester, Blackley was right to refer back to the "Modernising Government" White Paper. It is a key document on how the Government's performance should be measured and the Public Administration Committee is currently looking at it.

Although elements of that culture require reform, targets provide a means of measuring progress and success. It is clear from the evidence that a good target will transform an organisation. I have a background as a systems analyst designing computer systems. A clear objective transforms organisations. A good target that is clearly set, builds on successes, provides clear goals and is measurable will fundamentally transform an organisation. That is what it is designed to do. We should be seeking a transformation of that culture.

On the other hand, as is evident from a number of earlier comments, a bad target can frustrate that change, be detrimental and contribute to performance failures. Some people who wish to focus on the negative do not want to look at the facts of the matter. That is a problem. They are happy to pander to prejudices and do not want to look at the facts. Looking at the facts—rather than simply listening to prejudices—is something that the Committee has done well.

What is a good target? It is one that provides a clear focus in delivering results. It provides direction. When there is a clear direction, individual measurements are not as important as knowing the direction in which the organisation is moving. One of the key issues in public services is the lack of a clear direction. When there is a clear direction, it is possible to transform a failing school, hospital or other public service.

We have evidence from the Staffordshire ambulance service, whose chief executive set a clear direction for the organisation and transformed it. Targets should be specific, measurable, achievable, relevant and timely. It is important that we consider that when setting targets. If any of those elements fail, the target becomes a problem. There were 252 targets in 1998—far too many. That is one of the problems that has caused many of the frustrations that have been evident in today's debate.

We have already discussed educational standards. The targets that were set were good for setting a strategic direction, but they were not a good measurement for comparison between individual schools, because of their different circumstances. People have tended to use the results of those in inappropriate ways and do not compare the circumstances under which people are operating; that should be borne in mind when people make comparisons. As my hon. Friend the Member for Luton, North said, it is not an excuse for doing nothing, but a way of understanding the barriers to further progress. We need to focus on moving those barriers forward.

Timeliness is another factor. The e-government target to have all government online by 2005 is a good example of a target that has galvanised public sector organisations into change. But that target is no longer relevant. We have not met it in full, but we have reached a point where we should change it and look at qualities

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and other issues. None of the changes would have happened had that target not been set, but it has reached the end of its shelf life. We are not very good at changing targets. I am sure that the hon. Member for Oxford, West and Abingdon (Dr. Harris) will—in his usual Liberal Democrat way—say, "You haven't reached the targets, you've totally failed and everybody should resign." The key point is that if we do not recognise that targets may change over time or reach the end of their shelf life, and that we therefore need new targets, we will have all sorts of problems. One of the questions highlighted by the report is how to move forward even if the existing target has not been completely achieved, as with the move to online government. The latter is in the programme and we have not fully achieved it, but we should move on to the next set of targets. That is only one example, but there are many others.

Dr. Evan Harris: I am not sure what caused the hon. Gentleman to unleash that allegation. He will hear in a moment that I am concerned about targets; but although I have been tempted, I have never called for a Minister's resignation on the matter of targets—or anything else, probably. My argument is over the setting of targets, because I disagree with them. For instance, I offered not to criticise Ministers over waiting list targets if they would agree that they were an error and phase them out. The hon. Gentleman labels me wrongly; my position is the opposite of that which he ascribes to me.

Brian White: I was referring to the hon. Gentleman's earlier intervention, when he said that he was against targets, whereas most of the evidence that the Committee received was that targets have a role. I was asking him to put his prejudices to one side and look at the evidence. It is perfectly reasonable that he should not like targets, but he should look at the evidence.

There are problems with targets. For instance, the national service framework plan for the health service uses cancer as a key target for health improvement. However, multiple sclerosis campaigners feel that, because they have no part in those key targets, the resources allocated to the problem are reduced. The health service could have as many as 2,000 targets, one of which was tackling MS; but if we want to transform the culture of the organisation, we should have only a few targets. The dilemma is how to deal with the many valid demands made on a target that is intended to transform the culture of an organisation. Such complex situations are a dilemma that the Government need to resolve.

Milton Keynes hospital has a problem with resources. The Commission for Health Improvement investigated and said that the hospital was under-resourced; it could not find a single way to improve the efficiency of the area, and considered it to be under-resourced by £6 million. However, that does not stop the hospital having to meet every target. That is when targets start to clash with other Government policies. It is important that targets, which are often used as a substitute for market forces in public services, are seen in context.

It is easy in the private sector; one promotes the bottom line—end of story. The public sector, however, has no bottom line. We need to understand local circumstances when setting targets. The report does a good job in trying to reconcile the top-down approach with the need to appreciate specific local constraints. In his recent speech, the Prime Minister accepted the need for local knowledge, pointing out that the man in Whitehall is no longer the best person to set targets. Indeed, it would be a useful step forward for the public to set individual targets.

That brings us to performance measurement. How can we use decentralised performance measurements? How can we involve people in local target setting? How can that happen in a multi-layered system of government? It is not just about local councils, but about the privatised delivery mechanisms of councils, regional government and agencies. It is not as simple as it was 40 or 50 years ago, when we had only central and local government. It is now a more complex, multi-layered system.

I should like to draw the Minister's attention to the issue of cross-cutting targets, which relates directly to the Chief Secretary to the Treasury's report to the Committee in the past few days, in which he identified progress on targets. When my right hon. Friend the Member for Copeland (Dr. Cunningham) and the pioneers of "Modernising Government" pushed the White Paper, there were an awful lot of attempts to remove the silos in government. I fear that we have retreated from that position. The fact that the Treasury report is on targets in a single Department is quite worrying. I fear that, because the focus of targets goes along departmental lines, they do not tackle the cross-cutting nature of public services or how they interact. I highlight those issues, although I appreciate that there is no easy answer. I hope that the Minister takes the problem on board, because when we examined many of the targets, we found that that aspect was not the strongest part of the Government's response. The same applies to the way in which Parliament allocates departmental resources to, rather than across, Departments.

I do not know how this confession will be taken, but I suppose that I should admit that I was sad enough to read every public service agreement. I appreciate that that is a rather shameful admission and I suspect that I belong to a small, select group of people who have done likewise. Having done so, however, I believe that changes are needed to PSA targets. We need to move away from headline targets, focus more on how things work and aim towards the transformation of culture within and across Departments. I was disappointed by the Government's response to the Committee's useful suggestions on how we monitor and report the performance of public services. I should like to ask the Government to think again about how the PSAs are reported, particularly across Departments. The Prime Minister's speech on Tuesday took us down that route.

Service providers who use public funds should be held accountable, but the way in which information is used does not help that accountability. In the private sector, meeting 80 per cent. of targets is generally said to be pretty good and a reasonable benchmark. If one met 80 per cent. of one's targets in the public sector, however, one would be accused of failing to meet the other 20 per cent. That is a fundamental issue that influences our consideration of the reporting of public service performance.

The National Audit Office should be used to validate the way in which performance targets are used. The Government's response could have been stronger on that issue. The independent validation of targets would help to secure public confidence in the use of targets and tackle some of the problems with bullying and public services that cheat, which my hon. Friends mentioned. That issue needs to be taken on board.

There is a myth that the private sector is wonderful. I know of a company that now has the best mortgage system in the country, but it took four attempts to achieve it. The previous three attempts did not meet the targets that that company had set. In the public sector, those targets would have been scrutinised by the Public Accounts Committee and the public services in question would have been slated, as would a failing computing system.

We should remember that the way in which accountability operates does not always help, because of the way that performance information is used. The information has three audiences. First, the information is provided to help the people doing the work to know how to improve their performance. Secondly, it is provided to allow senior managers to tackle the barriers talked about by my hon. Friend the Member for Luton, North and to know how they change the organisation. Thirdly, as my hon. Friend the Member for Manchester, Blackley mentioned, it is provided so that the public can make valid comparisons and informed choices. The same information goes to each of those three audiences and can be interpreted in different ways. There is an issue where the data and the analysis of those data are not being understood.

The report and today's debate are very useful. I particularly welcome the fact that the Government took on many of our recommendations. However, they could now make a sea change and take the debate forward. They have the opportunity to do it now and I urge them to do so.

4.30 pm

Dr. Evan Harris (Oxford, West and Abingdon) (LD): First, I apologise for the absence of my hon. Friend the Member for Mid-Dorset and North Poole (Mrs. Brooke), who is a member of the Public Administration Committee. Her Front-Bench duties have taken her elsewhere. I have not been press-ganged; I asked to speak as I have had a long-standing interest in targets and the target culture. This is almost certainly the first time I have lobbied actively to be in Westminster Hall on a Thursday afternoon.

I have a number of concerns to raise about targets. I do not know whether it is appropriate to agree a target with the Minister as to how many of those points he will address—perhaps three? If I highlight three, he will perhaps agree that that is not too bad. I notice that there is an hour and a quarter to go, and I will aim to keep my remarks nearer to 15 or 20 minutes in order to leave at least as much time for the Conservative spokesman, and more for the Minister.

I was delighted to hear the introduction to the debate by the Chairman of the Public Administration Committee. I think that he touched on all the key areas in this wide-ranging subject. I commend the Committee's report. The way in which he set out the issues in his introduction has helped me to try to respond to them—and, I hope, to challenge him and the Minister on some of them.

I was struck by the Chairman of the Committee's reference to the Minister for the Arts, the right hon. Member for Birmingham, Yardley (Estelle Morris), the former Secretary of State for Education and Skills, and the promise—as he put it—that she made to resign if she had not met the targets. My understanding is that if she did indeed resign for not meeting targets, she did so on the basis of a promise made by her predecessor, the right hon. Member for Sheffield, Brightside (Mr. Blunkett), the present Home Secretary. I may be wrong, but if that were true it would simply show how wrong it was as a basis for resignation. I understand that other reasons have been given, but the right hon. Lady is greatly missed in her post. I hope that she was not another casualty of targets, as I believe patients have been the casualties of targets in the health service.

I agree with much of what the report says about the general direction of policy. Too many targets and too many measurements are imposed on the public sector, and they are too top-down and centralised. I was pleased to see that the report called for decentralisation in public services—something for which my party and I have called. The same applies to the monitoring of performance.

Although I oppose targets, it must be stressed time and again that opposing targets does not mean that one is opposed to performance measurement in public services. I am specifically opposed to measurement through the imposition of targets—in effect by asking, "Have you met your target or have you not met your target?" However, one can monitor performance on a sliding scale. Indeed, if we are going to use league tables—an idea about which I have concerns—it is sensible to base them on a variable outcome. If they were compiled on the basis of "met target" or "not met target", that would mean that there would be only two categories in the league table—the yes section and the no section.

Brian White: Is the hon. Gentleman saying that it is wrong for a Department to say that its key objective is X, Y and Z, when that is the direction in which Ministers want to go, and that is what they want to be held to account for?

Dr. Harris: No, it is not wrong. That is an excellent question, which brings me to my second point. I am also not against priority setting for strategic direction or prioritisation. That is always done. However, I am opposed to the measuring of public sector organisations' performance on the basis of whether they have met a specific target. If anything, for reasons that I shall give, that can lead to less measurement and less control of performance, and it has all the drawbacks of targets that I am going to explain.

The Chairman of the Committee, in his very clear introduction, made two broad defences of targets—one of which was in response, so he had it off pat. First, the public sector needs to be accountable. I agree 100 per cent., but that can be brought about through various methods of performance monitoring, not just by targets, so that in itself is not a defence of targets. Secondly, he

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felt that it brought a "discipline" and a "focus" to public sector organisations—I think these were two sides of the same coin—but the same can be achieved by careful and close monitoring, without the need for targets. I hope it is understood that to oppose targets is not to oppose performance monitoring.

Mr. Hopkins: I am slightly puzzled about the idea of separating measurement from targets. Once one starts to measure in any detailed numerical way, inevitably comparisons are going to be made. With one school's results next to another's, an education authority will say, "This school seems to be doing less well than another school for no apparent reason, but we have a target to bring it up to the level of the other school." Even when informally comparing A-level performances between different teachers, targets are implicit as soon as we start to measure numerically.

Dr. Harris: The *Hansard* transcript of what the hon. Gentleman has just said will show that he used the word "target" where he could have used "desire", "policy", or even "drive". "Target" is the wrong term because it is much more specific. Nothing he said required a yes/no target.

The hon. Gentleman is quite right—we should not tolerate under-performance. The first thing is to agree the outcomes to be measured, and then we put in place the policies to do that. None of that requires targets to be either met or failed. There is some talk in the report of refining the categories with "approaching", "nearly made", "on track" and so on. That is better, because at least it gives a few more variables and not just a yes/no answer—but the target-based approach hides key factors and is less than revealing.

The hon. Member for Milton Keynes, North-East (Brian White) asked me to look at the evidence, and that is exactly what I shall do. I am going to talk a lot about the evidence, and clearly I will need to measure that I have done so.

Tony Wright: I am trying to follow the hon. Gentleman's argument, and I cannot help but think that he wants it both ways. We are all in favour of performance measurement, but my question is: measurement in relation to what? The answer is: to certain objectives.

When we were measuring performance in schools we found real problems with literacy and numeracy. We inserted as a national target an objective to do better, which had a galvanising effect on schools; the support was put in to enable them to meet it, and the outcome was delivered. What on earth is wrong with that? It combines performance measurement with a very clear target.

Dr. Harris: I do not believe that the target was required.

Let me give an example, which pre-empts what I was going to say later, in respect of NHS waiting times. The sensible measure of that performance is not the maximum waiting time. By definition, that is the time spent waiting by the least urgent patients in the system, because they are the outliers and a low priority. If one measures only maximum waiting times, one is measuring hospital performance only according to how quickly they treat the least urgent cases. Clearly it is more sensible to consider the matter holistically and look at the average waiting time for comparable case mixes, which will be important, because it will include not only the least urgent but the most urgent cases. The worst thing one can do is to make urgent cases wait longer and shift them to the right in the curve of waiting times in order to bring in the tail of people who are least ill.

The target, which is that cut-off point, has destroyed the faith of health care professionals in any action on waiting times. So yes, we could have a performance measure of average waiting times; we could even have a league table if we had to, and that would be a better, fairer and less distorting system than having a single target.

I am responding to the education comparator of the hon. Member for Cannock Chase (Tony Wright) with a health service comparator, and I hope that we can find common ground. At least he can see where I am coming from. I do not necessarily expect him to agree, but my aim is to allow him to understand that there is at least a legitimate alternative, even if it is not his or the Government's preference.

When discussing targets we have to make sure that we define what we are talking about. Whenever I have tried to put pressure on Ministers about whether a target is sensible, they say that it is not a target but an aspiration. Now they have developed a new language, particularly for accident and emergency departments under pressure due to distortions, and say that the target is not a target but a benchmark. That is playing with words. I am talking about an attempt to assist, using targets by which people are measured on their achievement. This might apply to benchmarking as well.

Many of the targets imposed on the health service are called must-do targets or "P45" targets. That is a sad situation, given the criticism that I am going to make of targets per se. As the report says, if we are going to measure whether a target is achieved we have to have an agreed baseline. When I tabled a question to ask what the baseline figure and date were for the target the Government had set to get more people into treatment for drug and alcohol addiction, I was both shocked and amused by the response, "We haven't decided yet." That is nonsense, and would not pass muster with any scientific scrutiny or peer review because it is meaningless to have the target of a 40 per cent. increase without saying what the baseline is. I still am not sure that it has been established, which is ridiculous.

While we are talking philosophically about targets—I have recently spent much of my time on the Back Benches thinking about them more philosophically than politically—a final point to make by way of preamble is: is it sensible for people to set targets where they have no power over the outcome? It may sound good, but it is grandstanding.

Let us take the asylum figures; I am keen to get off the subject of health, however briefly. The Prime Minister set a target of reducing the number of asylum applications to this country, which I found scary. I accept that the number of asylum applications received

is largely outside the control of the Government, which is why I have not criticised them. It depends on war and persecution, and on regimes and situations in other parts of the world. However, if the Prime Minister felt that he had the power to reduce the number of applications—not successful applications, which are sometimes called "genuine"—but the total number of applications before any considerations are made, that would be worrying in terms of our human rights responsibilities and treaty obligations. We have a duty to offer refuge and enable people to make claims. I thought that perhaps the Prime Minister knew what was going to happen, and he was saying that the policies he had set in place had deterred people—some of whom have legitimate claims—from coming here to claim, which would be unlawful.

It is bizarre that the Prime Minister at the Labour party conference, and the Health Secretary since then, have claimed credit for the present reduction in the number of deaths from cancer. There are two problems with that. It is well established in the mind of anyone with a modicum of public health knowledge that the significant changes in cancer death rates have been caused by lifestyle changes 20 to 30 years ago. I do not think that the Conservatives should be credited with changes in smoking habits 30 years ago, but they are more able to claim the credit than those who are in the Government at the time when people die from the effects of smoking—fewer of them are dying, because there was a change in male smoking patterns so long ago. The same goes for heart disease. I accept that there have been improvements in treatment, but they are small compared with the huge changes in public health policy and in public health behaviour 20 to 30 years ago.

Mr. Hopkins: When we are talking about targets relating to cancer, and about claiming credit for reducing death rates or increasing survival rates, surely a good and legitimate strategy is to look at comparable countries such as France or Germany to see the survival rates for different sorts of cancer. That is a good measure, and that is what we should aim for.

Dr. Harris: That is a performance indicator, which might contain merit so long as we compare like with like. However, unless we all change to Mediterranean diets or change our smoking habits at the same rate as France, it would measure only what it is measuring, and not the performance of Governments. I have never taken the view that the Government should be blamed for things that are going the other way either. I try to be fair; I do not say that the increase in male suicide rates, which is much less likely to be related to something that happened 20 to 30 years ago, is the Government's fault. People in government should be wary of claiming credit for figures that are going down, for fear that they might be blamed for figures that are going up.

Let us deal with the problems with targets. We have already talked about baselines and the fact that if someone is going to claim credit for changes, those changes must be something over which they have power. We should not set targets that are going to be easily met. The targets that the Government have set for deaths from heart disease are lower than the figures for 1997. However, the graph of heart disease deaths started falling 20 years ago, and if we extrapolate, the number of deaths expected would fall well below the target that the Government have set. It is not honest to set targets for things over which one has no power, and which are bound to be met unless something catastrophic happens.

Targets distort in three ways. First, they distort measurement and reporting practices—that is the gaming, or cheating. That is particularly relevant to "P45" targets, because those are targets upon which, in the case of the health service, a hospital manager might lose his job, which will then be franchised, or the hospital might lose money or status because it will be labelled as failing. Hospital staff do everything they can within the rules to distort the way in which they measure things, and they sometimes stray beyond the rules. That is a huge waste of intellect and talent.

However—this may be controversial—I would rather see a hospital manager fiddle the figures than allow patients to die unnecessarily because he is doing the target stuff. It would be better if managers did not allow patients to suffer, did not fiddle the figures and just confessed to the problem. However, if there were a choice between the three, I would rather the patients did not suffer, even at the price of dodgy reporting.

The second type of distortion, which is more general and more key, is the distortion of resource allocation. That does not apply only to targets, but to any performance measurement. It is a risk that, by definition, we will end up switching resources into target-rich, measurement-rich or measurable outcome-rich areas. In health care, for example, there has been a switch of resources in cash and management time into elective surgery and away from care of the elderly and mental health, where it is hard to measure outcomes in *Daily Mail* or league table terms. There is only one target for mental health—suicide rates—whereas there is a whole load of targets for elective surgery. Clearly, hospitals and public services will switch resources into those target areas, but not just because they are Government priorities; after all, the Government have rightly said that mental health is a health care priority. However, the Government only—or generally—put the measurements where measurements can be made. That is a real problem.

That point has been made twice by the hon. Member for Milton Keynes, North-East. People with multiple sclerosis or asthma feel hard done by; the national service frameworks that are target-rich—although I concede that those targets, or standards as they are called, are slightly better than some league table targets—have garnered resources away from other areas that have not yet been chosen for standards or targets, or that are not target-rich. That is a real problem; it applies to performance measurement as well, but it is exacerbated by targets.

The third type of distortion is that of clinical priorities, and splits into two forms. There is distortion in relation to users of public services who perform around the target level—peri-target pupils, for example. When there is a target for 70 per cent. of pupils to get an A to C grade at GCSE, and the only thing that teachers are measured on is whether they meet that target, they will concentrate on students who could reach it. They give up on students who would never help the school to achieve that target—which is rational from the point of

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view of meeting it—although such students would probably benefit more from greater attention than the others. That has been recognised.

Brian White: Teachers used to give up on a whole range of people, but they now bring more people up to those targets than were reaching them before. It is the targets, rather than the distortion that the hon. Gentleman talks about, that have brought the standards up.

Dr. Harris: The efforts of teachers and pupils have brought standards up, but the hon. Gentleman should provide evidence, as he invited me to, to counter the point of principle that I make and to refute it in logic. Take the example of teachers being measured on whether they achieve the difficult target of a 70 per cent. pass rate. They may reach 68 per cent., and with a lot of effort another 2 per cent. could be squeezed out of certain pupils. Teachers would concentrate on them, and not on the other pupils who were either nowhere near reaching the target or doing brilliantly.

The people around the target get all the attention. That is a problem because there is a binary choice: meet the target or not. If the performance measurement were smooth, and measured, for example, how well each student had improved on average, that would obliterate the distortion. That would be a performance measurement, a target of improvement for each child, but it would not be the blunt instrument that is so divisive and distorting.

The second form of type 3 distortion is the direct distortion of priorities between individuals who are never subject to a target and those who are. One can give all sorts of examples; the example of trolley waits is a good one. Accident and emergency departments are measured only on how long someone is in the department, not on how quickly people are treated. Let us leave the four-hour issue and talk about a 12-hour trolley wait. There could be a drunk person with a head injury. As long as their vital signs were stable, staff would have to wait until they had slept off the drink before conducting neurological tests to establish whether anything further needed to be done. Drunk people fall over, and one cannot tell whether they have intercranial pathology until they are sober. Rather than disturb a ward with a rowdy person, doctors used to allow such a person to sleep it off in A and E.

Now, however, a bed has to be found within 11 hours. Doctors now spend all their time finding beds when time is running out rather than treating urgent cases. That is not a sensible system—and that brings me back to the problem about maximum waiting time targets for operations. The most urgent patient in the hospital system, given the target that we have now, is the one who has waited for 11 months and 29 days, not the patient who needs to be treated very soon.

One can see the effect of the maximum waiting time with heart disease. We used to operate on patients with main vessel disease or unstable angina straight away, or at least very quickly. Now, they are sent home to wait seven days or seven weeks—no target will be missed, as there is no target—while we create operating sessions for the long waiters, who, even with heart disease, are the most stable. The people who die while waiting are the patients who have waited a short time, which has then been lengthened, and not those who are stable and who would be waiting 15 months. I am not in favour of anyone waiting longer than they need to; I am in favour of bringing down waiting times—of course I am. Unlike some, I voted for the resources that the Government have introduced to help to do that, but it should be done equally and not with this ridiculous maximum waiting time target.

The two-week wait for cancer is another good example of how distorting targets can be. That is my best example of evidence-based target setting, which does not exist in the health service. It was well known from studies, such as that by the Sainsbury's group in Leeds, that the current waiting time of around six to eight or nine weeks for out-patients did not damage them in terms of their outcome, despite the notional six to nine-week delay in their being seen.

The Government then brought in a two-week wait, with no evidence that that would improve outcomes, except in the sense that people would have to wait less time with a worrying symptom. That was partly funded by reducing other budgets, such as the treatment budget for people who had already been seen and were waiting for cancer treatment. They cut money from the treatment of people with cancer to reduce the waiting time for no known benefit, when it was known that people waiting for cancer treatment did suffer when they had to wait an extra month for radiotherapy for breast cancer, or for surgery.

A sensible measurement would have been the time between presentation and treatment. However, destructively and distortingly, the target was chosen to be the time between presentation of a symptom and becoming an out-patient. Of course, 90 per cent. of those patients do not have cancer—thank goodness—but 100 per cent. of the other patients, who are forced to wait longer for treatment, are disadvantaged.

Brian White: The hon. Gentleman seems to be arguing that the targets about which he is complaining are bad because they do not match the criteria for targets that we set out in the report. He is saying that if they were good targets, there would be a way forward. He is arguing that the individual examples that he has given are bad targets because they have not been appropriately chosen. Is he not criticising bad targets, rather than targets per se?

Dr. Harris: I am saying two things. If we are going to measure performance, we have to measure the right performance outcomes, otherwise we would be measuring silly things, and doing that in the health service means that people will suffer—this may be less important for other areas of Government. Over and above that, it is still better to measure performance without targets. Let us say that there was a sensible measurement, such as that between presentation and final treatment. I still would not criticise as failing a hospital that had managed to reduce that time from 20 months to 13 instead of to 12, or laud a hospital with more resources because of historical funding reasons for reducing the time from 15 months to 11. A target hides more than it rewards. I think that there is a measure of

agreement between hon. Members. We must measure performance sensibly, and that involves not having a one-off cut-off target, but measuring sensible evidence-based outcomes.

Mr. Hopkins: My hon. Friend the Member for Milton Keynes, North-East (Brian White) made the point that I would have made: the target was wrong. We can make criticisms of particular targets and we can change them. We are churning up waiting lists to measure them differently and try to make them look better, when the real problem is a resource constraint. The resource constraints are different for different hospital areas. In my area, we have a shortage of radiological treatment machines, and the ones that we have are old and overworked, and there are not enough of them.

Dr. Harris *rose*—

Mr. Deputy Speaker: Order. I hope that before the hon. Gentleman replies he will note the time. So far, he has spoken for 28 minutes.

Tony Wright *rose*—

Dr. Harris: I have taken interventions, Mr. Deputy Speaker, and before I conclude I will take one more.

Tony Wright: I would like to ask the same question in a slightly different way. The hon. Gentleman is making a good case against bad, inappropriate and over-rigidly applied targets. However, that is not a case against targets themselves. He might even be making a good case against externally imposed targets or targets that have certain characteristics. Surely, he is not arguing that organisations setting their own targets, against which they can measure performance in relation to objectives, is a silly thing to do.

Dr. Harris: I ask you to recognise, Mr. Deputy Speaker, that I have spoken for 28 minutes, only because I was not responsible for the interventions—and that last one was a good one. In concluding, I will deal with the point made by both the hon. Members for Luton, North and for Cannock Chase, because I want to be clear.

Yes, there are two factors. Performance measures need not only to be evidence based and consulted on, but to be defended with a document that details the evidence that demonstrates why such measures are sensible. I am still of the view that unless there are many targets all the way along a performance measurement, a target means that for any measure there is a one-off question: has the target been met or not? It is more descriptive, and less demoralising, if performance along that scale is recognised and applauded when it is improved, wherever it is, rather than just at a single point. In the same way, poor performance should be criticised, and something must be done, even if someone meets what would otherwise be a single target. I hope that there has been some measure of agreement, and I look forward to the Minister responding to at least three of those points.

5.1 pm

Mr. Howard Flight (Arundel and South Downs) (Con): I commend hon. Members on their valuable contributions to the debates on what we mean by targets and what their role is, and, more fundamentally, their remarks on how to improve delivery in public services.

We have got bogged down in the semantics of the word "target". We are really talking about the particular target regime that the Government have introduced. It is clear that Ofsted inspections are inspections of schools to see whether they are doing well or badly. They pre-date the target regime and are intrinsically not about a target performance regime. Targets, as a general aspiration for an organisation or a country, have been around for a long time. They are a perfectly valid concept, whether one calls them targets, broad national objectives or organisational objectives. They are rather like organisational mission statements.

The specific regime has been modelled on something that was called management by objectives, and was used extensively by the private sector in the 1970s and 1980s. In the main, it has been given up and replaced by an involvement approach. The common sense has been perceived that dictating to people from on high a load of things that they are supposed to do, without discussing with them how they can contribute, inevitably results in the sort of demotivation that we have heard about, in misallocation of resources, in distortions and in cheating. Sensible companies take a common-sense approach. Not in a top-down but in a bottom-up manner, they discuss among the key people how the organisation might work better and how things can be done more efficiently. Out of that are born objectives. That system works, whereas targets dictated from on high do not. They never did work, and they tend to produce the problems that we have just discussed.

Brian White: Will the hon. Gentleman give way?

Mr. Flight: If the hon. Gentleman does not mind, I will not, because my time has been cut short. Have another go if I speed up.

I had to review William Keegan's book on the Chancellor, which was written just before Christmas. It was an interesting read. I thought that it was going to be rather tedious, but I commend it to hon. Members. It sets out why the Chancellor introduced his targets regime. As he embarked on a massive increase in public spending, he was deeply concerned that the public would perceive that it was not working and that the money was being wasted. He thought that there was a need to introduce a framework to demonstrate that the Government had set targets and were measuring what money was being spent and that it was having the effect that it was supposed to have. That framework has manifestly not been successful. The public are not convinced that it is working and, as the Committee's excellent report demonstrates, it has not worked in the sense of being a management by objectives tool.

The Office for National Statistics has demonstrated that only 15 per cent. of the increase in expenditure has gone to delivering more. The rest has gone to cover public sector inflation, which has risen from 1.6 per cent. to 8.5 per cent. and, more recently, a 5 per cent. fall in productivity.

[Mr. Flight]

This whole territory is central to politics in Britain today—and to politics in all mature economies. It is about how to make the public sector more effective, and how to motivate it. Do we try to run it tightly from the centre or do we devolve power completely—in which case, at least on paper, the accountability can never be as good? Do we empower citizens by allowing them to use the money that they have paid in taxes to go where they want via a tariff or passport regime? That is a central question of our times.

The Select Committee report identifies five failings in the Government's attempt to manage public services from Whitehall through centrally set targets. First, it points out that there is a lack of clarity about what the Government are trying to achieve. It found:

"Much of our evidence suggested that the measurement culture had failed to give a clear enough statement of the Government's aims and priorities. While there was much exhortation and a wide range of targets, there was not a sufficiently coherent lead."

In other words, to think back to semantics, is this about targets in the sense of aspiration or is it about the management regime, which is what has come to pass?

Secondly, the report mentions:

"Failure to provide a clear sense of direction and ambition"

and

"to communicate a clear message to staff".

The targets regime has sometimes served to demotivate public sector employees.

Thirdly, the report states that targets do not necessarily deliver results and, fourthly, that there have been failures in reporting and monitoring. The Committee notes that there is an

"absence of either centrally accepted standards for reporting performance or of any general requirement for audit or validation of results reported."

Fifthly, it identifies confused accountability:

"There are . . . fundamental problems with the accountability of any target that is set centrally without proper reference to those on the front line."

My Conservative colleagues and I have argued for some time that it is not possible to run our hospitals, schools or police forces by centrally dictated targets and management from Whitehall. Teachers, doctors, nurses and the police are intrinsically better placed to know how to get on with things; parents and pupils are intrinsically better judges of which schools to choose; individuals are better at choosing with their doctors which hospital to attend.

I want to say a little more about the second and third failures that the Committee focuses on. Through the culture of targets, the Government are failing to communicate with staff and are damaging morale and generating disillusionment. It is becoming increasingly clear that targets have not delivered the results that the Government hoped for.

The Committee found:

"Where centrally-imposed targets differ widely from what local people judge to be sensible aspirations, tensions can arise."

It adds that central Departments often do not understand what life is like for those who deliver services. Even the right hon. Member for Birmingham, Yardley (Estelle Morris), when she was Secretary of State, conceded that the biggest problem was that professionals felt no ownership of the targets.

Such admissions ring true. The chief constable of Thames Valley police claimed that the Home Office targets for reducing robbery and burglary

"fly in the face of reality".

He added that

"If the targets are not set at a level which we think is realistic, we . . . ignore them."

In my constituency, there is a lot of agricultural crime. There are, however, no targets for agricultural crime reduction, so the police do no work relating to agricultural crime.

More worryingly, reporters for a BBC "Panorama" programme said that when they began to investigate the impact that the targets regime was having on the NHS, they discovered a public service in which many people had become secretive and scared. As we just heard, the reality can be even worse. Little wonder that in his last speech as chairman of the British Medical Association, Dr. Ian Bogle commented on the creeping morale-sapping erosion of doctors' clinical autonomy, brought about by Whitehall micro-management, and on the suffocation of professional responsibility by target setting and production-line values that leave little room for the professional judgment of doctors or the needs of patients.

The pressure that targets have placed on public servants is leading to the manipulation of figures and the distortion of priorities. That is in addition to the fact that the Government are failing to meet a significant proportion of their own targets. The Committee discovered that targets and results were different things. In some cases, creativity is being directed more to ensuring that the figures are right than to improving services, sometimes at the cost of distorting priorities.

Instances in which figures have been manipulated in order to meet targets are becoming legion. The NHS is the richest source of such data. Again, the "Panorama" programme revealed that ambulance crews were being forced to wait with patients for up to five hours before they were admitted to the hospital, so that the hospitals could meet the maximum four-hour accident and emergency waiting time targets. This, in turn, made it impossible for the ambulance service to meet its eight-minute response time target, so ambulance crews were told to leave their patients in the most humane way possible and go. It has now been reported that ambulance trusts are setting up temporary holding areas in tents outside A and E departments. As I said, every time I speak to directors of major hospital trusts, they have another disreputable story to tell about how targets are leading to such distortions and fiddling.

"Panorama" reported the special preparation at Homerton university hospital for the week in which the A and E waiting times would be assessed. According to a nurse manager:

"for that week, all the resources were made available to make sure that all the beds were available . . . extra doctors came on board."

According to a BMA survey, two thirds of A and E hospitals put in place such special arrangements for the monitoring week. This does not help to improve the delivery of the health service. It is a joke and a scandal that time and energy is being wasted on something as important as health in such a charade.

Again, an emergency nurse consultant told "Panorama":

"There's an awful lot of scams and an awful lot of juggling the targets."

Examples were given of not counting patients on beds in A and E because they had, in effect, been admitted; putting up doors or walls around patients or trolleys and calling the area an observation unit; sending patients for scans and not counting the time that they spent waiting; bringing patients in for operations even when the consultant was known to be on holiday; and discharging people and then treating them as out-patients to prevent waiting times from rising. There are allegations that the wrong figures have been collected and that the number of cancelled operations in one case was written in as zero even though it was 28. Of course we should criticise anyone who gets up to such things, but the fundamental point is that they are the result of the regime that has been put in place. It is a wholly inappropriate means of encouraging the right performance among hospitals.

The manipulation of figures is happening not only in the NHS. The Committee cites the recent case of a primary school head teacher who helped pupils to cheat in SATs to avoid a poor placing for the school. Most farcical of all, Network Rail has called for train journey times to be lengthened so that trains appear more punctual. The distortion of priorities is particularly worrying. Farce is one thing, but jeopardising the well-being of patients is quite another. Sadly, that is what targets often lead to, because they are put ahead of clinical need, with the result that clinical priorities are often inverted.

The Select Committee commented on the Bristol eye hospital. "Panorama" also revealed that follow-up appointments for patients with pituitary tumours at the Oxford Radcliffe Hospitals NHS trust were delayed so that new patients could be seen and targets were not breached. In another instance, patients who were about to breach the targets were treated ahead of patients who urgently needed operations to repair fractures. Candidly, that is nonsense, and even the aspirational nature of targets is no excuse for running a health service with such distortions.

Conservative Members have argued against the target regime for some time, and we welcome the fact that the report supports many of our arguments. My shadow Cabinet colleagues and I have made no secret of our plans to reform the departmental target systems for which we have Front-Bench responsibility. We have called for the hospital star rating system to be scrapped because it encourages health care professionals to meet centrally set targets ahead of everything else. We recognise that the micro-management embodied in the top-down control of public services by a Whitehall that is obsessed with targets and the cost of monitoring them will never work. If we are to create sustainable, widespread excellence, we must hand control down to those in the delivery units so that they can get on and run them successfully.

We must remove the swathe of targets, intrusive bureaucracy and central micro-management and let the professionals get on with things. We must empower parents by giving them far greater choice over where their children go to school. We must empower patients and their doctors to put natural pressure on hospitals so that they run themselves better. We can do that under the tariff regime and our passporting regime by giving patients greater choice over which acute hospitals they go to.

I am afraid that the centrally run target management regime is not improving delivery in our public sector, as the Select Committee said. Targets are fine for general national objectives, but they are no mechanism for running schools or a health service.

Mr. Deputy Speaker: I thank the hon. Gentleman for his co-operation. I now call the Minister to reply to this important debate.

5.19 pm

The Economic Secretary to the Treasury (John Healey): I profoundly welcome this debate, and the thorough and detailed report from the Public Administration Committee on which it is based. I pay tribute to the members of the Committee, and in particular to my hon. Friend the Member for Cannock Chase (Tony Wright) in his chairmanship.

My hon. Friend started his speech by explaining that the Committee set out to track the performance on public services throughout this Parliament. The Committee has indeed provided a consistent, cumulative and cross-cutting scrutiny of what he termed our public service agenda—and it has had a significant impact on Government thinking, as he said. This is why the Committee's report contains a number of recommendations that are very well aligned with the Government's view of, and approach to, targets.

What has been clear throughout the debate this afternoon is the theme that this is a developing discipline. My hon. Friend said at one point that he believed that the Government were making real progress. My hon. Friend the Member for North-West Leicestershire (David Taylor), who unfortunately is no longer with us, said that he was prepared to award the Government's performance on targets a B-plus. I welcome that, and will settle for it for the moment.

My hon. Friend the Member for Manchester, Blackley (Mr. Stringer) reminded us how crude the methods of assessment and the terms of debate were in 1997–98. The principal terms of debate were how much would each party invest in a particular area of public services. It was soon after that, in the comprehensive spending review of 1998, that public service agreements and the architecture was first introduced, alongside a much wider set of fundamental reforms in the public sector, such as the introduction of three-year spending plans, coupled with end-of-year flexibilities for budgets, to prevent the end-of-year spending surge that we had often seen and to encourage the longer-term planning that we had not often seen. The reforms also included the introduction of separate budgets for capital spending in order to ensure that investment was not crowded out by short-term spending pressures, the move to resource accounting and budgeting to

[John Healey]

encourage proper asset management and better financial planning, and the introduction of outcome-focused performance targets for the key areas of Government.

My hon. Friend the Member for Cannock Chase described that set of changes as a major innovation. It is easy to overlook just how radical these reforms were just five years ago. The 1998 CSR was only the first step in the framework of performance management for government that has evolved since then. In the spending review of 2000 the public spending agreement framework was strengthened, with fewer targets for a smaller number of key Departments, coupled with greater focus on outcomes. That evolution continued through the spending review of 2002, and the current PSA framework contains only about 130 targets—on average, fewer than seven per Department.

Although we have further development to undertake, we are now properly trying to capture the few clear, high-level outcome-based national priorities for each Department. As the Committee's report confirms, they provide a focus.

Brian White: My hon. Friend said there were a number of key targets for each Department, but is not one of the issues the fact that there are targets that go across Departments, and it is that area that needs a clearer focus?

John Healey: I was going to come on to the point that my hon. Friend made about that in his speech, but I can give him the response now. In the current set of PSA targets, about one in five is the property of more than one Department. In many of the other areas, successfully pursuing those targets depends on the co-operation and joined-up efforts of other Departments.

As a couple of my hon. Friends have said this afternoon, there is no question but that the revolution that we have seen in some of the public services would not have taken place without this approach. The introduction of PSAs, alongside a period of sustained investment in public services—a point made by my hon. Friend the Member for Luton, North (Mr. Hopkins)—has resulted in several major achievements. By that, I mean increases in numeracy and literacy among 11-year-olds, smaller class sizes, an increase in free nursery places, reductions in mortality rates from cancer and coronary heart disease, a reduction in crime accompanied by a record number of serving police officers and the lowest unemployment rate in the G7 countries.

The impact, and in some cases a profound change, in such areas, is what matters to people who need or use such services. The PSAs have helped to drive such transformations and, while the public may still want more, it is less important to the people who need and use such public services that the precise percentage improvement in literacy levels for 11-year-olds has been met than that a noticeable change and transformation can be seen from day to day in schools.

Targets are a tool. We make a mistake if they become an end in themselves. In many ways, that is the root of several of the problems in policy and the delivery of management to which contributors to this afternoon's debate have referred. The hon. Member for Arundel and South Downs (Mr. Flight) rejects targets. He also rejected management by objectives. The "involvement approach" for which he argued may be an important element, but in a complex system of public service delivery led by an elected Government with a popular mandate, that surely cannot be sufficient.

I was glad that the hon. Member for Oxford, West and Abingdon (Dr. Harris) declared that he would make only three points—but I counted three points in his preamble alone, and probably double that in his interventions on my hon. Friends. He also set out his objections to targets, but not to performance measurement and reporting. In some senses he gave the game, or the explanation, away in response to an intervention from my hon. Friend the Member for Luton, North when he said that "target" was the wrong term. I fear that part of his contribution meant that we became tied up in a terminology debate, which the hon. Member for Arundel and South Downs described as becoming bogged down in semantics.

I am sure that the hon. Member for Oxford, West and Abingdon has seen the pre-Budget report, because he is an assiduous hon. Member. However, in case he has not yet studied it, I can tell him that it sets out the Government's thinking on targets and performance management—his area of concern. It states that a more devolving approach will require the continuing evolution towards fewer nationally set targets, reflecting only the Government's key priorities and with greater scope for local flexibility to determine outcomes and methods of delivery, including use of local performance indicators.

It is surely right that a Government who were elected with a popular mandate should set out their key priorities, for sake of the greater understanding of the public and their ability to judge us on delivering the promises that we make in a manifesto. We are tackling the difficult area of developing further in the devolved decision-making review, to which I shall refer more fully in a moment—but first I shall deal with the other point made by the hon. Members for Arundel and South Downs and for Oxford, West and Abingdon. They argued that targets distort priorities, resources and practice, and often leading to gaming—a temptation to prioritise people to meet targets for waiting times, for example.

In all honesty, I must say that it is inevitable that there will be a few cases of malpractice, but it is worth remembering that the Audit Commission report on waiting time accuracy found that cases of misreporting were few in relation to the size of the NHS. Beyond the system of targets, the hon. Gentleman will know only too well that clear guidance is issued throughout the NHS stating that clinical priority must be the main determinant of when patients are either seen as out-patients or admitted as in-patients. The Government have repeatedly made it clear that the patients in greatest need should continue to be treated first.

My hon. Friends raised a number of well made, pertinent cautionary points. My hon. Friend the Member for Luton, North urged us to use the right measures. I was very taken with Fred the wheeltapper, and the tale that led him to assert that we need to check whether the instruments work. Another theme of my hon. Friend's contribution was the need to pitch targets at the right level so as to stretch and not demoralise. My hon. Friend the Member for Manchester, Blackley urged us to watch out for poor target-setting and perverse consequences. My hon. Friend the hon. Member for Milton Keynes, North-East (Brian White) made the point that we need to work hard to identify good targets. He used the example of the Government target for e-transaction and e-services, but he also said that the Government should be better at changing targets when they have served their purpose, or when circumstances have changed and require us to further develop or change targets.

My hon. Friend the Member for Manchester, Blackley ended on a subject of concern that I, as a former Under-Secretary of State with responsibility for adult skills, entirely share. There is a target for functional literacy, and I would argue that it is one of the toughest in the whole education and skills area. It is to improve the basic skills of 1.5 million adults between the launch of the skills for life strategy in 2001, and 2007. There is also an intermediate target or milestone of improving the skills of 750,000 people by 2004. We are not just talking about people signing up to or completing a course; there will have to be tested improvement in skills by a whole level in order for the improvement to qualify as contributing towards that target.

My hon. Friend ended with a point about the Greater Manchester learning and skills council. He argued for reform and greater flexibility in the funding and management systems; there was not a problem with the target per se. It is precisely the challenge that my hon. Friend mentioned that has led the Government to announce the abolition of service delivery agreements. We did that to avoid prescribing intermediate inputs and processes, so that, rather than our dictating the method of delivery for key targets, Departments, agencies and front-line delivery bodies can have greater flexibility to determine how best to deliver key priorities in the light of local circumstances.

We must also ensure that local service providers have the flexibility to determine priorities at a local level—for example, through innovations such as the local public service agreements. We must also develop better ways of involving those responsible for meeting targets in setting them, and examine ways to cut back the large number of measures and indicators that are not related to PSAs, as those often add to the burdens and pressures felt by front-line deliverers.

Several hon. Members made the point about the pressure on the front line, and the fact that in target setting, we sometimes fail to take account of the views of the front line. There is a balance to be struck, and we may have a difference of view about where that balance lies. However, although it is legitimate for the Government of the day to set out their ambitions for public services, they also need to respect the knowledge and expertise of the front-line service provider.

That is why, in the 2003 Budget, my right hon. Friend the Chancellor announced the devolved decision-making review. He has said that the review was to examine

"how best to achieve decentralised delivery and responsive local and regional services in a way that is consistent with equity and efficiency, against a clear framework of national standards. This will consider the way in which targets are set and the flow of information on performance."

The review will continue to feed in to the 2004 spending review, and it is working to develop a clear rationale for the devolution of decision making and improvements in setting and delivering targets to improve public services.

Soon after the PAC published its report, the Audit Commission published a report that focused on the connection between local organisations and the Government in setting targets. It recommended that the Government continue to set national standards and aspirations, but that targets need to be based on a dialogue between the centre and the localities to ensure a greater degree of local ownership. Crucially, the Audit Commission recommended that local organisations recognise national legitimacy when setting minimum standards and aspirations, although that should not be taken to mean nationally set targets in all areas. The Government are therefore pleased that the broad conclusions of the Public Administration Committee and the Audit Commission are in line with our review of more devolved decision making.

In 2002, the Government introduced the autumn performance reports, which supplemented the traditional departmental reports published in the spring. They ensured that each Department published progress reports twice a year. In 2003, the framework was further enhanced by the introduction of the public service agreement performance website, which brought together the latest performance data on all PSAs in one place. I must tell my hon. Friend the Member for Milton Keynes, North-East that that is a better way of providing a degree of reporting to allow the required scrutiny than an annual report that tries to pull everything together. In response to Lord Sharman's report on audit and accountability in central Government, we invited the NAO to validate the data systems that underpin the PSA targets.

Those reforms, taken with other developments such as the evolution of the national statistics framework, provide a comprehensive and detailed system of public accountability. Indeed, in discussions that our officials had with a wide range of officials from other Governments around the world, and in discussions with other Finance Ministers, it was suggested that those developments put the United Kingdom at the forefront of international best practice in accountability and transparency.

Following another of the Committee's recommendations, the Treasury has strengthened its guidance to Departments on performance reporting, particularly on the use of such phrases as "met" or "not met" when assessing final progress towards targets. I hope that that will improve the consistency and clarity of reporting and therefore help the process of serious scrutiny of public service delivery. However, it is important to stress that although the Treasury is playing a lead role, Departments remain responsible and accountable for their performance reporting.

[John Healey]

In conclusion, what my hon. Friend the Member for Cannock Chase called the most recent phase of the continuing work of scrutinising the performance of public services has been reflected in the report and in the debate. We have considered the latest phase of that work today, and I welcome the fact that the Committee will turn its attention to examining the role of the citizen as the consumer of public services. It must be a key part of the continuing reform of public services that they should be more individualised and better personalised to the pupil, the patient and the passenger, as well as fitting the needs of the wider general public. I look forward to the time when the report is published and the inquiry is completed, and to a debate similar to the one that we have had this afternoon.

Mr. Deputy Speaker: Before I put the Question, I congratulate all the hon. Members who have participated today—including those who have done so by intervention—on a well informed, excellent debate of high quality.

Question put and agreed to.

Adjourned accordingly at twenty minutes to Six o'clock.

Westminster Hall

Tuesday 2 March 2004

[DAVID TAYLOR *in the Chair*]

Museums

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Ainger.]*

9.30 am

Mr. Michael Portillo (Kensington and Chelsea) (Con): I feel very fortunate indeed to have the opportunity to open this debate on the important subject of museums. Next week, the national museums and galleries will launch a series of reports in which they draw attention to some of their good work and achievements and the problems that they face. I have a strong interest in the matter because my constituency contains three national museums. It is an enormous source of pride for me to represent them, such is their great excellence, and as I near my retirement from Parliament, I know that I will miss my association with them.

The debate provides the opportunity for the Chamber to recall the importance of the work of our national museums and galleries. We are fortunate to have collections of such quality and it is important that they be maintained in excellent condition, that they be restored when necessary and, in particular, that academic research make the most of them so that we may understand more about our environment, our history and human achievement. Our museums and galleries make a huge contribution in the broadest sense to the culture of this country and to its reputation for excellence and scholarship.

The reports that will be published next week make it clear that museums and galleries make a great contribution to our economy. They have been undertaking a great deal of work to adapt to the world in which we now live. They have made great strides in welcoming new visitors, in particular people from this country who, because of their background, would in the past have seen galleries and museums as places that they did not want to enter. The museums and galleries have created new environments and new sorts of exhibitions that will be attractive to both traditional and new visitors. In addition, they are making the most of electronic links so that many people who are not in a position to visit galleries and museums can be connected with them through the internet, or can supplement their visits by continuing their learning electronically.

The museums and galleries are responding to several targets laid down for them by the Government—I think in particular of targets relating to C2, D and E category visitors and ethnic minorities. It seems, however, that the museums are expected to undertake such extra work on the basis of grant in aid from the Government that has been rising only in line with the retail price index. That means that the museums and galleries have not had an opportunity to participate in the rising wealth of the country. To make that point more clear, I refer to the Government's decision to do away with admission charges: in many senses, that is welcome, but it means also that the institutions have no opportunity to participate in the country's rising wealth through admission charges that might otherwise have increased from year to year.

The reports have been commissioned by the National Museum Directors Conference, the first of which is called "Valuing Museums". Written by Tony Travers of the London school of economics and Stephen Glaister of Imperial college, the report details the economic, educational and broader cultural impact of the national museums and galleries. The report finds that that sector in this country has a unique, international scale and standing, and that it has an annual impact of £2 billion on the economy, which is significant. Beyond that, the extent of the contributions that the institutions make to the cross-Whitehall agendas for education, social inclusion and the regions are highlighted in the report.

The second report is "Creating Engagement". Written by Ricky Burdett of the London school of economics cities programme, it demonstrates the extent, variety and often surprising nature of the roles undertaken by national museums and galleries. It is based largely on case studies and it illustrates how those institutions engage in a range of innovative activities with different communities across the UK, from business and science to youth and fashion. The third report, "National Dimensions", is written by AEA Consulting and examines the many forms of collaboration between national museums and the rest of the museums and galleries sector, noting how much joint activity is under way at any one time.

I think that our museums carry out their basic functions extraordinarily well. Their collections are remarkable, as is the scholarship involved in their operation. Using examples from my constituency, I shall illustrate some of the ways in which museums and galleries are adapting the way in which they exhibit their material. The Natural History museum now has the Darwin centre, a splendid new building and a superb piece of architecture, which not only offers an opportunity to rehouse an extraordinarily large collection, of insects in particular, which in other circumstances might have been in danger of deteriorating, but offers the public a great opportunity to enter the museum and engage in dialogue with scientists. Scientists are available to the public, with whom they can hold discussions in seminars.

At the Science museum, the new Wellcome building provides an opportunity for members of the public to engage in discussion and view evidence about matters of scientific controversy, allowing them to make up their own minds at the end of the day. For example, there have recently been special exhibits on the measles, mumps and rubella vaccination and genetically modified crops—two great controversies about which the public would naturally like to be better informed.

At the Victoria and Albert museum, we have recently seen the inauguration of the British galleries, which enable the V and A to take existing collections and update the manner in which they are displayed, making them more accessible and understandable to a broader public. The V and A has been involved in many other extraordinary enterprises. A number of its exhibitions are closely linked to contemporary fashion and it has made a point of giving modern British fashion designers

[Mr. Michael Portillo]

an opportunity to show some of their work. The V and A has entered into an agreement with the Department for Culture, Media and Sport about funding, which states that in future there will be certain types of exhibition designed to broaden the categories of people who visit the museum. As part of that agreement, the V and A will put on an exhibition in the summer called "Dressing Black Britain". The agreement states:

> "The exhibition aims to celebrate the presence of black people in Britain and to stimulate the debate about the importance of clothing and style in the telling of a history of a cultural group ... It will create a series of narratives on fashion and style among Britain's black inhabitants and by extension promote an understanding of the dress culture of the African diaspora ... The intended audience for this exhibition will be people of all ages from the black British communities as well as anyone—from academics through to schoolchildren—with an interest in fashion and the diversity of contemporary British culture."

The V and A, which receives about £37 million in public funding, is expected to increase the number of visits by children to 315,000 in 2005–06, and the number of C2, D and E visitors must increase by 8 per cent. to 180,000 by the same time. All that is in the agreement with the DCMS.

The V and A recently held an exhibition entitled "The Arts of the Sikh Kingdoms". Of the people who visited that exhibition, half were making their first ever trip to a museum, and some 70 per cent. were from ethnic minorities. An exhibition last year on Indian cinema, "The Art of Bollywood", drew 80,000 visitors. In September 2004, the V and A will put on an exhibition entitled "Exotic Encounters: the Meeting of Asia and Europe 1500–1800". Those are examples of the way in which exhibitions are changing to fit in with the realities of contemporary Britain.

Let me again draw on the Natural History museum to illustrate excellence. That museum has a biomedical sciences group that is a world leader in research, particularly into diseases. It is a world leader in investigating the causes of, and possible cures for, river blindness, malaria, schistosomiasis and leishmaniasis—deadly diseases that afflict the African continent in particular. All the museums continue to demonstrate their commitment to research and the spreading of knowledge. One way in which that can be measured is through the number of articles submitted to learned journals: the number of articles published by NMDC institutions that have been tracked down by the reports that I mentioned is 1,173, of which the Natural History museum contributed 535, the V and A 146, and the Science museum 48. I use examples from my constituency, but of course there are many others. The national museums and galleries in general are the subject of about 1 million educational visits a year by schoolchildren and, extraordinarily, more than 6 million private visits by children are made in addition to their educational visits. To give one example, the Victoria and Albert museum has 220,000 educational sessions either on or off site. That is a fairly substantial contribution to the education of our children.

The economic impact of the sector is by no means the be-all and end-all, but the point is worth exploring. Museums and galleries make a substantial contribution to the British economy. The overall turnover of members of the NMDC is £715 million—that represents a combination of Government grants, income that they generate themselves through things such as their restaurants and shops, and money that they receive in sponsorship. That is a substantial sum in itself, but the reports make further calculations—they can, of course, be debated, but the reports say that they have erred on the conservative side. The reports take the turnover, add to it the money that people spend because they are visiting a museum or gallery, and introduce a multiplier to calculate the total effect on the British economy of people visiting museums and galleries. I shall not go into the detail of the methodology, but I have already mentioned the result: the total effect on the economy is estimated to be about £2 billion a year. As a subdivision of that, the external benefit to the United Kingdom economy, commonly called the export value, is thought to be at least £320 million, and thus similar to the external benefit that the UK economy derives from the musical, visual and performing arts sector.

One should also say, although I will do so only briefly, that there is a relatively close match between expenditure and grant in aid by the national museums and galleries per head of population throughout England, Wales, Scotland and Northern Ireland. The reports that I mentioned detail the contribution that galleries and museums make to employment throughout the regions and to urban regeneration, the contribution made by touring exhibitions and by institutions based in London opening museums in other regions, and the great importance of the large number of exhibits that are on loan from institutions at any one time.

As for the amount of money provided by the Government, the reports include a series of useful tables. Under the heading "Recent History", the grant in aid given by the Government to museums and galleries from 1997–98 to 2003–04 is outlined. To quote examples from my constituency, the Science museum received an increase of 12.3 per cent., the Natural History museum an 18.6 per cent. increase, and the Victoria and Albert museum a 7.7 per cent. increase. Those figures are typical of the whole table. The British Museum received an increase of 18.1 per cent., and the National Gallery an 11.5 per cent. increase.

Let us compare those increases with other figures. United Kingdom public expenditure in the same period increased by 40.8 per cent., which is an enormous contrast. The RPI rose by 18.8 per cent. in the same period, so museums and galleries have enjoyed increases that, on average, are not far off the RPI. However, average earnings increased by 34.2 per cent. in that period. Broadly speaking, the museums and galleries have received an increase that is not far out of line with the RPI, but vastly below the earnings index and even further below the increase in UK public expenditure.

Plans for the future do not show an improvement in the position. The planned increases for 2003–04 to 2005–06 are 2.6 per cent. for the Science museum, 5.2 per cent. for the Victoria and Albert museum, and 5.2 per cent. for the Natural History museum. Those figures, which are typical of the whole sector, are in middle to low single figures. However, the departmental expenditure limit for the DCMS will increase by 10.2 per cent. during that period—twice as much as the increase in the grant to the V and A and the Natural History museum, and four times as much as the grant to the Science museum. Whitehall Departments as a whole will

do even better, receiving an increase of 13.9 per cent. There is a contrast between the general level of the increase in public expenditure and the amount of grant in aid to the museums and galleries.

The contrasts within the DCMS are also interesting, because the Department has decided to increase some lines of expenditure markedly. Before I embark on this argument, I should point out that I do not object to increases for arts, broadcasting and media, and I should immediately declare an interest in that respect. Between 2001–02 and 2005–06, the arts will receive an increase of 63 per cent., broadcasting and media 18 per cent., and sports 91 per cent. However, over that same period, museums, galleries and libraries will receive only 26 per cent., and the NMDC members will receive only 17 per cent. Within the arts, there are some remarkable increases: the Royal Opera House will receive an increase between 2003–04 and 2005–06 of 14.3 per cent., the Royal National Theatre 16.5 per cent., and there are numerous similar examples.

It seems odd that there is a shift away from museums in favour of other types of public expenditure and other types of client within the DCMS, and odd that such a shift is happening at a time when so much more is being demanded of museums and galleries, and they are demonstrating that they are on course to do what the Government are asking them to do. I understand that institutions are expected to produce more self-generated income, but that argument applies to everybody—to arts and sports institutions as well as to museums and galleries. Yet subsidy per visitor to museums is falling, and it seems implicit—although I have not investigated in detail—that it is to rise in the arts. In other words, productivity is rising in galleries and museums, but falling in the arts.

To be frank, the gap between the grant in aid and the earnings index is especially important because galleries and museums have to pay people: one of their main items of expenditure is salaries—paid, I hope, at competitive rates. The gap suggests that we shall suffer a loss of expertise from our museums and galleries, and the report bears that out. It will be difficult to maintain levels of service, and museums should be planning an orderly decline. They will have to consider closing galleries while exhibitions are being planned—if galleries shed people, of necessity they reduce the number of activities that they can pursue.

I should like to quote a recent article that makes rather grim reading. It refers to attendance figures for 2003, which in certain institutions were rather disappointing, and was published in *The Times* of 23 February 2004. The writer, Richard Morrison, states:

"The virtually new Imperial War Museum North in Trafford seems to have lost more than half its public in a year. Could that be because, once visitors have done the obligatory double-take and gawp at Daniel Libeskind's 'accident in a tin-can factory' architecture, the permanent exhibition inside is pretty thin stuff? ... the once trendy Tate Modern—cathedral of pickled cows, unmade beds, copulating dolls and all the other tatty absurdiana of Brit Art—has also lost more than half a million visitors in a year, perhaps because nobody needs to see the emperor's new clothes twice. It will be fascinating to note whether Tessa Jowell's Culture Department, which was so quick to attribute the rising museum attendance figures of the previous year to the Government's expensive 'free admissions' policy, will be quite so keen to shoulder the responsibility for the falls in 2003."

He continues:

"The truth is that the cultural leisure industry expanded far more than was prudent in the 1990s, partly because of the vast lottery grants that suddenly became available. To keep all these attractions solvent, every man, woman and child in Britain would need to visit at least two of them each week. Unfortunately, the trend is in the opposite direction ... I wouldn't be surprised if some of Britain's most famous museums, zoos and theme parks crashed out of business in the next few years."

I do not subscribe to every word of that article, but there is something to the argument, and the Government must recognise what is happening.

The museums are calling for an extra £50 million above inflation in future years. As a former Chief Secretary to the Treasury, I shall not labour that point, but the Government must recognise that they face the following options: they can pay more for the museums and galleries; they can adjust the balance between the museums and the other clients of DCMS; or they can watch the gradual overall decline of these institutions or allow some institutions within the sector to go to the wall so that others can flourish. That is a realistic assessment of the choices.

Although I support the Government's ambitions for the way in which the sector should expand and attract audiences—very good work is being done in that respect—there is a danger that as we push museums and galleries in that direction, we neglect that which is fundamental: their excellence, and contribution to scholarship and culture, which must never be neglected.

Several hon. Members *rose—*

David Taylor (in the Chair): Order. A number of hon. Members are trying to catch my eye. They should bear in mind that I intend to call the first of the Front-Bench speakers at 10.30.

9.56 am

Mr. Chris Smith (Islington, South and Finsbury) (Lab): I warmly welcome the opportunity that this debate gives us and I congratulate the right hon. Member for Kensington and Chelsea (Mr. Portillo) on securing it. I also offer a warm welcome to the reports that have been commissioned by the National Museum Directors Conference, which helpfully illuminate our discussion.

As the right hon. Gentleman forcefully reminded us, the starting point for any debate on this subject has to be a recognition of the huge importance of museums to our society and culture. It is worth reflecting on the way in which the role of museums has changed and grown in the course of the past hundred years. Many of the great museums were founded in Victorian times. They had two major purposes, the first of which was the holding of great collections: museums were the storehouses of the best of our past and the nation's inheritance. Alongside that was the purpose of education: the Victorians believed passionately in the value of the collections and the way in which they could inform and educate the population. Those two purposes remain fundamental to the ambition of the great museums in this country, and I urge my right hon. Friend the Minister for the Arts when she enters into negotiations with the Treasury in the next few months to emphasise

[Mr. Chris Smith]

again, as she has done before, the huge educational importance of the resource that this country's museums represent.

The two fundamental purposes of stewardship and curatorial excellence and of education have broadened in recent years. Museums are now pursuing two further ambitions, which do not diminish the first two, but have simply been added. The first of those is the engagement of ordinary visitors. The way in which museums draw in visitors and stimulate their interest, and perhaps encourage them to think about things that they have never encountered before, has developed by leaps and bounds in recent years. In addition, museums offer us the possibility to of developing at neighbourhood, city and national levels a sense of identity based on our cultural inheritance. Anyone who doubts the importance of that function need only look at the overwhelming importance to the people of Iraq of the desecration of the national museum in Baghdad. One of the noblest things to come out of the tragedy of the Iraq conflict was the imaginative role played by the British Museum in providing global leadership for the effort to restore Iraq's heritage after the war. We must therefore recognise not only the national, but the international importance of the great institutions of this country.

Museums of all types across the country, not just the national museums, are vital to our society. I have three brief points to make about what is needed. First, I agree with the right hon. Gentleman's assessment that in the coming spending round, museums should be given priority. I am pleased and proud that, in the past six years, the Department for Culture, Media and Sport has managed to improve dramatically funding for the performing arts. I do not gainsay that decision, but museums have, quite patently, not done as well as the performing arts. In addition, the increases that the museum sector received were, in the initial stages, quite rightly chiefly directed at the policy objective of again securing free admission to the national museums and galleries—a policy by which I firmly stand, and which has been a great success.

However, it is now important that the Government consider the funding profile of museums and their needs. In particular, I hope that the Government will look at those museums that kept the faith on free admission throughout the years when others were drawing in money from the general public in admission charges. Some struggled against difficult financial odds to maintain free admission and did so extremely effectively. I hope that the museums sector will get an improved settlement in the forthcoming spending round, and although I recognise that it will be difficult for my right hon. Friend the Minister to secure that from her Treasury colleagues, if she emphasises the museums' importance in cultural and educational terms and the contribution that they make, I am sure that, with her excellent negotiating skills, she can secure some benefit from the Treasury.

My second point is that we should not talk about the national museums alone: regional museums are also of huge importance. Anyone who doubts that should visit the pre-Raphaelite landscape exhibition down the road at Tate Britain, where they will see loans generously made by some of this country's great regional museums in Birmingham, Manchester and our other great cities. Those institutions house great collections, which are part of our inheritance. It is important not to forget the regional museums in our understandable and necessary rush to support the national museums.

My third point relates to the gift aid arrangements for tax relief from which many small and independent museums across the country have derived substantial benefit. The Treasury has signalled that it is likely to withdraw the provision—which the Inland Revenue has, until now, encouraged small and independent museums to use—whereby visitors, instead of paying an entry charge, make a donation to the museum and the museum claims gift aid on that donation. It has been a real financial lifeline to many museums with no public funding and no other access to public support.

I declare an interest as the chairman of the Wordsworth Trust, which has an excellent small museum in Cumbria. With the encouragement and assistance of the Inland Revenue, we recently instituted a gift aid scheme for visitors from the UK visiting Dove cottage and the Wordsworth museum. As I said, the Treasury has indicated that it is likely to withdraw that provision, which will deal a severe financial blow to many small museums throughout the country. I hope that my right hon. Friend the Minister will persuade her Treasury colleagues to reverse their decision to withdraw the concession.

I hope that this debate will enable Parliament to put firmly on record the importance that it attaches to the role played by this country's museums and the fact that we, as a united Parliament across all parties, urge the Government to pay attention to the financial needs of museums as we approach the forthcoming spending round. I fully support my right hon. Friend the Minister for the Arts in the battles with the Treasury that lie ahead. She should know that she has support from all parts of the House in those battles and in securing a safe, secure and bright future for these important institutions.

10.6 am

Mr. Robert Key (Salisbury) (Con): We in this great nation can be proud indeed of our great museums and galleries, but I am passionate about our small ones, too. I congratulate my right hon. Friend the Member for Kensington and Chelsea (Mr. Portillo) on securing the debate, which provides us with an opportunity—which we do not always have in the House—to air such issues.

I am passionate about museums because at an early age I started collecting for my own. I was encouraged to do so from the age of eight, and in the basement of our house in Salisbury cathedral close I assembled an extraordinary and wide variety of coins, arrowheads, documents, feathers, artefacts, oil lamps from Ur of the Chaldees, and goodness knows what else. The pleasure for me was in sorting, classifying, labelling and learning, which so many children love doing and which I was particularly privileged to be able to do. I recall being asked on my 10th birthday what I would like to do for a birthday treat: we had a picnic on top of a barrow beside the Roman road from Salisbury to Dorchester. That was all part of my education.

Just up the road from my home was the famous Salisbury and South Wiltshire museum, whose curator, Hugh Short, used to allow me to stand at his knee and

observe what he was doing. Later I became a Minister at the Department of National Heritage—now rechristened the Department for Culture, Media and Sport—which was responsible for museums and galleries. There, with enthusiasm and joy, I took a particular interest in that area of Government responsibility.

Although my passion is still for what I did as a child, the functions and objectives of museums have changed; now, access and learning, including interactive learning, are far more important. We in Salisbury are fortunate to have not only the Salisbury and South Wiltshire museum, but the Wilton Town museum and Wilton Carpet Factory museum in a restored part of the old factory, which is a fine example of what a small community and a town council can do to bring together the social and economic history of a community. We also have the Royal Gloucestershire, Berkshire and Wiltshire regimental museum. Regimental museums are part of the rich tapestry of museums in this country, but that museum receives no grant from the Government, let alone from the Ministry of Defence—although the MOD helps to pay for the services to the building, because some civil servants share the offices, the museum receives no formal grants. That is one of the museums that will be badly affected, by the Treasury's thoroughly mean-spirited decision, which the right hon. Member for Islington, South and Finsbury (Mr. Smith) commented on, to withdraw an option that was offered freely in the gift aid improvements introduced in the 2000 Budget.

Salisbury is a centre of excellence for museums and conservation. In addition to the museums I have described, we have the Wiltshire county council conservation service, which is an integral part of the process, and the Wessex Trust for Archaeology, which is commercially self-supporting and is by far the biggest such trust in the country, undertaking an enormous amount of work. I strongly support the campaign started by the National Museum Directors Conference, which is to launch its project on 9 March with a manifesto for museums.

The funding position of local museums is grave indeed. My local authorities, Wiltshire county council and Salisbury district council, are to increase their council tax by about 6 per cent., but they are to cut their grants to museums. I regret that very much, although it is their decision to make, not mine. They are being forced to make severe expenditure cuts, but I hope that next year they will take a political lead and not be driven by management objectives. I hope that the district council will decide that local education, the local economy and the cultural scene are worth a little more than £3.03 per head, or 2.95 per cent. of its budget. The county council is to cut its budget by 5 per cent. this year.

It is not as though my district council is unaware of its responsibilities to our cultural heritage. It is true, but perhaps surprising, that Salisbury district council does not have a legal remit to look after the heritage of Salisbury. However, I well recall the arguments that my right hon. Friend the Member for Kensington and Chelsea and I had to listen to when we were both Ministers at the Department of the Environment, with responsibility for local government finance. This year, Salisbury district council's expenditure on legal costs as the planning authority for the Stonehenge A303 improvement scheme—the famous tunnel past Stonehenge—will run to more than £100,000, and it has forked out £100,000 for a totally pointless local government comprehensive performance assessment. A small district council has to spend some £200,000-plus on those responsibilities, which were imposed by central Government, yet its budget for arts and museums for the whole district is only £348,000. Something is out of kilter; the sums simply do not add up.

The right hon. Member for Islington, South and Finsbury referred to the announcement of the proposed changes to gift aid. The provision is not a loophole: museums were approached by the Inland Revenue and asked whether they were aware that they could use it, and they did so. Its withdrawal will probably reduce the revenue of the Salisbury and South Wiltshire museum by about £4,000—a dire impact. When the cuts from the county council, the district council and gift aid are taken together, they represent the equivalent of the salary of one person per year at that museum. I hope that the Minister will talk to the Treasury seriously about that problem.

Let me briefly mention an issue connected with my role as Chairman of the Select Committee on Information. Parliament established the British Museum, and there has been a development that the House might like to know about. Almost all the House of Commons Library's holdings were acquired after the 1834 fire in the Palace of Westminster, in which most of the stock was lost. During the second half of the 19th century, the spacious shelves of Barry's Library had to be filled, and the Library Committee and successive Librarians sought to create something like a country house library while maintaining the essential collection of parliamentary and other official documentation. As part of that process, the Library acquired, through a mixture of purchases, gifts and legacies, a wide range and collection of books, including some that are now of considerable antiquarian or scholarly interest. In the early 1990s, the Library recognised that many pre-20th-century holdings were not relevant to the everyday needs of modern parliamentarians, and looked for a way to make them available to a wider public.

In 1992, the British Library put the Library in touch with Nicholas Barker, a well known antiquarian book specialist. Coincidentally, he had been asked to find suitable books for the King's Library at the British Museum, which was built in the 1820s to house George III's personal collection, which formed the core of what became the British Library. It was due to be vacated with the move of the British Library to St. Pancras, and British Museum officials were already thinking about how the magnificent, 100-yd long room—the finest and largest Greek revival interior in London—might best be used. After a comprehensive review of the Library's older holdings and prolonged negotiations, the House of Commons Commission approved an agreement in 1999 whereby approximately 16,000 books would be sent on permanent loan to the Enlightenment gallery that was, by then, being planned by the British Museum for the restored King's Library.

That agreement marked a renewal of Parliament's long-standing connection with the British Museum, which dates back to the museum's 18th-century origins.

[Mr. Robert Key]

When the physician, naturalist and collector Sir Hans Sloane bequeathed his personal collection to George II for the nation, the King did not show much interest—but Parliament did. Led by Speaker Arthur Onslow, Parliament was persuaded to accept the gift, and an Act of Parliament establishing the British Museum and its trustees—the first time that trustees had ever featured as a way of administering an institution like a museum—received Royal Assent on 7 June 1753. In 1757, King George II donated the old royal library of the sovereigns of England to the museum, and with it the privilege of copyright receipt that was part of the foundation of what is now the British Library.

George IV's gift to the nation of his father's library—the original King's Library—in 1823, provided the catalyst for the construction of what is now the Enlightenment gallery, as well as for the rest of Robert Smirk's quadrangular building. The books were finally moved from the Library in June 2003, when the restoration of the King's Library was completed. There is a wide-ranging selection, including many treasures, such as the complete Blaeu atlas in its original 17th century binding in good condition, and Lord Kingsborough's "Antiquities of Mexico", which unfortunately was rebound in the 1950s but whose original pages are in near-mint condition. The Library has kept any books with parliamentary connections that hon. Members might need at Westminster as part of its normal service, and all the books that have been moved remain in the Library catalogue and can be used at Westminster if required. They also appear in the British Museum's central library catalogue and are available for last resort public use in the museum under supervision. That is a great gain, as there are no facilities for public access in the Library.

That has involved a great deal of work, but the outcome has been satisfactory. The books are in magnificent surroundings and I encourage hon. Members to visit them. Not only do they form an important element of the British Museum's new Enlightenment gallery, but they look extremely handsome in their new surroundings—far happier than they were in the Library's underground store, where most of them had previously been kept. I am grateful for having had the time to put on the record my appreciation for the work that the Library staff have put into that dramatic project, which restates Parliament's long-standing relationship with the world of museums and galleries.

10.18 am

Sir Patrick Cormack (South Staffordshire) (Con): I am sure that we all endorse what my hon. Friend the Member for Salisbury (Mr. Key) has just said. As a member of the House of Commons Commission, I remind hon. Members that the books remain in the possession of the House of Commons. That decision made by the Commission was important. I regard the stripping of the original collection from the King's Library as an act of cultural vandalism. To put them into a large glass case in the new British Library was not the most sensible thing to do when we had a truly unique library with its original books in a marvellous, properly designed, magisterial setting.

My hon. Friend reminded us that Parliament established the British Museum. Last week I hosted a reception to mark the 30th anniversary of the all-party arts and heritage group, which most of the directors of our great museums and galleries attended. In his words of thanks, Neil MacGregor—the brilliant director of the British Museum who did a wonderful job with the National Gallery—reminded everyone that all our great national museums and galleries were established by Parliament. That is not always remembered. We therefore have a continuing role and responsibility, so I am grateful to my right hon. Friend the Member for Kensington and Chelsea (Mr. Portillo) for initiating the debate, and I congratulate him on placing before us so many salient facts and figures, which we should take to heart.

I will be brief. I apologise to you, Mr. Taylor, and to the right hon. and hon. Members here present, as I already have to my right hon. Friend, for having to leave shortly before the close of the debate. Those of us who are attending the service to mark the tercentenary of Gibraltar have to be in our pews by 11.10 am. My right hon. Friend was kind enough to encourage me to speak in this debate none the less.

I shall concentrate on the educative role of museums and galleries and their economic impact. I have reservations about the way in which the national curriculum has worked, and I am extremely concerned that young men and women can emerge into the world with almost no chronological knowledge of their nation's history and little knowledge of how it relates to the history of the wider world. I regret very much that now, 20th-century history and themes and projects are over-emphasised, and there is no proper teaching of history as there was when I was a history master 35 years ago. Last week, I had the privilege of giving the keynote address at a special conference convened by the Council for British Archaeology to try to bring historians and archaeologists closer together and to ensure that the curriculum in schools and colleges is more truly comprehensive.

Many young people obtain their knowledge of English history not from what they are not taught in the classroom, but from going to museums and galleries and seeing the objects and artefacts that relate to this country's history. Those who live in London have the most wonderful opportunity to do that at the Museum of London, which is one of the finest museums of its kind anywhere in the world. All our museums and galleries teach in a most graphic and wonderful way, and their contribution to the educational life of this country, backed by the scholarship of their curators and keepers, is incalculable. The economic impact is calculable and immense, and it is short-sighted of any Government to ignore it, although I make no personal criticism of the Minister for the Arts and certainly no attack upon the present Government. I also pay tribute to what the right hon. Member for Islington, South and Finsbury (Mr. Smith) did when he was Secretary of State for Culture, Media and Sport.

No Government have sufficiently recognised what a massive contribution our museums and galleries make to the economy. The millions of tourists who come to this country and the millions of our own people circulating in the country on holiday often visit museums and galleries as part of their recreation and, in so doing, make an immense contribution to the

economic life of the regions and to the country as a whole. That is something that Government need properly to acknowledge when deciding how much money to allow our museums, which provide a glittering display at tiny cost.

Tomorrow morning—God willing—I shall take the all-party heritage group a few hundred yards from this building to the National Gallery to see the El Greco exhibition, which could be mounted only because of the Government indemnity. We should pay tribute to the successive Governments who have maintained that. The exhibition is a wonderful visual feast, as is the exhibition of the pre-Raphaelites up the road at Tate Britain and the exhibition at the Royal Academy. We in this country are so lucky that at almost any particular time there are marvellous exhibitions supplementing the permanent collections in museums and galleries. The institutions put them on from their own resources with the aid of Government indemnity, and it would be appalling if regular galleries had to be regularly closed—my right hon. Friend the Member for Kensington and Chelsea referred to that in his speech—when we have these wonderful exhibitions.

I ask the Minister for the Arts to fight her corner with the feisty skill for which she is well known in political circles. She must tell the Chancellor that we need a better recognition of the central role of museums and galleries. She must also tell the Chancellor, who is a civilised man with a real regard for scholarship, just what a terrible thing it would be if, as is threatened, the gift aid scheme were to be hit on the head. The right hon. Member for Islington, South and Finsbury referred to that, as did my hon. Friend the Member for Salisbury. I do not have the pleasure of knowing the Salisbury and South Wiltshire museum—perhaps my hon. Friend will take me there one day—but I do know the Wordsworth museum. To place such a wonderful museum in jeopardy when the Revenue itself has encouraged it to take advantage of the scheme and the museum has budgeted accordingly is an act of short-sighted meanness. I hope that the Minister will tell the Chancellor that this is something up with which she will not put, and that the right hon. Gentleman will recognise that in the Budget.

I have one final comment. Reference has been made to the great gems in our regional and provincial museums. I am sorry that my friend the hon. Member for Stoke-on-Trent, Central (Mr. Fisher) is no longer in his place. For a year or more now, he has been entertaining us in the columns of *Country Life* with wonderful descriptions of treasures in individual museums. The articles are the precursor of a book which, I am sure, deserves to be bestseller, and which we shall all acquire when it comes out. He has done more than any other individual to awaken the nation to the fact that all over this country in museums great and small are wonderful treasures.

That underlines the fact that not only in my right hon. Friend's wonderful constituency of Kensington and Chelsea, but throughout the length and breadth of the land, there are museums that play a vital part in the educative process. They make a fantastic contribution to the economy of this country and are partly responsible for tourism being our greatest single earner. The Minister has a tremendous challenge and a tremendous responsibility. I very much hope that she will rise to it. I am sure that she will.

10.28 am

Mr. Don Foster (Bath) (LD): I hope that I can follow the right hon. and hon. Members who have spoken in demonstrating to the Minister that there truly is all-party agreement about the vital role that museums and galleries play in the life of the nation. As the hon. Member for South Staffordshire (Sir Patrick Cormack) has just said, they make an immense contribution—one that, I hope, none of us will ever underplay. I was delighted to hear that the hon. Member for Stoke-on-Trent, Central (Mr. Fisher) has completed his book and is now at the final editing stage. We can all look forward to reaping reasonably soon the benefits of his many years spent gathering that information.

I congratulate the right hon. Member for Kensington and Chelsea (Mr. Portillo) on securing the debate and on drawing our attention to the three major reports that are to be formally launched in a week's time by the National Museum Directors Conference. The reports provide impressive statistics about what our national museums and galleries have been doing. They show, for example, that in one year more than 50 per cent. of all children in this country visited one of the national museums. They also demonstrate the work that is yet be done, and the willingness of the national museums to develop their work further.

I am delighted that the debate has not concentrated solely on our national museums and galleries. As the hon. Member for Salisbury (Mr. Key) said, many excellent museums and galleries are run by local authorities, charitable institutions and other bodies. The reports referred to by the right hon. Member for Kensington and Chelsea state that the national museums make a contribution of some £2 billion to the national economy. In the south-west, museums run by local authorities and charities have a huge impact on the economy: the 250-plus registered museums employ some 1,000 people, involve more than 5,000 volunteers and are visited by more than 6 million people a year; they contribute £50 million or more to the regional economy. One of the reasons why those museums have been able to make such a contribution is that the south-west region has been one of the beneficiaries of the funding provided under "Renaissance in the Regions". I hope that the benefits that have been demonstrated in the south-west and many other regions will be extended to the regions that have so far missed out, and that the Minister will today make a clear commitment to spread the benefits of that scheme more widely.

The south-west has done particularly well. It is worth noting that, nationally, 22 per cent. of the adult population visit a museum at least once a year, whereas in the south-west, 37 per cent. visit one of the regional museums and galleries once a year. We have the highest percentage of visits to or uses of museums per thousand of the population—four times the percentage of the population of London that do so, and nearly twice the percentage in the south-east.

There is no doubt that our museums play a crucial role in our society. All hon. Members who have spoken in the debate have rightly referred to their economic impact. The national museums employ some 10,000 people directly and a further 20,000 indirectly, so their economic impact cannot be doubted, but their impact is much greater than that. They have an impact on cultural life and help to develop creativity and enjoyment. As the

[Mr. Don Foster]

hon. Member for South Staffordshire rightly said, they have developed a range of learning opportunities, and they provide tourist attractions, particularly to tourists from overseas, which brings further economic benefit.

It is increasingly clear that our museums and galleries, whether national or regional, play a far wider role than might at first be assumed. On Friday, I visited the excellent learning facilities at Bath's Roman Baths museum and saw youngsters from as far afield as Oxford doing innovative and exciting work. An increasing number of our museums and galleries are developing learning opportunities through the various virtual facilities that they offer. The statistics given in the reports referred to by the right hon. Member for Kensington and Chelsea are fascinating: they show that while 3 million learners participate on site in learning activities in our national museums and galleries, some 5.6 million people—nearly double the number—participate in learning activities off site provided through a range of virtual facilities. Furthermore, the combined number of hits to national gallery and museum websites in one year is some 53 million—a staggering development.

The museums and galleries work effectively to achieve social inclusion. During the millennium year, for example, the Victoria art gallery in Bath ran a wonderful exhibition to which *The Big Issue* sellers from Bath made a major contribution. That gallery is currently developing exhibitions that directly involve young people from our foyer project in Bath. Museums are also involved in regeneration projects outside my constituency. In Radstock in the constituency of the hon. Member for Wansdyke (Dan Norris), there is an excellent mining museum, which has played a huge role in acting as a new focus for that community and in giving it back its pride.

The important benefits that museums bring have been emphasised. I have no doubt that we will hear much more during next week's National Museum Directors Conference launch. I hope that we will hear some exciting development proposals, and I would love to hear about proposals that involve our museums making better use of their reserve collections. There are wonderful exhibits in the cellars of many museums, and ways could be developed to make more effective use of them. Some museums already have imaginative schemes, but I hope that there will be progress in this area.

The immense contribution that our museums and galleries make to the life of the country has been highlighted, and I wish to raise three crucial issues regarding the funding of their work. Museums and art galleries do lots of innovative work, but the DCMS is keen that they do even more to broaden their outreach and civil society activities, particularly in the regions. I share that desire. However, there is compelling evidence that although they have the capacity and readiness to broaden those activities, they will not be able to do so without appropriate and secure funding. The benefits of the "Renaissance in the Regions" scheme could be spread nationwide, and I hope that we will hear more from the Minister about that.

Secondly, we need to ensure that the DCMS works closely with the Office of the Deputy Prime Minister. Funding from local authorities for our museums and galleries is under threat. One of many examples is Somerset, which has a Liberal Democrat council: because of funding difficulties there is now talk of the sad necessity of reintroducing admission fees to major museums. Those two Departments need to liaise much more closely.

Finally, although gift aid has been referred to, no specific mention has been made of the Treasury statement that

"It was not the intention of the exemption"—

referred to by the right hon. Member for Islington, South and Finsbury (Mr. Smith)—

"to treat admission charges as donations which attract Gift Aid . . . The Government is determined to maintain the integrity of the Gift Aid scheme and will close this loophole in the legislation."

The Treasury claims that the scheme is a loophole, even though in 2000 the Inland Revenue produced a note that specifically informed museums and art galleries of the opportunity it offered. I have spoken with several of the affected organisations in the last 48 hours; several have categorically stated that they directly contacted the Inland Revenue to seek assurance that they could use the scheme in this way and they were given that assurance—indeed, some of them were encouraged to use the scheme. That is not a loophole; it is what was intended. Its removal by the Chancellor will do huge damage to the funding integrity of our museums and galleries. I hope that the Minister will assure us that when the Chancellor says he is going to consult on an alternative, there will be a scheme that reinstates that vital funding to our museums and galleries.

10.40 am

Mr. Malcolm Moss (North-East Cambridgeshire) (Con): I congratulate my right hon. Friend the Member for Kensington and Chelsea (Mr. Portillo) on securing today's debate. It is both opportune and timely.

I start by addressing two issues that have been raised in the debate. The first is gift aid. As the hon. Member for Bath (Mr. Foster) has just said, it is true that many of the people involved in museums and visitor attractions were in communication with the Inland Revenue about the scheme; that is well documented. The Revenue encouraged them to make use of gift aid on admissions to museums, galleries and visitor attractions. London zoo, for example, has an extremely sophisticated system, and has just spent a lot of money on computerisation to make it even more efficient, yet at a meeting that I had with ALVA—the Association of Leading Visitor Attractions—the other week, it emerged that London zoo is likely to lose £1 million in revenue as a result of the removal of gift aid on admissions. We realise that gift aid is an issue for the Treasury rather than the DCMS, but what has been said this morning shows how important it is that the Minister recognise what a blow its removal would be to many of our museums and galleries. She must take that argument to the Treasury. The institutions should at least be given plenty of time to readjust—the measure should not be introduced in one go, because that will cause great difficulties.

Secondly, let me pick up on what has been said about regional museums. Back in 2000–01, the DCMS "Renaissance in the Regions" report recommended a

new integrated framework for museums in the regions based on a network of regional hubs. Significantly, it called for investment of public money from the Government the order of £170 million, with £100 million identified as the bare minimum. In his spending review in July 2002, the Chancellor vowed to end two decades of decline in the regions that had left many galleries and museums across the country in a parlous state. It was therefore disappointing indeed when the DCMS finally announced funding for the regions of a mere £70 million over four years, consisting of £30 million of new money added to the previously agreed £10 million a year allocated to resources. Even the headline figure was £100 million short of the sum that the report estimated was necessary, and some £30 million short of the bare minimum identified. That is causing serious difficulties for the smaller regional and local museums, and it is something that I hope that the Minister will explain.

Today's debate has been called principally as a result of the anticipated launch next week by the National Museum Directors Conference of the three reports that it commissioned, which have been referred to at considerable length by my right hon. Friend the Member for Kensington and Chelsea. We know that many of our museums and galleries were formed between the mid-18th century and the early part of the 20th century. As my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack) rightly pointed out, some of the museums—certainly the national ones—have been formed by Acts of Parliament, and various pieces of legislation passed over the years have charged them with preserving, exhibiting, researching and adding to the objects that make up their collections for current and successive generations. However, the collections are not only there to be viewed and catalogued; they are there to form an important base for education and research. We must not overlook the fact that museums perform those two significant functions, and it is important that those functions are covered in any consideration of their funding requirements. Because of those functions, museums attract some of the very brightest academics that this country produces.

Perhaps less well appreciated is the extent to which our museums and galleries make an important and often surprising contribution in many other areas. They are important to subject experts, educators and businesses, and—as has been mentioned more than once today—as mass tourist attractions. They enhance education and learning opportunities and cultural and economic life, and are a source of creativity and enjoyment for everyone in this country and beyond. The international importance—even pre-eminence—of our museums has already been mentioned.

The NMDC, by commissioning the three major independent reports, has brought together a great wealth of evidence that strongly makes the case for increased state funding of our national institutions. The reports describe a sector of unique international scale and standing that has an annual impact of some £2 billion, which is of great economic significance. The reports, as well as pointing out the obvious, reveal extensive and impressive achievements and demonstrate that the sector contributes to the whole spectrum of the Government's agenda across many Whitehall Departments. They also emphasise that that has been achieved against a background of the institutions having to broaden their skills to meet increasing demands—demands that have, for the most part, been accompanied by funding that rises only at the rate of retail price inflation.

The sector's capacity to raise additional resources is limited. No doubt the Minister will restate the evidence that shows that since free admission was reintroduced, the number of visitors has increased. However, that has put great pressure on some of our larger museums and institutions. At the other end of the scale, without some means of charging, many of our smaller museums will suffer quite seriously unless they get the resources they need through regional policy. We Conservative Members have had discussions with many people in the museum and gallery sector, and they have told us that they would prefer a flexible system, not a mandatory one. If they, at a local level, felt that charging was necessary, they should be free to charge. It would be interesting to hear from the Minister whether the DCMS and the Government have any intention of becoming a little more flexible on admissions.

As has been already been pointed out by my right hon. Friend the Member for Kensington and Chelsea, if our larger museums are not funded at the appropriate level, there is a great danger of losing expertise and our best academics to institutions abroad, particularly in the United States, France and Germany. I shall wind up by mentioning the level of additional resources that the reports suggest is needed. They call for an additional £50 million each year on top of inflation for the next five years. Some £10 million is required to continue extending access to the collections through the combination of digitisation projects. A further £10 million is required for modernisation, which includes the updating of permanent exhibitions, collection, care and conservation facilities. The remaining £30 million is required to address the backlog of property repair and maintenance work. That is currently estimated, across the sector, at £150 million.

10.50 am

The Minister for the Arts (Estelle Morris): I thank the right hon. and hon. Members who have contributed to this incredibly important debate. I also thank the right hon. Member for Kensington and Chelsea (Mr. Portillo) for securing it. He probably has a stronger constituency connection with museums than any other Member.

The debate is being held on the back of reports that will be published next week by the National Museum Directors Conference. I thank that group for bringing these long overdue reports to our attention. It is about time we told the story of the importance of museums to society, not only to our past, but to our present and future. The story has always been a strong one, but the sector has not always told it with the strength of voice that it is entitled to use. In that respect, I welcome the stronger voice of the NMDC, which is to launch next week, although I readily accept that politically it might mean my answering a few difficult questions.

[Estelle Morris]

I shall add to what hon. Members have said about the importance of museums in one respect only. My right hon. Friend the Member for Islington, South and Finsbury (Mr. Smith) referred to public reaction when the treasures of Iraq were looted. That is the only time in my life that I can remember an issue about a museum leading the BBC news throughout the day: day after day, it was featured in the important 8 to 8.10 slot on the "Today" programme. During that period, even those who did not readily have an interest in or love for museums understood essentially what museums do: they make us secure about our role in society and our place in the world. At a time when people move across the world and, thankfully, there are far more multiracial and multi-ethnic communities, we all have a need to know where we came from, how we got here and where we might be going, and museums tell that story of human beings. When we saw that that story had been lost to a nation that was in difficulties, we understood what life would be like if there were nobody telling the story of our sense of being in our community. If we learned that from Iraq, it might be the only good thing to have came from a particularly troubled time for the Iraqi people.

I pay tribute to the scholarship of museums and to the fact that for centuries they have looked after precious artefacts and treasures that we hold in trust for future generations. I pay tribute, too, to the fact that in recent years they have taken on the challenges of getting more people from different backgrounds through their doors and willingly taken on the new role of education. I have spent a lifetime in education and I know that too many people feel that they can do education, and that education is easily done. It is not easily done, and for museums to do education, and do it well, has meant considering what they do, reskilling, and the reorganisation of time, money and personnel. I have seen excellent practice and some not-so-good practice, but that is in the nature of education. I shall return to that later.

I pay tribute to my right hon. Friend the Member for Islington, South and Finsbury. I am conscious that much of what I am about to claim as Minister with responsibility for museums was brought about under his leadership of the Department for Culture, Media and Sport. I want to ensure that Parliament knows it too. My right hon. Friend is no longer in that Department, but the results of his brave decisions are coming to fruition and I thank him for leaving me a legacy that is a joy to handle and that provides a springboard for future developments.

I shall talk first about money, to get it out of the way, and then go on to other challenges. I think I accept everyone's explanation of where we are financially; I certainly accept my right hon. Friend's explanation. I sort of accept the explanation of the right hon. Member for Kensington and Chelsea. This is has not been a party political debate because museums are not party political matters, but as subjects of the allocation of resources they are party political and politicians have a role to play in their affairs. We do not run them and we do not tell them what their exhibitions should be, but we fund them.

Although I accept what the right hon. Gentleman said, he must recognise that before the Labour Government took office, there had been real-terms cuts in museums. He was the Chief Secretary to the Treasury and he was responsible for the Conservative Government's public expenditure plans—he cannot get away from that. He cannot complain that the real-terms increase under the Labour Government has been only £47 million in cash terms—19 per cent.—without saying that there was a 17 per cent. cut in the four years before Labour came into government. That has to be recognised. That was the legacy we inherited.

"Renaissance in the Regions" did not exist before my right hon. Friend the Member for Islington, South and Finsbury took it up—it was not fully funded. We decided, as was entirely proper, to have phase 1 and phase 2. Phase 1 is fully funded, and phase 2 is partially funded and more money is expected to come from the next spending review. I do not have a shadow of embarrassment or doubt about that. We live in the real world, and the day that any Department gets its entire bid will come only when Gordon Brown is no longer Chancellor of the Exchequer. Departments bid for what they need, not for what they think they are likely to get, so to put in £70 million over three years for "Renaissance in the Regions", thus becoming the first Government to fund regional museums, was a massive triumph for us. The scheme was not underfunded. We could not do all that we had the vision and the ambition to do in the first term, but that is life.

I should like to mention the amount of money that has gone into capital. This is a personal point, as hon. Members will appreciate. One of the things that I am most proud of achieving in my time in Parliament is that for the first time, the Department for Education and Skills put money straight into the museums budget. I made that first decision to invest £20 million in museums education back in 1998. The partnership between the DFES and the DCMS is the best example of cross-departmental working. Had I known that I was going to the DCMS I would have put in more money from the DFES, but politics is like that—one can never foresee the future.

I take the point made by the hon. Member for Bath (Mr. Foster) about the Office of the Deputy Prime Minister. We need to work harder to make links with that Department. We have not talked about the role of museums in regeneration. These days, no city regenerates unless it is on the back of an iconic building, creativity, or historical restoration. In the '60s, we built communities without creativity and without museums at their centre. We do not do that now, and I look forward to persuading the ODPM that we deserve some of its regeneration money.

We have made some investment in museums and galleries. The results are there to see and hon. Members have referred to them. The number of visitors has increased by 40 per cent. The right hon. Member for Kensington and Chelsea will be heartened when he sees the increased visitor numbers for the full year, which we shall announce shortly. I accept that the DCMS has spent extra money and that museums have not had the lion's share. It is now their turn, but that comes at a time when the Budget and the spending review will be more difficult than previous ones.

I am campaigning on gift aid. It is not my sole comradely difference of opinion with the Treasury. All I can say to answer the comments of the right hon. and hon. Members who have contributed to a good debate is that I know where the priorities lie in my portfolio and in my Department's responsibilities. I will do my best, but more than that I cannot pledge. I just hope that the power of our argument is heard in the corridors of the Treasury. I thank everyone, particularly the museum directors, for giving us the ammunition we need.

Fire Authority (Devon)

11 am

Richard Younger-Ross (Teignbridge) (LD): It is appropriate to hold this debate on funding for the Devon fire authority today as it is running parallel with the debate in Committee Room 12 on the modernisation of the fire and rescue service.

Devon fire authority is a combined authority made up of three local authorities: the large rural authority of Devon, plus Plymouth and Torbay. Although there is also the urban centre of Exeter, there are only 11 whole-time stations, six of which have retained appliances, 46 retained stations and one volunteer station, at Kingston. That makes a total of 58 stations. The authority employs some 1,444 staff, of which 591 are whole-time firefighters and 728 are retained. That leaves 125 non-uniformed staff. They currently deal with up to 18,338 incidents a year. I shall make particular mention of one of the retained stations, Newton Abbott, which deals with a remarkable 459 incidents every year.

Our argument, put bluntly, has to do with the distribution of grant. Devon receives below the national average; funding at that average would provide an additional £2 million. However, the situation is worse than that, as the Home Office does not take account of the sparsity factor. With the underfunding and the failure to take account of sparsity, Devon is severely disadvantaged compared with other authorities.

I shall deal first with capital funding. The old system had a borrowing limit; the new system will have a prudential code. Under the old system, the allocation of credit approval was about £900,000. A new fire station, such as one in Teignmouth, where the present fire station is falling down, will cost £800,000 alone, but that is a small retained station. Devon also needs to replace other stations—such as that in Exeter, which has whole-time staff—which will cost over £2 million each. The capital allocation tends, therefore, to be rather short; in fact, it is so short that there is no capital funding for vehicles, which have to be funded out of revenue by leasing. I doubt that that is a cost-effective way for any authority to spend its money, but it is the only available option. Devon spends £1.5 million a year on leasing.

From April, the prudential code will remove the limit. That sounds good in theory: authorities will be able to borrow what they like. However, fire authorities must be prudent and justify their borrowing compared with revenue. That might be fine for a small area, but a large retained area with more stations has lower revenue, so capital borrowing involves a larger number of assets but less revenue, disadvantaging large authorities such as Devon. Devon has the same population as, say, Staffordshire, but twice the number of stations and vehicles. However, Devon's funding is approximately the same, because of its similar population. On capital funding, the Met, for example, is assets-based. Why are not other authorities assets-based? Why does Devon's borrowing have to be revenue-based?

The model for the fire cover element does not allow for sparsity. It allows for our having a coast, which is fairly logical. If one has a coastal area, clearly one cannot call in other authorities—they would be all at sea. There is no one to call on in a coastal area, so the provision makes sense. If we have a large rural area,

[Richard Younger-Ross]

however, why do we not take account of the fact that other fire stations and other authorities are a long way away? A very small number of people may live in the area. Lovely little villages in the Devon countryside and on Dartmoor are stunning, but they are a long way from the main cities and towns, and maintaining a fire service for such areas obviously costs more.

It is the Government who say what the response times should be. I agree with those response times, and it is entirely right that there should be response times, but if there is a response time for a large rural area, more vehicles and stations are needed and the costs of running and maintaining those are higher than the costs for metropolitan authorities. Other authorities, such as Shropshire, have similar problems.

Another issue that arises from Devon's having a retained fire crew is pay. In the past, a funding differential could be justified and retained fire crews received less funding but, as we have been debating in Committee and as the Minister is right in saying, we are now looking for pay parity. We totally support the idea that retained fire crews should have pay parity. If they are fighting fires side by side with whole-time firemen, they should have the same pay. However, with regard to the introduction of pay parity, the 16 per cent. pay increase that has been agreed nationally translates into a 23 per cent. increase in staffing costs in Devon. Again, no account appears to have been taken of the disproportionate costs of bringing retained fire stations up to the same level of funding. Those costs are not borne out in the grant that is given to Devon.

Devon, as an authority, has two unique features. First, it is a combined authority. There are other combined authorities, but in terms of funding and in relation to most of the country it is unique. This year, combined authorities have to establish reserves. The Minister has accepted in meetings that account must be taken of the need to find those reserves, and I believe that the Office of the Deputy Prime Minister has agreed to an increase in the notional funding level of 3 per cent. as a consequence. The percentage increase in the council tax bill that people receive will appear to be lower. However, the real figure will still be the same. The authority still has to raise the funding.

Mr. Adrian Sanders (Torbay) (LD): I am grateful to my hon. Friend for giving way on that point, because I think that this is where the solution lies. It is only because the authority has for the first time become a preceptive authority that reserves need to be established. Therefore, the pressure in the first year to build up those reserves means that there is an added pressure on the precept that it will levy on council tax payers. I do not understand why, if the Government have their own Contingencies Fund and reserve, they cannot act as the final reserve at least for the first year, when the Government want to keep pressure on the council tax down. If the money is drawn on, it can be repaid in future years. If it is not drawn on, that makes no odds to anyone.

Richard Younger-Ross: My hon. Friend makes an excellent point. I hope that the Minister will respond to it and say why the Government's reserves cannot be used. Perhaps such use could be scaled down as fire authorities were able to build up their own reserves. However, he has said that there are no figures for the reserve and that fire authorities can keep very low reserves. The trouble for fire authorities is that they are subject to inspection by the Audit Commission, which will almost certainly disagree. Its report will criticise fire authorities if the reserves are not high enough.

Devon has 728 retained fire crew and 46 retained stations. The consequence of the sparsity in Devon is that for every 1,000 head of population its transport costs are £2,662 and its premises costs £944. That makes Devon appear to be a high-spending authority; those are the second highest transportation and premises costs of any fire authority in the country. The only authority that has higher costs is mid and west Wales. That should not be surprising because the geography of that area produces the same problems that we have in Devon.

The Government have partly recognised the consequences of the pay agreement; there is interim funding. However, I fear that they are not taking account of how long it will take to achieve the savings that come from the modernisation process—which Opposition Members also support. Devon has been given £500,000 to assist it, but I was surprised to hear that it has to pay that back. The extra costs to Devon are more than £2 million. I should like the Minister to enlighten us as to why there is that disparity. Why does Devon again appear to be disadvantaged?

There is a further problem. I mentioned the number of call-outs at Newton Abbott because it has the same amount as several whole-time fire stations. In the modernisation process, turnout fees and attendance fees are down but, to compensate, the retainer and the drill night fee are up, as is the hourly rate over the first hour. That is to the advantage of a large number of retained firefighters. However, the income of stations such as Newton Abbott that are reliant on turnout rather than retainer for their income will be down.

Subsequently, Devon has said that it will protect the salaries of firefighters in such stations. That is recommended under the agreement, but the fact that Devon has to do that does not appear to have been taken into account in the funding that is allocated to it. Last year, the authority set a budget of £39 million. It had an agreement with the composite local authorities that if more funding was required it could draw down a supplementary levy, and £750,000 was drawn down. This year, the authority has set a budget of £44 million.

Revising the notional figure would add confusion. I want the Minister to tell us which set of figures the authority should use. Is it to base the percentage increase on £39 million? If that is the case, the percentage increase appears to be 12.08 per cent, although if we are allowed to take off the notional 3 per cent. that figure comes down to 8.8 per cent. However, can the authority say that the base figure is £39,750,000 including the supplementary levy, in which case the upper revised level would be 9.9 per cent—but, again, if we can increase the notional level by 3 per cent, that figure comes down to 6.76 per cent?

Given the anger in Devon about the increase in council tax levels, this is not just an arithmetical talking point. It is important that the authority show that it is doing its best to keep figures down—and I would argue that that is also important for the Government. I look forward to the Minister's response to that.

11.15 am

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Phil Hope): I congratulate the hon. Member for Teignbridge (Richard Younger-Ross) on securing the debate—we have both been sitting on the Committee upstairs this morning and are now both debating the question of Devon's funding for the fire and rescue authority. May I also say what a pleasure it is to serve under your chairmanship, Mr. Taylor? This is the first Adjournment debate in which I have been involved that you have chaired.

The fire and rescue service and the Government have made a lot of progress over the past year. We have set in train the most substantial package of reform to the fire and rescue service since the second world war. It is a package that will develop a more effective and efficient service, which will save more lives. Professor Sir George Bain's independent review of the fire and rescue service set out the challenge, and the White Paper, "Our Fire and Rescue Service" responded with the Government's vision. A draft national framework will clarify the Government's expectations for the service: what fire and rescue authorities must do and what support Government will provide.

The Fire and Rescue Services Bill, currently in Committee, confirms our commitment to driving through reform and improvement. It is the first substantial piece of legislation on fire services in the past 50 years, and will give statutory effect to the roles that fire and rescue authorities already undertake, for example, in road traffic accidents and serious floods, and their new responsibilities in responding to terrorist threats. It will also give statutory force to a fire and rescue national framework that will allow the Government to set their strategic direction for the service.

We have also introduced integrated risk management plans, which are about targeting resources at locally identified risks in a cost-effective manner. The hon. Gentleman mentioned the question of response time and standards. It is important to recognise that the new system is based on risk assessment at a local level and how the service should respond to ensure that it saves more lives and prevents more fires. That is the purpose of the IRMPs—the fire and rescue services will formally adopt IRMPs, and they will come into effect on 1 April 2004. Together, we have made real progress but there is clearly much still to do. That applies to the fire and rescue service as a whole, so of course it applies to Devon.

In some respects, although the hon. Gentleman did not mention this, Devon is already ahead of the game, for instance through its partnership with other emergency services. Fifteen Devon fire stations participate in a co-responder scheme with the ambulance service. Under that scheme, Devon fire and rescue service has attended 2,841 incidents since 1997, including 932 last year. That has made a real contribution to reducing deaths in the area from coronary heart disease. Devon has also developed the rapid extraction and co-ordinated treatment—REACT—initiative, which is a common framework with other emergency services for dealing effectively with road traffic accidents.

The fire authorities of Devon and Cornwall have established a joint arson taskforce, which has succeeded in arresting the sharp increase in deliberate fires. Indeed, I was in Devon to meet two of the leading figures in that taskforce and was impressed by both their professionalism and commitment, and the results achieved. The taskforce is staffed by a police officer, a fire officer and a dedicated analyst. It has received £178,000 from the Government-led arson control forum since 2002, and will receive a further £106,000 in 2004–05 and £112,000 in 2005–06. I know, because I met them, that those officers and brigades are happy with that extra funding.

Devon is to be congratulated on that good work but, as its draft IRMP makes clear, there is much more to be reviewed over the coming months. I look forward to seeing how Devon, and the whole service, picks up the pace of progress to provide a more efficient and effective service that saves more lives, which we are all aiming for.

The importance of efficiency is reinforced by increasing public concern about large council tax increases, as the hon. Gentleman said in his conclusion. It is right that local authorities, not central Government, should take decisions and determine their budgets. However, it would be irresponsible of central Government to stand back and allow excessive increases, and it is right that we act in such circumstances.

I must tell the hon. Gentleman that the Government have delivered another good settlement for fire authorities. They have ensured that all authorities receive above-inflation increases, with fire authorities receiving grant increases of between 3.5 and 5 per cent. Since taking office this Government have increased local authority funding by 30 per cent. in real terms. Given above-inflation settlements in the last two years, the Government have now made it clear that they expect council tax increases to be in low single figures. They will, if necessary, use their capping powers to deal with unacceptable increases. To that extent we possibly share a concern about council tax increases.

The Government are not prejudging who would be capped, or what our capping principles would be. We will wait to see actual budgets and council tax rises before making decisions. I am pleased that the average increase, as announced by the Chartered Institute of Public Finance and Accountancy today in its survey, is around 6 per cent. We have dramatically decreased council tax increases. We are rapidly moving in the right direction and we are serious about capping. We do not want to cap, but we will use our powers to cap excessive increases, if that is necessary.

I understand that Devon fire and rescue authority has set a budget that equates to a notional council tax precept of 11.5 per cent. Although that is not the biggest increase among fire and rescue authorities, it is still larger than we hoped for.

Richard Younger-Ross: On what basis is that 11.5 per cent. figure calculated? As I have indicated, there are two budget figures that could be used and there is the matter of whether that allows for the 3 per cent. notional increase.

Phil Hope: I was about to come to some of the hon. Gentleman's detailed questions on the notional

[Phil Hope]

increases. I should like to emphasise that although that council tax precept of 11.5 per cent. is not the biggest increase, it is larger than we would have hoped for, given that we have been talking about low single figures, and given that the increase in formula grant of 3.9 per cent. is above inflation. I shall come to the analysis of that in a moment. Although the hon. Gentleman might say that that is below average, something has to be below average for something else to be above it; otherwise, everyone would get the same increase. The 3.9 per cent. figure is well above the rate of inflation.

Devon fire and rescue authority, and other authorities, have made the Government aware of some of the difficult issues and decisions that they have faced in setting their budgets, particularly pressures due to pay increases—which I will come to—the bulge in pensions and the combined authorities' need to build up reserves. Those are the three questions that the hon. Gentleman put to me.

The hon. Gentleman mentioned capital. He will be aware that the private finance initiative is another source of capital funding. Some £53 million of PFI credits is available each year for projects in England and Wales. I visited Cornwall, as I mentioned earlier, and saw how the hon. Gentleman's neighbouring authority—the Cornwall county fire brigade—has benefited from such support. I saw how it had taken some old, decrepit fire stations and successfully transformed them, using a PFI deal, into community fire stations. There is no reason why Devon should not be able to apply for private finance initiative money in future.

We have listened to some of these concerns and acted on them. In particular, we have addressed the issue of reserves. On 16 February my right hon. Friend the Minister for Local Government, Regional Governance and Fire wrote to all combined fire authorities declaring that he is minded to increase the combined fire authorities' alternative notional amounts by 3 per cent., subject to parliamentary approval. That change, which the hon. Member for Teignbridge mentioned, will help all combined fire authorities, including Devon, to limit their notional increases. The chairman of Devon fire authority has welcomed that publicly in the local press. As my right hon. Friend said in his letter, the Office of the Deputy Prime Minister will issue a formal response to the wider consultation on alternative notional amounts, which will also address in due course the other points that authorities have raised during the consultation.

It is up to fire authorities to undertake their own risk assessments and determine their reserves on that basis. Government advice has always made that clear. I accept that the 3 per cent. increase in the notional amount—this uplift—makes no difference to council tax bills; it is a matter of making comparisons.

The Government have said that they will meet the additional revenue consequences of responding to new dimension incidents. The hon. Member for Teignbridge will know that we have put in a significant amount of resources throughout the country for handling them. I turn now to the affordability of the pay deal, which the hon. Gentleman said was a problem in Devon. The negotiations on the pay deal are between the local authority employers and the Fire Brigades Union. Any deal that is not affordable within existing public expenditure provision must be paid for by modernisation. The employers have assured us that the deal signed in June last year is affordable and will balance over the SR02 period.

Richard Younger-Ross: It is reasonable for the Minister to make that point. However, Devon is one authority and it has a particular problem with retained fire crews. I want the hon. Gentleman to take account of that and to consider it in the formula grant that they give to Devon and the other authorities that have had that problem for a couple of years. Will he also deal with sparsity, which he has not mentioned?

Phil Hope: Yes, I understand that point. It was at the request of the employers and the Fire Brigades Union that the Deputy Prime Minister agreed to make £30 million of transitional funding available to fill a short-term gap. The hon. Gentleman mentioned the figure that affects Devon. My right hon. Friend the Minister for Local Government, Regional Governance and Fire stated in his letter to all fire and rescue authorities in January that transitional funding will, subject to the conditions being met, be paid in 2004–05. That will ensure that the full benefit of the transitional funding can and should be reflected in all fire authorities' council tax bills or precepts in 2004–05.

The Local Government Association has agreed that fire authorities will pay that transitional funding back during the SR02 period, which, in practice, means 2005–06. The Office of the Deputy Prime Minister currently proposes to recoup the transitional funding from authorities with responsibilities for fire and rescue services through the local government finance settlement for 2005–06. We are looking at the funding spending share and we understand the point made by the hon. Member for Teignbridge. However, is it right that we should pay for any pay deal in our funding? There would not be an incentive to negotiate a good deal if we simply said, "Yes, we will meet those costs through the formula spending share". The hon. Gentleman must appreciate that a process of negotiation is being undertaken, but we will consider the funding formula spending shares in future.

A related issue that the hon. Gentleman did not raise is that of the potentially uneven distribution of costs and savings, which was implicit in his point about the nature of retained fire crews in his area and the sparsity factor. The Government recognise that revisiting the formula spending share could be an issue, given the changes to the fire and rescue service that we have announced. A working group of officials has been set up to examine the case for change and possible alternatives. The Government will consider any proposals for changes to the formula in the light of the working group's conclusions. However, it may also be worth pointing out that if there were an imbalance in the potential for savings between authorities, we would expect some authorities to have little or no budget increases in the next two years at least.

On pensions, we acknowledge that there may be a bulge in retirements over the next year or two. Of course, we would have expected that factor to be taken into account when calculating the affordability of the pay

deal. We debated that Upstairs when we discussed the future of the pension scheme. However, we acknowledge that there are wider issues concerned with pensions funding. We are committed to reviewing pension arrangements for all firefighters. We propose to issue proposals for consultation in 2004 and, as I said in Committee, to be operational from 2005. We are also reviewing the financial arrangements for funding the existing firefighters' pension scheme.

I wish to make it clear that the Government remain absolutely committed to working in partnership with authorities to modernise the fire and rescue service and to save more lives. Limiting council tax increases, as the hon. Gentleman would like, to reasonable levels can and should be consistent with making real progress on modernisation.

11.29 am

Sitting suspended until Two o'clock.

London Olympic Bid

2 pm

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): I am sure that all of us present wish London's bid for the 2012 Olympics every success. It will have particular benefits for London, especially the east end of London, in terms of regeneration and economic boost, which are issues that I shall leave to others with a greater knowledge of the capital to address.

I shall talk about how the benefits of the bid and, I hope, of staging the Olympics can go wider than London, which is officially making the bid. Although, under Olympic rules, one city must make the bid, as far as I am concerned, this bid is not just London's, but Sheffield's—in fact, a bid from all cities throughout the United Kingdom. It is not just England's bid, but the bid of Scotland, Wales and Northern Ireland, as our competitors who take part in the 2012 London Olympic games will be from the whole United Kingdom.

Potentially, there are enormous benefits for the stimulation of our elite competitors in all Olympic sports. We should consider other nations that have held the event and the benefits that they have gained from Olympic success. In 1988, Spain had one gold medallist, but in the Barcelona games of 1992 it had 13. Even Australia, with its great tradition of Olympic success, had nine golds in 1996 but nearly doubled that to 16 in Sydney in 2000.

Clearly, hosting the games gives a great stimulus to the elite athletes who compete on behalf of the host nation. Those athletes benefit from the improved facilities provided for the Olympic games, and a list of such facilities is being worked up as part of our Olympic bid. That legacy will last not merely for the 2012 games; for many years afterwards, athletes will have access to the best facilities in the world. That will build on the many excellent facilities that exist in this country partly as a result of the Manchester Commonwealth games and partly because of the Sheffield World student games, of which my right hon. Friend the Minister is all too well aware.

Not only elite athletes will benefit: the Olympics, particularly if we succeed in getting beyond the bidding stage and secure the event, will raise enthusiasm for sport among people throughout the country at grass-roots level. However good or successful they are, people will be inspired by the Olympics to go out and take part. Those of us who remember the 1966 World cup victory will know how it stimulated interest in football in this country. Only recently, the rugby union team succeeded in generating interest not only in rugby but in sport more widely. Such success stimulates people throughout the country to take part and in enjoy sport.

A successful bid will bring demands, however, such as demands for improved facilities. People who get involved in sport want to do better and want better facilities to achieve that. I am sure that that will stimulate more private involvement, such as private sponsorship and businesses promoting facilities for their employees. Private clubs, gyms, voluntary organisations and local authorities can contribute to the development of sporting facilities. Later, I shall talk about what the Government might do in that regard, as clearly there will be demands on them to meet the aspirations generated by a successful Olympic bid.

[Mr. Clive Betts]

That agenda will fit in appropriately with the Government's key targets on obesity. It is a major challenge for our country that obesity levels have tripled over the past 20 years. The Government's 70 per cent. target—or whatever it might be after the Wanless report—is clearly an important issue for the whole nation. The Olympic bid could be key to stimulating physical activity and sport of all kinds, and we would all welcome that.

The Olympic bid can be a force for social cohesion. Recently, the Select Committee on the Office of the Deputy Prime Minister, of which I am a member, has been looking at social cohesion in this country. We have developed a multicultural country, but one in which the different cultures often exist apart. Sport can bring people from different backgrounds, ethnic groups and cultures together in a way that probably nothing else can. Again, I am sure that we will want to rise to that challenge as a nation.

The Olympic games are not only about people competing in the elite events, as 70,000 volunteers will be required. I remember that one of the enjoyable aspects of the 1991 student games in Sheffield was the number of people from the city who simply came along for two weeks and said that they wanted to help. They wanted to be involved in the games as citizens of Sheffield and to give their time voluntarily to make the event a success. There will be opportunities for 70,000 people up and down the country to assist in that process as volunteers at the 2012 Olympics.

Let me now consider the facilities. Of course, most events will be staged in London and most new facilities will be built in the capital, but the construction of those facilities will provide opportunities for construction companies and workers up and down the country to gain a benefit. There will also be opportunities for football events to be staged up and down the United Kingdom. Given the prospect of our bid winning, one thing that many cities will want to consider straight away and start planning for is hosting the holding camps for athletes from other nations. Those camps will be established up and down the UK once the games have been awarded to London and countries begin to think about how their competitors will acclimatise before the games.

I understand that the UK holding camp in Queensland, Australia, brought a benefit of 6 million Australian dollars to the local economy, so it need not be only the host city that benefits—there could be benefits for other parts of the UK. Already, centres such as Loughborough, Manchester, Newcastle, Bath, Cardiff and, of course, Sheffield should be eyeing up the possibilities of hosting holding camps and gaining economic and other benefits. It is up to cities and regions to start thinking now, as London prepares its bid, about how they can contribute and get a slice of the action.

Barbara Cassani spoke recently at the annual dinner of Sheffield's chamber of commerce. She made a point of asking local business people what they could gain from the games and telling them to start thinking about that now to ensure that Sheffield gets a piece of the action, as it will be too late if we leave it until 2010. Local strategic partnerships should have that on their agenda already and should be working out what their role can and should be. There will be certain trial events before the Olympics, which could be staged outside London to show that the country can manage to put on major international events. Again, areas or bases that already have facilities should be thinking about bidding to stage such events.

We know from the Sydney experience, and I know from figures that I have seen, that of the tourists who went to Sydney for the games, and indeed before the games, almost half went on to spend time in the rest of Australia. That presents a challenge to the United Kingdom. How can people who come to the country before the games and for the games be attracted to other tourist facilities and locations up and down the country? That will spread the economic benefits of the games far wider than the host city.

I understand from the bid team that thought is already being given to cultural, arts and other events that could be put together as part of a package to go with the games. Such events will take place up and down the country. The Olympic torch will be carried across the country and a series of events will take place along its route. That will mean not only that people throughout the UK can enjoy a flavour and an experience of the Olympic event, but that tourists from outside the UK can see the great delights of the rest of the country, along with the tremendous facilities and attractions that they see in London.

That said, I must raise one or two cautionary points with the Minister. I am sure he feels that I have been very much on track with Government policy on these matters so far—I certainly hope so—but I may now stray offside slightly on one or two points, which I would like him to respond to.

Richard Ottaway (Croydon, South) (Con): Before the hon. Gentleman gets too deeply immersed in cautionary points, does he agree that, apart from the spin-off benefits in terms of tourism, visitors and enthusiasm for sport, there will also be benefits as a result of the number of sports events that will be held outside London? I have in mind the yachting at Weymouth and the football around the country. Does he agree that those events will be a tremendous stimulus in their own right for the regions in which they are located?

Mr. Betts: Absolutely. The hon. Gentleman is right. I mentioned the football, but not the yachting, and he is right to raise it. Some of those events will be seen by people who will not necessarily get to the Olympic events in London, particularly residents in other regions of the United Kingdom. That will bring the games to a far wider group of spectators, which will have enormous benefits in making the Olympics a truly national, as well as a London, event.

I want to raise with the Minister the concern that the money to fund the Olympics will result in some diversion of funding from other parts of the United Kingdom. I understand that it has been estimated that about £750 million will come from the special Olympic draw. That is welcome, but I understand that that could mean a 4 to 5 per cent. reduction in funding for good causes from other lottery sources. Is that money that other good causes should really have to find or should

the Government somehow make up the deficit? The figure involved is relatively small, but it could rankle with one or two organisations that might not benefit as they would have done.

Some £340 million will come from the sports councils throughout the UK. We are told that some of that might be spent in the regions, but will some money that would have been spent in the regions now be diverted to the London Olympic bid? I understand that there may be a need for up to another £400 million after 2009, again probably coming from the sports councils. Will that be money diverted from the regions to London? We need answers on those points, because they are relevant and they could worry people engaged in sporting activities across the United Kingdom. Support from the rest of the UK could be undermined if it appears that the money will be drawn from major sporting facilities that might have been built in the regions or from grass-roots sport.

What I am really saying is that the Olympics should be a springboard, not just for elite athletes and London, but for sporting activity throughout the United Kingdom. I shall put this as nicely as I can: the Government should be oiling those springs, not damping them down.

Pete Wishart (North Tayside) (SNP): The hon. Gentleman is on to a good point, and we in Scotland stand to lose £41.8 million for our good causes and charities because of the new Olympic lottery game. That has worried Sport Scotland to the extent that it says that sport in Scotland could be set back for 20 years as a result. I do not know whether his experience from Sheffield is the same, and I would be interested to hear his views.

Mr. Betts: The point that I am making is that, at this stage, things are not set in concrete. I am trying to raise with the Minister the concern that what should, eventually, be a great national success if we manage to win the Olympic bid could have a downside in terms of the perceptions of the rest of the United Kingdom, if it feels that money is being diverted from projects that would otherwise have taken place in Scotland and the north of England, for example.

The Government contribution towards sporting infrastructure is about £2 per head per year. That does not compare terribly well with what our European neighbours spend or with spending on the arts in this country. I know that there is always a tug of war between the two, but some of us sometimes feel that sports take a back seat to the arts in terms of funding. There is perhaps also a feeling that there is lots of money in sport. There are some very well paid sports people, particularly footballers but also athletes and tennis players.

There is an argument that, as some sporting bodies have sums of money that eventually find their way into high wages for the people who compete in those sports, the bodies ought to give a bit of it up and fund grass-roots sport. I know that the Football Association, for example, will argue strongly when I talk to it that it already allocates more money to grass-roots sport from professional football than is the case in any other European country. It feels that it is in the forefront.

It is fair that professional sports should ensure that some of their money trickles down to the grass-roots level. However, to draw a comparison with the arts, there is never the same argument that Hugh Grant should fund the local amateur dramatics society or that J.K. Rowling should stump up the money for a new local library. Things do not work in those terms. Sport is expected to make contributions that other activities are perhaps not expected to make.

The Government should think about these issues. We are not having a go at the Minister personally: he is a colleague from Sheffield and I want to restrict our rivalry to the professional football pitch and our two clubs. I hope that the arguments we raise today will strengthen his hand in discussions in other places about funding. When we consider the stimulus that the Olympic bid may give to grass-roots sport, we should take account of the recent Sport England analysis of the state of local authority sports centres, which shows that about £550 million would need to be spent to bring them up to a reasonable standard. There are concerns about those issues.

I support the Olympic bid because I want it to bring benefits to sports at the highest level and at grass-roots level. I want it to provide benefits for London and the rest of the United Kingdom, and I want it to be the centrepiece of the Government's drive on health problems, particularly obesity. The Government must grab this opportunity with both hands. In doing so, I want them to think through the financial support that they give not just to the Olympics, but to grass-roots sport more generally. I do not want arguments and concerns that might be raised about the diversion of existing sports funding away from the regions and grass-roots sport throughout the UK to cloud the general support that I believe exists for the London Olympic bid.

I support the bid and there could be major benefits for many parts of the United Kingdom. I will also be looking at what Sheffield can do to benefit from a successful Olympic bid. I hope that the Government will deal with sports funding and see what more they can do to support the Olympic bid and sport in general.

2.17 pm

Mr. David Amess (Southend, West) (Con): I congratulate the hon. Member for Sheffield, Attercliffe (Mr. Betts) on securing this debate and on the manner in which he addressed the Chamber. I thought that I would speak in the debate because I was born in Plaistow in the east end of London and it is mainly the east end that will benefit if the UK is successful. Many members of my family, and friends still live in the east end. I have no doubt that one of the great achievements of my party, when it was in government, was the regeneration of docklands. That is an outstanding success, as is the channel tunnel rail link at Stratford and other matters. Sport is of great importance to the east end of London. If the UK is successful, there will be a tremendous beneficial effect on the region.

As people grow older, they become a bit cynical about events, so I ask the Minister, "Are we likely to be successful?" I suppose that as politicians we should not be naive and take everything at face value; we should question these matters. I was delighted that the

[Mr. David Amess]

Secretary of State for Culture, Media and Sport said last May that the Government would give total backing to the UK bid. Although I have not seen any evidence since then that the Government are not doing that, I would like to know whether a successful bid is a straightforward matter. Is it decided entirely according to the merits of the bidding countries' facilities, or might other slightly dark matters be operating?

Looking around the Chamber, I would say that there are not too many hon. Members here who saw the 1948 Olympic games. This country did the world a great service when, at very short notice, it agreed to hold the Olympic games in London. On that basis alone, London has a strong case. The fact that it coincides with the diamond jubilee of Her Majesty the Queen is a strong point, too, as is the fact that a lot of people in the United Kingdom speak English.

London is the greatest capital city in the world. People might cringe at such a statement because we do not have the weather. We might not have the transport. The British people are always moaning about everything under the sun. That aside, London is the greatest capital city in the world. So why should the Olympics not be held here? I accept that the countryside in Scotland is more beautiful and that Wales has other bonuses, as no doubt does Ireland, but the capital city is the right place for the bid. I hope that the Minister will share with the Chamber the precise elements of the plan to secure the majority vote when that takes place.

The hon. Member for Sheffield, Attercliffe mentioned obesity. When I suggested to the Select Committee on Health, of which I am a member, that we have an inquiry into obesity, I had no idea at the time that it would have a huge impact on the United Kingdom. Indeed, the way in which the Government are trying to get ahead of the Health Committee report is rather amusing to its members. We are still taking evidence and we shall not be reporting for a couple of months. However, the fact that the Health Committee decided to examine obesity is encouraging everyone to talk about healthy lifestyles.

In 1985–86, only 20 per cent. of children were driven to school. That figure has now doubled. I could go on about the adverse impact of obesity on the lifestyle of the general public. There is no doubt that the hon. Gentleman is absolutely right: if the United Kingdom is successful in its bid, that will have a good effect on people's health.

As for the various tables, I am sure that it did not escape the notice of hon. Members that, when a country hosts the Olympic games, it tends to be more successful at winning events. I welcome that. The hon. Gentleman is right. If we are successful, there will not be a region in the United Kingdom that will not benefit from that. Essex, in particular, has welcomed the bid. We consider that it would bring real economic and social benefits to that county, which, as we all know, is the largest in the country.

It is anticipated that an estimated 9,000 full-time jobs would be created by the games, together with tens of thousands of visitors and participants arriving from all over the world. That would be a huge boost to those counties on London's borders and Essex in particular. Stephen Castle, the councillor who is responsible for sports, said:

"This is an important step towards the prospect of the greatest sporting event in the world being staged in our area. We wholly support this move and will play every part we can to ensure the London bid is successful, and to bring the benefits of the Games to Essex. Although we are unsure at this stage whether Essex will be able to host any of the actual events"—

can the Minister comment on that?—

"we are still very positive to be able to host training camps and provide the training facilities."

Councillor Castle said that that could mean massive investment in sporting facilities in Essex and went on to say that we have some great young sporting talent in Essex

"many of whom are still at school. What better incentive could they have but to strive for the highest sporting achievement in the world? It is a thrilling prospect."

My constituency of Southend, West has a strong case for having a holding camp for the 200 visiting Olympic teams. Southend is also fortunate in sport. We have a very successful athletics club, which has produced top performing Olympic athletes for some years. Two locals took part in the Sydney Olympic games in 2000: Sarah Wilhelmy in the 100 metre sprint relay and Simon Hughes—not the Member of Parliament, I might add—in the pole vault. We hope that at least one of those athletes will be sent to this year's Olympic games.

It would be wonderful for the UK if we were successful with the bid. The whole UK would benefit. Thousands of UK construction, manufacturing, accommodation, catering and services companies would be directly involved in meeting the needs of the games. The football tournament would be played across the UK—in Wales, Scotland, Northern Ireland, Newcastle, Manchester, Aston Villa in Birmingham and London. The 2012 Olympic torch relay would visit almost every major town and city in the UK in the months leading up to the games. I am sure that every Member of Parliament would like to be photographed at the torch relay ceremony in their town. There would also be a UK-wide cultural festival, beginning at least a year before the games.

Up to 70,000 volunteers from across the UK would help to run the games. A London 2012 Olympic games could act as a catalyst to boost physical activity levels at all ages and help to combat rising obesity. I am sure that disabled people would stage a better games through the Paralympics than able-bodied people.

Any Member worth their weight as an MP will support the UK's bid for the Olympic games. I would like to hear how serious the Minister is about securing a successful bid and how he views Essex and Southend in that particular scheme of things. Given that London hosted the Olympic games in 1948, it would be right to be awarded the games to coincide with Her Majesty the Queen's diamond jubilee. I hope that we are successful and that we are serious about the bid. I hope to be at the London 2012 Olympic games with all hon. Members.

2.28 pm

Mr. Barry Gardiner (Brent, North) (Lab): First, I congratulate my hon. Friend the Member for Sheffield, Attercliffe (Mr. Betts) on securing the debate, which is

about an important topic. As he said, the potential benefits of bringing the Olympic games to London in 2012 are enormous, particularly for sport throughout the UK.

I want to focus on the relationship between the Olympic bid and grass-roots sport. A successful Olympic bid would involve a two-way relationship. A London Olympics, and the seven-year preparation period that would go before it, could make a huge difference to the profile of and participation in sport at all levels. However, the converse is also true. In the crucial period between now and 6 July next year, during which the success of our bid will be determined, the UK's commitment to sport at all levels may yet have that critical impact on the success of the bid.

We know that technically our bid is strong; I believe that it is a world beater. London can produce a compact, well run games. The money invested would result in lasting benefit for the local community and the UK as a whole. I have taken the opportunity to visit the area involved along with the London Development Agency. I have seen it first hand, so I can say how much that redevelopment impetus is needed and how magnificent the regeneration plans are. The London Development Agency hopes to transform the area with or without the games, but with the games it believes it can make the changes up to seven years more quickly.

As we have already heard, the games will be the catalyst for the regeneration of 1,500 acres of east London, creating thousands of new homes and jobs, doubling the amount of green space in the area and restoring the River Lea's unique waterways. They will also help to tackle shocking inequality. It is disturbing to hear that, on average, people in Newham live five years less than those in Kensington and Chelsea. We need only look at the impact of the Commonwealth games on Manchester—with the direct and indirect creation of 2,400 jobs—to see the potential value that such an economic carrot can have for the area.

With such a strong technical bid, it is important that the country does not let itself down in another key respect. An Olympic host nation should be a sporting nation. We are a nation that is passionate about sport, certainly when it comes to watching it. Some 14.5 million people tuned in at 9 o'clock in the morning to see England defeat Australia in the rugby World cup final, and 5.4 million people tuned in at 1 am to see the Scottish curling team take gold in the 2003 Salt Lake City Olympics. When our teams are on TV, we watch them.

Unfortunately, we are not so strong on participation. According to "Game Plan", the Government document that sets out the future for sport, Australia—the last host of the summer games—has 48 per cent. of its population participating in sport in a serious way at least once a week. More recent surveys have found that 57 per cent. of Australians report doing at least two and a half hours of moderate and vigorous physical activity per week. Finland, where the figure is 70 per cent., is a world beater.

According to the latest figures, the UK comes in at 30.4 per cent. I also have the figure for France, arguably our main rival to host the games—48 per cent., the same as Australia. We do not have to go far to find out why there is such a discrepancy.

According to Sport England, the French Government spend approximately £5 per person per year on sports and physical activity. That would buy a football, a rugby ball, a child's racquet or bat—or, in an off-licence, a bottle of French wine. What are we spending? In 2002–03, considering the Treasury spend in England, we find that Department for Culture, Media and Sport spent £2.09 per person per year. That would buy half a bottle of wine or a pint of beer.

At a conference last Wednesday, the Secretary of State said:

> "We didn't decide to bid for the Olympics because it's the greatest sporting festival in the world—although that was part of it. We also decided to bid because the Olympics are an inspiration that can help us to change the culture of this country so that sport and physical activity is part of people's daily routine."

She is right. I am sure that the Government will acknowledge that we cannot expect the games to transform the culture of our nation on their own. They will be a tremendous catalyst, but for them to have a lasting effect the country must have an infrastructure that is adequate to facilitate and sustain that massive increase in sporting and physical activity. If we are serious about the Olympic games, and we are, we must show that we are also serious about sport. To show that we are serious, we have to be prepared to invest serious money.

It is no good crying out for the Government to spend, spend and spend again unless we can suggest a way to spend the money that will make a difference. Despite the millions of pounds that the Government have spent on sport over the past five years, participation has risen by only 0.3 per cent. We must spend effectively.

There are many areas in which the Government could invest more money: community sports club facilities, school facilities and school-based programmes. I am aware that the Government have invested in those areas, but I call for them to do more. Sport England estimates that £550 million is needed over the next five years to bring the condition of the £4.5 billion stock of local authority owned sports centres up to an acceptable standard. A commitment to meet those needs would be welcome.

Physical resources are just one side of the coin. Another area that I particularly want to discuss is human resources in coaching, which is key to the cultural shift to which the Secretary of State referred. One of the great opportunities of the Olympic bid is to inspire people to become active by emulating their heroes. Who did not want to go out and kick a rugby ball around the garden after seeing Jonny Wilkinson score that match-winning drop goal? I acknowledge that my colleague, the hon. Member for North Tayside (Pete Wishart), would demur on that, but it applies to English MPs and those who represent English constituencies.

We must nurture the desire to achieve, to better oneself and to fulfil the Olympic ideals of citius, altius, fortius—swifter, higher, stronger—to turn it into sustained activity. The emotional boost from the event will soon fade if we do not have an infrastructure in place to harness and sustain the enthusiasm. That infrastructure would require not only good physical resources, but first-rate human resources—good coaches.

Coaching is the thread that ties grass-roots participation to Olympic medals. A good coach will take youngsters from an early age and help them to develop

[Mr. Barry Gardiner]

the basic skills that are prerequisites for all sports. Pre-school and early-years provision are especially vital to ensure that every child can kick, throw, strike, catch, run and jump. Only four in 10 children can do all those. What do we do for the 60 per cent. majority who cannot? Resolving the problem requires coaches who specialise in working with children of pre-school and primary school age rather than inexperienced coaches, or those trained to work with adults, imposing inappropriate adult training programmes on young people. We need level 4 coaches to work with young children as well as top athletes. We must develop coaching programmes and models that establish level 4 coaches for under-14s or under-sixes. We need top children's as well as adult's coaches.

To ensure that the Olympic bid and, I hope, the games have the impact on sport that we hope for, we must ensure that investment goes to grass-roots facilities and coaching, as well as to funding stadiums and elite sporting programmes. The Government have committed £28 million to community coaching and, this month, 22 sports were formally invited to be part of the first wave to implement the new national coaching certificate. However, whereas we were initially promised 3,000 full-time coaches through that scheme, there will now be 3,000 full-time and part-time coaches. When the feedback from the field made it clear that creating part-time coaching posts was more attractive to those wanting to move into the profession than creating full-time posts, the Government should have taken the opportunity—*[Interruption.]*

Mr. Deputy Speaker (Mr. Edward O'Hara): Order. We must suspend the sitting while a technical matter is sorted out, because it is difficult to report the proceedings.

2.39 pm

Sitting suspended.

2.44 pm

On resuming—

Mr. Deputy Speaker: I should inform the Chamber that the time taken up by the interruption cannot be added on. However, it is still my intention to begin the winding-up speeches at 3 o'clock. I call Mr. Gardiner.

Mr. Gardiner: When it became clear that it was preferable to have full-time and part-time coaches, the Government should have taken the opportunity to create more coaches, rather than cut a corner and lower the investment. We will not make the changes in the culture of the nation that the Government have alluded to if we keep cutting corners like that. The Government must recognise that investing in coaches to inspire and guide young people will not only promote sport and good health—the problems of obesity have been mentioned—but contribute to the fulfilment of key policies involving social inclusion, education, crime diversion and community regeneration.

Money is invested in sport in this country in a complex way through the lottery and local authorities. The role of local authorities in particular must be recognised. Those in local government have the potential to link the games to other social inclusion strategies and to engage young people in and out of school. As the local authorities are responsible for so much of our investment in sport, greater guidance and support should be given to them on what their responsibilities are with regard to sport and physical activity.

For the Olympics to have the positive effect on sport throughout the UK that we would like, the mechanics must be right and the finances adequate. There is also a practical issue involved concerning the funding of the Olympics. The new Olympics lottery distributor, which is being created under the Horserace Betting and Olympic Lottery Bill, will inevitably take a share of the lottery pot away, not only from Sport England, but from Sport Scotland and other bodies as well. That must be addressed.

The existing lottery distributors have a wealth of experience. Sport England, for example, played a key role in the Manchester Commonwealth games, and with that in mind, I want to raise questions and seek a number of assurances from the Minister. Will he explain why a completely separate funding body must be created, rather than creating funding streams that work in the existing structures? Will he assure us that a new distributor will not create extra bureaucracy and duplication? Will he assure us that any new body that is created will be given a remit to consult existing funding bodies—in particular Sport England, UK Sport and Sport Scotland—on the legacy of the facilities that it will fund? Will he assure us that any new funding body will have explicitly in its remit the authority to distribute funds that will be for the long-term good of British sport?

Will the Minister assure us that, rather than funds for grass-roots sport dropping as a result of the games, with the lottery pot being spread a little thinner and sales in decline over recent years, central Government will guarantee not only current funding, but an increase over the years of the bid and up to 2012, so that the physical and human resources will be in place to facilitate a cultural change inspired by the games, just as the Secretary of State has said? In short, will the Government ensure that we match the French and offer the full bottle of wine rather than a pint of beer?

2.46 pm

Pete Wishart (North Tayside) (SNP): In the time-honoured and traditional way, I congratulate the hon. Member for Sheffield, Attercliffe (Mr. Betts) on securing an important and worthy debate.

This is the third debate on the Olympic games that I have taken part in during the past year and all have been based on the assumption that these London games will be good for London and for the rest of the United Kingdom. I do not know on what basis that assumption has been made and I would question it, because I am not sure that a London games will be good for the rest of the United Kingdom. It is not as if we have never heard this before: every time that London secures a massive infrastructure project, an international games or an event, we are told that it is good for the rest of the country. We were told that by the Prime Minister when he opened his bid a few months ago, and we will no doubt be told that in future.

I remember being told something similar in the 1990s when the millennium dome was being constructed. I saw glossy advertisements for it and was told that it was something of which I, as a Scot, should be proud as it was going to be an icon for the rest of the United Kingdom. We saw exactly what happened to the millennium dome.

Anybody who questions why London is always awarded such events and projects is labelled unreasonable or anti-London, but surely it is right occasionally to question why all the big infrastructure projects and events go to London. That is not making a case against London, but just questioning why such things always go there. No other city in the UK was considered for an Olympic bid even though the most successful Olympic games held in Europe in modern times were in devolved Catalonia. Why does it always have to be London?

There is no doubt that the games will be very good for London, but it is questionable whether they will be good for Scotland, the rest of England and other regions of the United Kingdom. We know that they will be good for London because the Government employed consultants, Arup, to consider how they would benefit London. The conclusion was that 3,000 jobs would be created in the regeneration of the east end of London. It was also said that there would be a further benefit of £70 million from the fiscal impacts of growth in the local economy and that a growth in tourism would generate between £280 million and £507 million. Furthermore, it was concluded that once the games had been and gone, there would be further benefits to London, including legacies such as the future use of newly built sports facilities and more work in the regenerated east end of London.

There is no doubt that London would do well out of a London Olympics, but I have seen no such equivalent quantifiable study of how Scotland, Wales, Northern Ireland and other regions of England would fare if the games were secured. All that we have seen so far is Barbara Cassani running around our chambers of commerce having business breakfasts and telling us that we had better get our finger out or we will lose out if London succeeds with the 2012 games. She gives a spurious example of how Queensland did well out of the Sydney Olympics, but always fails to say that the other Australian states were pretty miffed that most of the tourist traffic was diverted to Sydney when the games were held there four years ago.

We do not know how good the games will be for London, but we know for certain that our grass-roots sports, charities and good causes will be dramatically affected by the new Olympic lottery game. I said in an intervention on the hon. Member for Sheffield, Attercliffe that we stand to lose £41.8 million from our good causes if the London Olympic bid is successful. That made Sport Scotland raise concerns with the Scottish Executive when we were putting its concerns to the Department for Culture, Media and Sport.

A spokesman for Sport Scotland said:

"If we lose over GBP 40 million from lottery funds because of the London Olympics we'll need to end whole programmes which provide support to grass root and elite sport in Scotland".

He went on:

"There is a terrible irony in the fact that bringing the greatest sporting show on Earth to the UK could devastate the regeneration of sport in Scotland and set us back 20 years".

What will we get in return? We are told that we might get the odd football game at Hampden. That is fair enough, but one thing is certain: we will not get any of the semi-finals or quarter-finals or the final at Hampden. We might be lucky if we get Tonga versus Azerbaijan. Unless football somehow turns into a blue riband event in the next 10 to 12 years, I cannot see this amounting to much more than a hill of beans. We are also told that some international teams might come to Scotland to set up a base, but we have also been told clearly that we will have no new resources and no new facilities to host the teams.

I say those things not because I do not want the London bid to be successful; I do want it to be successful. It is a good bid and I think London will secure the games, but my second major point is that if London wants to secure and succeeds in securing the games, London should pay for them. I find it completely unacceptable that the rest of the United Kingdom should be paying for a London Olympic games out of our good causes, our charities and our grass-roots sporting facilities and events.

London is the most prosperous city in Europe. It can more than afford to pay for the games. It has a gross domestic product of some £180 billion—larger than that of Sweden, Austria or Belgium. Surely it can afford to pay for the games itself; it has more millionaires per square mile than any other city in Europe. It has prosperity beyond the dreams of us in the rest of the regions and the other nations of the United Kingdom. It is not as if London does not receive its fair share of public spending; it soaks up some 80 per cent. of all expenditure on transport alone. Extending the Jubilee line to docklands cost £3.5 billion and heaven knows how much the proposed Crossrail will cost. That does not take into account the non-identified spending of Whitehall Departments, the defence of the realm, the BBC and quangos.

Mrs. Jacqui Lait (Beckenham) (Con): I represent a London constituency. I am sure that the hon. Gentleman is aware that London will contribute more than other parts of the UK towards the London Olympics, so I hope he corrects the impression that London is not contributing.

Pete Wishart: I gratefully take the hon. Lady's rebuke and I recognise that Londoners are paying more than their fair share for this proposal. I have received several e-mails from disgruntled Londoners about the prospect of paying increased council tax to subsidise the games. Further to the impression created in the debate, I do not think that there is unanimity in London on the Olympics, as there is not unanimity throughout the United Kingdom.

As well as discovering that the rest of the UK will be paying for a share of the London Olympics through the lottery, we now find that the UK taxpayer is to underwrite the London Olympic games. We are told that the cost of the London Olympics is not likely to exceed £2.735 billion, but I was told that the Scottish Parliament would not cost more than £40 million—it now stands at £430 million. It is a big risk for the UK taxpayer to finance and underwrite the London Olympic games.

[Pete Wishart]

When Sydney hosted the games, the New South Wales Government paid for and underwrote the games. New South Wales is not nearly as prosperous as London. If New South Wales could underwrite a Sydney Olympics, surely London, with its devolved local authority and the office of the Mayor, should underwrite the cost if things go pear-shaped financially. If that happens, it is likely to be the UK taxpayer who once again has to bail London out.

I return to the central premise that the games will be good for the rest of the UK. For example, hon. Members have said that they will boost sport at grass-roots and youth level, but the simple and obvious fact is that if money is diverted from grass-roots projects to large infrastructure projects in London, it is inevitable that grass-roots projects will suffer. In Scotland, there are massive health and lifestyle problems—including obesity, about which much has been said—notably and sadly among our young people and children. However, for years we have been selling off community and school recreational facilities the length and breadth of our country to bolster the public finances.

We must invest money in grass-roots projects, not in massive infrastructure in London. Our team sports are in decline: one need only mention Wales's performance over the last few weeks to recognise the difficulties that our national teams are experiencing. I remain convinced that money will drift out of local projects and be sucked up in the London Olympic bid.

I hope that London is successful, but I do not want the good causes of Scotland to pay for the London bid. I hope that the Minister will take these points on board and consider the funding of the London Olympic games. Other hon. Members have already mentioned the fact that a lot of money will be drawn from good causes and grass-roots sports events. I hope that the Minister will reconsider how the London games will be financed.

2.56 pm

Mr. Andy Reed (Loughborough) (Lab/Co-op): In view of the time, I shall try to be brief to allow the hon. Member for Brecon and Radnorshire (Mr. Williams) to speak. Many points that I wanted to make have already been made, so there is no need to repeat them.

I am grateful to follow the hon. Member for North Tayside (Pete Wishart), who challenges us to think about the issues. Every speaker has laid some of those questions before the Minister, and those of us who served on the Olympic lottery Bill Committee have already done so. I support the London bid, not because I am from London—I am from one of the regions—but because it will add to the enormous drive that we need to put into regenerating sport and replicating that across the country. The choice is either to have a bid or not to have a bid. Which would be better for sport? On balance, I think that a London bid would have an enormous impact on sport and regeneration throughout the country and would be worth while. However, we must answer fundamental questions, especially on funding and the possible impact on grass-roots sport throughout the country over a long period. I hope that the Minister will talk about that.

We will benefit in the regions, and my hon. Friend the Member for Sheffield, Attercliffe (Mr. Betts) mentioned the role that Loughborough will play; the constituency is already geared up to host teams that will be based there. The hon. Member for Southend, West (Mr. Amess) said that a couple of athletes at the last Olympics were from his constituency. There are about 140 international athletes in Loughborough, many of whom are in training. I met an Olympic gold medal hope from my constituency only yesterday.

We have a great desire for Athens to be successful, and that also applies to the next generation. Children in schools who are starting to train now will be excited by this year's Olympics and could compete in London in 2012. We must use and enhance the galvanised interest in sport that we saw at the rugby World cup and that we shall see this year in Athens and in Portugal at football's European championships. We need to translate that from watching on television to ensuring that up and down the country individuals are excited by sport. We must have the infrastructure so that they can move from school to local clubs and can participate at whatever level.

As most hon. Members here know, I play rugby every Saturday at grass-roots level. I have no ambition—perhaps I have a slight ambition to be Jonny Wilkinson and to have dropped that goal—but as one realises from the age of 22 that it is not going to happen, one can enjoy those glorious moments at whatever level. That is the beauty of sport: it brings so many of us together.

It is crucial that the regional impact is driven though and delivered on the ground, as has already been mentioned, and we must ensure that that is done not only for traditional sports. The hon. Member for Beckenham (Mrs. Lait), who intervened earlier, was at a meeting yesterday with the Women's Sports Foundation. This is a golden opportunity for female sporting heroes—Paula Radcliffe is a constituent of mine—to be seen day in, day out, on our televisions throughout the Olympics. I hope that we can build on that and that women who are excited by the Olympics this year are galvanised for the 2012 games.

There are so many things that I want to say, Mr. Deputy Speaker, but I am conscious of the fact that others want to speak. I give the games my support, but account must be taken of those cautionary questions, many of which have been asked by other hon. Members.

Mr. Deputy Speaker: With less than half a minute available, I call Mr. Roger Williams.

2.59 pm

Mr. Roger Williams (Brecon and Radnorshire) (LD): I am tempted to try for a world record in getting the information out, but I am pleased that everybody here today supports the bid, albeit in their own manner. I would like to support it too, although I should also report the fact that there are some negative feelings in the regions and the devolved nations. The Minister would do well to address those, because we do not want any negative feedback to spoil the bid.

The Sports Council for Wales has already cut the third tranche of the community investment programme, which will mean a reduction in sporting facilities in my constituency. I have had letters from the local authority and from the sports council complaining about the Sports Council for Wales. I would like the Minister to

assure us that more funding will be put in place, so that we have the athletes to compete successfully in the Olympic games should the bid succeed.

3 pm

Simon Hughes (Southwark, North and Bermondsey) (LD): I am sorry that my hon. Friend the Member for Brecon and Radnorshire (Mr. Williams) had to make such a brief contribution, but I am pleased to go into bat with others, not just for a London Olympics, but for a UK Olympics for 2012. Although I am a London MP and I have another London interest in the pipeline, I would still argue that London must put in the bid in a way that commands the support of the whole UK. I am convinced that we are going in that direction.

The tradition of Olympic and Commonwealth bids in the UK and elsewhere shows that successful bids benefit more than just the city hosting the games. I was brought up in south Wales and I remember when the Commonwealth games—the Empire games, in those days—took place in Cardiff. They left a legacy that was used not just by people who lived in Cardiff, but by those who came to Cardiff for many years after. The same was true after the Commonwealth games were held in Edinburgh and certainly the same applied last year, after Manchester had hosted a hugely successful Commonwealth games. The event benefited more than just that part of the country.

The same has been true of Olympic games held in other countries. Of course, the Olympic games have been based in a city—Rome, Munich or Barcelona—but they have had a much wider impact on the country concerned and, if we succeed in the bid next year, that is what an Olympics in London would do.

I want to make three points, one of which addresses head on the concern that there will be a detriment to other parts of the UK. I understand the arguments from Scotland and Wales: we must meet those arguments head on and show how the interests of the rest of the country in promoting sport, participation, healthier living and aspiration to succeed can be met around the country.

First, I shall reiterate the point, although I shall not amplify it in any detail, that if we win the bid next year, many parts of the UK will have a role to play in the build-up to a 2012 Olympics, planning to bring people to the UK, training them and providing venues. That will extend beyond the use of a few football grounds, yachting in Weymouth, shooting in Bisley or rowing at Eton, as all sorts of other venues can and should be involved. Every region of England and every country in the UK must see their place in that.

As a positive contribution, I suggest to the Minister that one of the ways in which all parts of London and all other parts of the UK could ensure that they gain something, and are seen to be gaining something, is for each local authority to carry out a consultation with the British Olympic Association. In that consultation the authority would specify the one facility—the one capital investment—that it would most like but which it does not have, such as a swimming pool, an athletics track or a football ground.

The authority would also specify what revenue project it would like, such as coaching in a particular sport. If such consultations could be included in the Olympic project, whether they took place in Brecon and Radnorshire, Tayside, Loughborough, Sheffield or anywhere else, people would start to own a project because they would say, "We are going to get something that will be our legacy." They would consider the project funding linked to the Olympic bid.

I would ask that such consultations also take place throughout Greater London. When the idea of the bid was mooted, I said to Barbara Cassani and her team that this must be seen as an all-London bid, not an east London bid. It is important that Wembley, Wimbledon and the centre of London are used, so that all parts of the capital—north, south, east, west and the middle—feel that they have part of the action. I hope that the Minister will be kind enough to consider that suggestion, and I will put it to the BOA that that is a way that we might lock people into the project.

Secondly—this is my contribution that relates specifically to London—there will be legacies from a successful bid that will benefit everyone in the capital, although they will originate in east London. It will be in everyone's interest for a part of London that has suffered from under-investment—where there is still great poverty and where the land is not used to the full—to receive investment. Just as the Thames is cleaner than it was, which is in everybody's interest, so the Lea valley can be cleaner, which is also in everybody's interest.

If we have a much better social and economic infrastructure, if there is a much better transport infrastructure—for example, if the East London line works, is extended and does really well—if more use is made of the river and if there is a Crossrail project, as I hope there will be, everybody who comes to do business in the UK, or comes through London on the way to somewhere else, will benefit. This is not just a London benefit.

Thirdly, our area has the greatest population in the UK. People from all over the country come here for a while as students, trainees or workers—they are Scots, Welsh, English, northerners, southerners, people from Cornwall and everywhere else. The reality is that if facilities are left after the games, people will be more likely to cycle, run, swim or participate when they come to the capital city, so we will be creating a healthier country.

I know that conversations are going on and, to raise an example, we in London are significantly short of major Olympic-size pools. I went on holiday to Tayside last year and visited the swimming pool in Dundee, which is brilliant. I took my nephew there—it was the most exciting thing in the whole of his holiday. He spent the entire day going down the flumes, even the ones that he was not meant to go down. Of course, children always go for the ones that are above their pay grade or age entitlement. The reality is that those activities are not elitist; they engage everybody, including people on holiday. I hope that there will be a project for a decent Olympic-size pool in Hillingdon—in Uxbridge—and another to expand the Crystal Palace pool to full length as well as one in north London to complement the proposal for east London.

It will be in everybody's interest if sustainable jobs are created. It may surprise some colleagues to know that London has the highest unemployment rate of any region in England. It is the wealthiest place, but as in any

[Simon Hughes]

great metropolis or capital city the wealth is not shared equally. We must do something about that and the jobs ought to go to a part of the country where unemployment is particularly high.

The more tourists we bring in as a result of the anticipation of the games, the better—and not just to the London venues. People will come to watch football at Hampden Park or Old Trafford; they will add on a trip to the Olympics that keeps them here. I have friends who have worked in support of Olympic venues around the world. Working people such as them visit the country, but not just for the period of the games, as they stay before and after and visit the rest of the country. This is a great opportunity to bring people to UK plc and sell the whole country.

I want to deal with the financing of the bid. It is important that we deal with this issue head on. There are two stages: there is the bid finance, where we know the Government are making a contribution and when, as I understand it, the figures are simply put in ball park terms. If the bid is successful, it is expected that half the income will come from the private sector by way of revenue. It is proposed that the rest will be split, with two thirds coming from lottery contributions and one third from London. London is contributing; in fact, it is the only place where a public sector contribution is provided for. That contribution is provided by a council tax add-on and from money from the Greater London authority via the London Development Agency.

As I have said on behalf of my party and on my own behalf, if I am lucky enough to take over from the Mayor in June—I hope that that will be the case, because I assure this Chamber, the House, Parliament and the country that I will bat as well for London on the Olympics as anybody could, as I am a passionate sports supporter—it will be on the basis that Londoners make an extra, additional and significant contribution above the rest of the country.

We must ensure that the lottery contribution—the two thirds of the half, or the third of the total—does not suck money out of lottery contributions in the rest of the country. I say that in response to my hon. Friend the Member for Brecon and Radnorshire, the hon. Member for North Tayside (Pete Wishart) and others. This is about seeking an add-on, rather than a reduction; it is about ensuring that people contribute more; it is about making sure that we do not lose what we have got.

I am committed to making sure that this is a win-win Olympic bid for the UK and London. I know that all those who are involved in the London promotion take that view. It is important for the bid to be seen as "London for the UK", with all the UK benefiting.

3.10 pm

Mr. Nick Hawkins (Surrey Heath) (Con): I, too, warmly congratulate the hon. Member for Sheffield, Attercliffe (Mr. Betts) on obtaining this important debate, and I congratulate all those who have spoken so positively about the Olympics. The one person who was relentlessly negative was the hon. Member for North Tayside (Pete Wishart), but I shall come to him later.

I want to reinforce the point made by the hon. Member for Loughborough (Mr. Reed) about the importance of grass-roots sport bringing people together. Having spent my 12 years in the House so far playing for various Lords and Commons parliamentary sports teams, I have made a huge number of cross-party friends. It is no surprise to see here the hon. Member for Sheffield, Attercliffe, with whom I have played a lot of football, and who introduced the debate, and the hon. Members for Brent, North (Mr. Gardiner) and for Loughborough, with whom I have played a lot of rugby. If it were not for our party differences, I would be tempted to call them my hon. Friends, and I hope that they would not mind my describing them so.

Sport means the same for people from all walks of life. Through sport, it is not just politicians who raise money for charity, enjoy themselves and keep fit—it is the same for everybody involved. As hon. Members know, I am delighted to have been made shadow sports spokesman, but I have been a passionate sports competitor and enthusiast all my life. My main sporting involvement as a teenager was in swimming. I was not quite good enough for the Olympic team, but I was lucky enough to be coached by the Great Britain Olympic coach who took our swimming team to the 1972 Munich Olympics, and I did swim for the midlands against Wales and Scotland.

The experience in my early life of being coached by a British Olympic coach meant that I had the opportunity to swim for the same team as many of our Olympic swimmers. Brian Brinkley, the club captain of my swimming club, the Bedford Modernians, was the captain of the British Olympic swimming team at the 1972 games. Subsequently, he has become the coach to Northampton swimming club, and he is in the process of taking over from Charlie Wilson, who used to coach us both as teenagers—I am glad to say that Charlie is recovering from a stroke, and recently I was lucky enough to be able to entertain him for lunch at the House. Having inculcated in young people all the sporting ambitions of generations of swimmers, Charlie carried on coaching at the top level well into his 70s, and is only now handing over our old club to Brian Brinkley.

The Olympics encourage sporting achievement and the application and commitment of volunteers down the generations. I have seen that for myself, and I see it now in my constituency and throughout the country.

The hon. Member for Southwark, North and Bermondsey (Simon Hughes) mentioned shooting at Bisley. Many hon. Members will have heard me refer to the fact that my constituency is bound to be involved if the UK wins the bid for 2012, which we hope it will. Shooting can take place at only one venue in the UK, because of changes in our laws on shooting after the terrible tragedy at Dunblane. Bisley is the only place in the UK where shooting for the Olympics can take place, and it was where shooting took place for the Commonwealth games, despite their being held in Manchester. Bisley was the only southern venue, and my constituents were proud to play a part in the Manchester games—I was lucky enough to be invited to present some of the shooting medals. To return to the theme of the debate, I know that areas away from London, such as my constituency, will benefit from the Olympics, because we benefited from the Commonwealth games.

It is important to recognise that all our constituents, from throughout the UK, including Scotland and Wales, will benefit. People from the north of Scotland, the most rural parts of Wales and Northern Ireland and

the furthest reaches of Cornwall will benefit. Constituents such as those of the hon. Member for North Tayside will also want to attend the Olympics. The crucial point, however, is that, as we found with two sadly unsuccessful Manchester bids, only a capital city will give the UK the chance of winning a bidding competition—nobody else has mentioned that this afternoon, but I see the hon. Member for Brent, North nodding. I very much agreed with everything that he said, because in the build-up to what we hope will be a successful bid, we must accentuate the positive. Perhaps the Scottish nationalists feel that filling their leaflets with relentlessly negative anti-London propaganda will strike a chord with some of the people who they hope will vote for them.

My reading of the economics of the UK as a whole is that it is the fantastically successful invisible earnings of the City of London that have helped to subsidise UK plc. Constituencies represented by SNP Members have benefited from a London-driven subsidy involving the contributions that all taxpayers make. That has been provided to Scotland by all taxpayers for generations. The Scottish nationalists say that only London will benefit. My hon. Friend the Member for Beckenham (Mrs. Lait) knows a lot about matters north of the border, and has pointed out that Londoners are paying more than their fair share under the enhanced precept. London supports the bid, and I believe that the whole of the UK will do so. I hope that the Scottish nationalists will drop their relentlessly negative anti-London approach.

I want to put some points to the Minister in the same constructive spirit as that of the hon. Members for Brent, North, for Loughborough and for Sheffield, Attercliffe. Since I took on my shadow brief, I have had many discussions with lots of leading administrators in various sports. The same matter has been raised by many people and organisations. The Football Association is responsible for the pitches that soccer is played on at every level. People sometimes think that there must be plenty of money in football because the premiership clubs spend so much, but the vast majority of football is played by amateurs on local authority pitches. There is a shortfall of about £2 billion with regard to the need to upgrade local authority pitches.

The Government have said that they are committing money to sport. Much of that has not got to the sharp end, but I want it to get there. Lots of that money is wrapped up and lost in departmental bureaucracy. That is not this Minister's fault. Three years ago, the Government promised that £750 million of new funding would go to school sport, but less than £9 million has been spent so far; that is less than 2 per cent. The Prime Minister announced that with a great fanfare, but little of the money has got to where it is needed.

The hon. Member for Southwark, North and Bermondsey talked about the need for the private sector to be more involved in the Olympic bid. He is right. There are a number of things that could improve the Government's preparations for winning the bid. In recent deliberations on the Horserace Betting and Olympic Lottery Bill, we said that the Olympic lottery ought to start earlier to bring money in sooner. The Government have conceded that it would be possible to do that under International Olympic Committee rules. We also believe that the Government are wrong to concentrate so much on public sector involvement. A much bigger private sector element ought to be involved in all the Government's planning from now on. I hope that the Minister will respond to that point.

The hon. Member for Southwark, North and Bermondsey came up with the idea that every local authority in the country ought to identify one new capital project. I think that part of the problem with funding for sport is that there has been far too much concentration on brand new, bright and shiny capital facilities and not enough on revenue funding. That has certainly been the case since this Government came to power.

On the concerns of the FA and other governing bodies about pitches, local authorities have found that although the Government keep claiming that they have put a little bit more money the local authorities' way, it has not been enough to compensate for all the extra statutory duties, which cost a lot of money, particularly for small local authorities such as mine in Surrey Heath. Some of the money for local authorities must be ring-fenced to be spent on upgrading sports pitches.

The competitors who are using the local authority pitches now are going to be the athletes who we hope will win medals in 2012. They are using substandard facilities such as badly drained pitches. We want them to have better facilities so that we can win the bid and ensure that they win gold, silver and bronze medals for us in 2012.

We must get the money out of the bureaucracy, where it is swallowed up. Leading figures in sport such as Trevor Brooking could tell the Minister how to get that money to the sharp end. He should get away from the shiny new capital schemes, spend it on revenue and ring-fence it. I see that the hon. Member for Brent, North agrees with me.

3.20 pm

The Minister for Sport and Tourism (Mr. Richard Caborn): I, too, congratulate my hon. Friend the Member for Sheffield, Attercliffe (Mr. Betts) on securing the debate. He has represented his constituents very well. I am one of them. I disagree with his criticism at the end, but I will take issue with him about that later at the management committee.

There has been support from all sides—even slightly grudgingly from the Scot nats. The International Olympic Committee will know that there is unanimity of purpose in securing the bid in 2012. There is popular support for this bid right across the UK. Indeed, the opinion polls that we did before the bid showed support at around about 80 per cent., and it was higher in Scotland than in some parts of London. There is therefore support right across the nation. That is to be welcomed. As we go into the more difficult parts of this bid when the competition will get much fiercer internationally, it is important that that unanimity of purpose holds together. The English language newspapers are probably reported disproportionately around the world. What is said by leading spokespersons on this issue is reported.

I should like to put the timetable on the record. As everyone knows, on 15 January this year we submitted the big questionnaire to the IOC. The next date is 18 May when the candidate cities will be announced. On 15

[Mr. Richard Caborn]

November submissions from the candidates will be filed to the IOC. The IOC valuation team will visit the candidate cities in February and March next year and the selection for the host city for 2012 will be made on 6 July 2005. The launch got off to an extremely good start. It was well reported and there was unanimity of purpose.

There are two areas that I shall focus on in the limited time available. One is the regions and the other is expenditure. I was a little bit disappointed by the comments of the hon. Member for North Tayside (Pete Wishart). Barbara Cassani is going around the whole of the UK. Her first port of call was rightly Scotland. She got an extremely good reception there. She stressed the opportunities that would be opening up over the period up to the bid and, we hope, beyond. Her work has been welcome. She has also been to Wales, Gateshead, Newcastle and Sheffield. My hon. Friend the Member for Sheffield, Attercliffe and I were present when she gave a speech to Sheffield's powerful chamber of commerce. She was well received. It was not just about Sheffield. She brought in the whole of Yorkshire, the decision makers in local authorities, businesses, and the communities.

Barbara Cassani's next visit will be to the south-west. She is hoping to cover the whole of the United Kingdom within the foreseeable future. I hope that hon. Members will take the opportunity to make their points to her and her team as she goes around the UK. She is incredibly receptive to that. The hon. Member for Southwark, North and Bermondsey (Simon Hughes) asked whether we could focus on a particular project. That should be taken up with the members of the 2012 bid. Again, I have no doubt that when they read the record of this debate, they will respond.

Activities outside the capital include shooting at Bisley, sailing at Weymouth and rowing at Dorney. The development of Weymouth and the extension of the holiday season based on one sport have brought about quite a lot of regeneration in that area. The Olympic football competition can go round many cities in the United Kingdom. Holding camps are extremely important. If we do not look city by city, we must consider counties. For example, Yorkshire is already considering what it can do collectively as a region to attract teams and whether facilities can be shared in Sheffield, York, Leeds and so on. It is examining matters strategically.

Volunteers must not be underestimated. I hope that a lot of them will come from Scotland. Many say that the success of the Commonwealth games in Manchester was due to the volunteers. Manchester gave them a tremendously warm welcome. They helped to produce what many say now were the best Commonwealth games ever. In fact, 24,500 people applied for just over 10,000 places. About 60,000 volunteers were employed at Sydney—47,000 at the Olympics and 15,000 at the Paralympics. Many people in north-west England now have jobs who would not have done were it not for their training and development at the Commonwealth games. That had a big impact on regeneration through sport.

The bid will leave a legacy that could be managed slightly more effectively than was the case in some other cities that hosted the Olympics, and we are carefully considering such matters. If the hon. Member for North Tayside was being honest about public financing, he could have mentioned the Barnett formula. That would have put public finance into real perspective, but I shall put that to one side.

Our bid has been unique. The first estimate from Ove Arup for holding the Olympic games was £3.6 billion. We considered that, and the income that would be raised. Television rights and ticketing would raise about £2.5 billion, and we calculated that we would be left with a deficit of £1.16 billion, to be found from public funding.

As the Secretary of State and I visited cities throughout the world that had hosted the Olympics, the single message that came across was, "Do not underestimate on the finance. Once you set the budget and you go below it at any stage, the bid will seem a failure." Sydney said loud and clear to us that, if there was one mistake that it made, it was not putting in the contingency that was necessary. It is about creating atmospheres, and that is exactly what happened at the Commonwealth games in Manchester. Those games became the best Commonwealth games ever, but during the first three months of preparation there were real financial problems. More time was spent on trying to manipulate budgets to meet the expenditure than on organising the games, as should have been happening.

We have rightly doubled the £1.16 billion estimate to £2.375 billion, which has put more than £1 billion of contingency into the figures. The criticisms about London not bearing the costs are unfair. The council tax will bear £625 million; the lottery will bear £1.56 billion and, as been said, the London Development Agency will bear £250 million. The public subsidy will come from such sources, but I believe that putting the other £1.1 billion into the equation will ensure that the games can be set up robustly.

There was a big debate with the official Opposition about whether we launch the lottery before or after the bid for the games in July 2005. We decided that it would be right to do so after that time because of the impact on good causes. We believe that once that comes on board, we will see an increase. There will be a displacement—of that there is no doubt—of around £64 million per year. We—

Mr. Deputy Speaker: Order. We must now turn our attention to acute hospital services.

Acute Hospital Services

3.30 pm

Mr. Kerry Pollard (St. Albans) (Lab): I am delighted to have secured this debate on the most important topic of acute health service provision. I want to concentrate my remarks on the provision of acute services in the Bedfordshire and Hertfordshire strategic health authority area, which of course includes my constituency, St. Albans.

A little time spent on the local health service history will help us to get the current situation into perspective. Some 25 years ago, a proposal to build a large new hospital between Hemel Hempstead and St. Albans serving both communities was thrown out, as neither community was prepared to close their respective local hospitals. The local services started on a slow but inevitable decline. Five years ago there was a similar exercise, which was slightly wider in scope. It involved the prospect of a large new hospital—a centre of excellence—but again it would have meant some re-alignment of services at local hospitals. Once more the respective communities could not agree, and the issue was dropped. Once again it became more difficult to maintain good local services.

We come now to the latest exercise. This time, a full and comprehensive consultation exercise took place—in fact, the most detailed and comprehensive that I have ever taken part in or witnessed. Finally, it appeared that a consensus was emerging, and that there was a proposal that the whole two-county community could support. However, when it came to making the decision, a single primary care trust, Dacorum, decided not to support the majority view on a purely parochial basis—that is, because Hemel Hempstead hospital would have to undergo a small realignment of its services.

All agree that the status quo is not an option. Our acute services are among the most stretched in the country. They operate from small, inefficient hospitals that are much in need of reinvestment in their superstructure, and that have difficulty recruiting and retaining high-quality staff. There are times—and this is one—when communities need to reflect on the long term, with the well-being of the whole community in view, and when all those involved in decision taking and leadership need to reflect properly on how our acute services should be developed in the next few years to give us all the services that we need and deserve. We must grasp this opportunity; it will not recur. The alternative is a deterioration of our services, a lack of morale among our clinicians, and people having to travel further and further to access decent services.

Option 2 received the support of 90 per cent. of the population. That was to include a new centre of excellence hospital, which was to be constructed on one of two sites, both adjacent to the university of Hertfordshire. In addition, a new diagnostic and treatment centre was to be built at Hemel Hempstead, and there were to be improvements to the estates of all the other hospital sites. Furthermore, it was hoped that a medical school could be opened at the university of Hertfordshire. That idea has the full and enthusiastic support of the university, which already has a very good medical training faculty in radiography and nursing. Indeed, my youngest daughter is a first-year undergraduate on a nursing diploma there. To the majority, that seems a good deal for our two counties, ensuring, as it would, high-quality health services able to recruit top-quality clinicians at all levels. That proposal would take us forward for the next 20 years with a service of which we could all be proud.

Some details of the consultation process will be helpful. More than 1,600 questionnaires were returned, and 130 members of the public responded directly in writing. Some 100 people were involved in focus group discussion, and about 6,800 people signed petitions. There were 5,000 attendees at public and staff events, and there were at least 16,000 contacts with the consultation in one way or another.

At the end of the process, Ian White, the chairman of the strategic health authority, said:

> "Option two is not about winners and losers, it is about the benefit to whoever uses health services across the two counties".

There can be no one in the two counties who was not aware of what was proposed, and there were many opportunities for people to make their views known. The local press and media were full of the issue every single week.

I took part personally in the consultation exercise, attending many meetings that were attended by the public, health representatives, local authority elected members, primary care trust workers, nurses, midwives, community health councils and local charities. We discussed at length the options included in the consultation document. There were wide-ranging responses, all in support of the recommendation in the document. Scrutiny committees for health of all local councils, including Hertfordshire county council, supported it, as did primary care trust boards, elected representatives and the vast majority of the public who responded. The only group that was against the recommendation—Dacorum primary care trust—took a full and active part in the deliberations, was listened to and put forward its representations.

No group or individual that wanted to take part was prevented from joining in. The strategic health authority went out of its way to be as inclusive as possible. That was to its credit. I am satisfied that a full and proper consultation exercise was carried out.

I was therefore particularly disappointed when a group in Hemel Hempstead decided to call for a judicial review of the consultation process. As I said earlier, I have never experienced or taken part in a more detailed and comprehensive consultation exercise in all my years as a public representative. I commend Ian White and his team, who undertook all that hard work.

I believe that the judicial review will conclude that everything that should have been done, was done. The process was open, clear and fair, and the conclusion arrived at was supported by the overwhelming majority of the primary care trusts and their constituent public.

I also hope that once the review—which I believe will totally vindicate the strategic health authority—is complete, those who have brought that frivolous call for a review will be surcharged for the cost of the whole judicial review exercise. It has been estimated that £250,000 could be spent on legal representation alone. That money would pay for hundreds of much-needed operations, many on the elderly. It is outrageous that

[Mr. Kerry Pollard]

that amount of money should be wasted so flagrantly. I would be failing my constituents if I did not call for that money to be recouped from those who have brought the action.

I have sought advice from the Department for Constitutional Affairs on the prospect of recouping the money expended from those who brought the matter to court. The head of the civil initiatives branch tells me that it is normal practice for the loser to pay for both sides. That means that, when the court finds in favour of the strategic health authority—as I believe is inevitable—a judge can, and in my view should, order that those who brought the issue to court will have to pay the costs of both sides.

It is not just the money for legal representation that concerns me, but the amount of time that senior staff at the strategic health authority will have to spend on preparing their defence against the review. The action by the group in Hemel Hempstead is potentially damaging the whole acute service throughout both counties, and at its worst that could mean that there will be no new acute services there.

The people of Hemel Hempstead have not been told the full facts by those who are pursuing the judicial review. Their hospital will not close. A new diagnostic and treatment centre will be built, and apart from the most acute trauma, all cases will continue to be treated at their own accident and emergency unit. Recently, the Hemel Hospital action group has been orchestrating a personal attack against me. The latest incident was a letter to our local press attacking my honesty and integrity. Those are desperate measures from desperate people. Should they continue, I may resort to the courts on my own account.

In summary on this part of my speech, it is recognised that the Herts and Beds is now lagging behind in the provision of good hospital services. That needs to be addressed. Investment in a new hospital, in diagnostic and treatment centres and in upgrading minor injuries and day surgery units must proceed as soon as possible. There cannot be anyone in the two counties who has not heard of the proposals. All have had their opportunity to take part in the fullest and most comprehensive exercise that I have ever witnessed. The judicial review is under consideration and my hon. Friend the Minister will not be able to comment on that matter.

I should now like to outline some of the major improvements and new building at my local hospital in St. Albans. Since 1997, there have been many improvements at our city hospital. One of my first acts on being elected to Parliament was to turn the first sod on a new hydrotherapy facility. Two years later it was opened, providing much-needed hydrotherapy for those suffering from the effects of strokes and other conditions such as amputations. Shortly after that, a disused operating theatre, which had been used as a storeroom, was brought back into full use, and I had the privilege of formally opening it. In addition, a new orthopaedic ward was opened to support the work of the new theatre.

The day surgery unit has been upgraded and I visit it regularly. The last time was when I visited one of my sons, who was having an operation on his knee. The atmosphere is comforting: tea and toast on tap, with light background music. Senior sister Eileen Kent is the driving force behind this excellent service, a model for others to follow.

There have also been major improvements to the minor injuries unit, which is led by senior sister Rita Dunkerly, who has a first-class team of nurse practitioners helping her. One waits only minutes at the unit. Of particular note is the directly employed cleaner, who keeps the place spick and span and takes real pride in her work. It is recognised by one and all how vital cleanliness is to the well-being of the unit.

A few months ago we were fortunate enough to receive a visit from the Under-Secretary of State for Health, my hon. Friend the Member for South Thanet (Dr. Ladyman), who has responsibility for regional health. He toured the whole hospital as part of a fact-finding tour. More recently, a further newly built operating theatre was opened by my right hon. Friend the Secretary of State for Health. That theatre will be used to reduce orthopaedic waiting lists. Its opening was followed by the expansion of the previously opened orthopaedic ward to enable more complex operations to be carried out.

In the immediate future, I am due to open formally a block of key-worker housing units on the hospital site, which will provide vital housing for some of our key staff. Only two years ago, our nearby special care baby unit was shut down because qualified staff could not be recruited. The overriding reason for the lack of applicants was the high cost of housing and the lack of affordable key-worker housing units. Under the chairmanship of Rosie Sanderson and with chief executive Val Harrison, the trust took the decision to construct the key-worker unit. That will help immensely with the recruitment of key staff.

I have mentioned a few key players at our local hospital, but I must commend all staff—medical, nursing and ancillary—who are dedicated to providing a first-class service on behalf of my constituents, the people of St. Albans. I offer them my sincere thanks for all their hard and dedicated work.

Our primary care trust is chaired by John Bennet and its chief executive is Steve Knighton. It is ready to take over responsibility for running our city hospital as soon as practically possible. I believe that our hospital could and should become a foundation hospital. I have every confidence in the ability of my fellow citizens to manage our hospital facility locally, and I give the proposal my full support. Local services managed by local people: a winning combination.

Finally, our acute services are on the verge of great things. We need to be bold and decisive and look to the long term and to the well-being and advantage of the whole community. If we do that, we can have a service that is the equal of any, and in which we can have confidence and pride.

3.44 pm

The Minister of State, Department of Health (Ms Rosie Winterton): I congratulate my hon. Friend the Member for St. Albans (Mr. Pollard) on securing the debate. I know that it relates to a matter of great concern to him and his constituents. I am extremely impressed by the depth of his knowledge of local staff and services. He

has done a lot to praise local people for their hard work in providing those services, but I am sure that they are proud to have an MP who works so hard on their behalf. I know that my hon. Friend wants to see provided locally the high-quality health services that his community expects and deserves. That vision of the health service is shared by the Department of Health and the local NHS in Bedfordshire and Hertfordshire.

My hon. Friend has referred to many changes that have been made locally, and I want to draw attention to other changes, particularly in funding, that have come about since the Government came to power. My hon. Friend will know that since 1997, total funding for the NHS in England has increased by £34 billion. In his 2002 Budget, the Chancellor announced the largest sustained increase in funding of any five-year period in the history of the NHS, with a real-terms increase in resources of 7.4 per cent. each year between now and 2007–08.

What does that mean locally? St. Albans and Harpenden primary care trust will receive an increase of £28.35 million over the three years to 2006, which represents a cash increase of 29.43 per cent. for the same period. Those allocations have been made directly to primary care trusts as part of the process of shifting the balance of power so that more resources and responsibilities are in the hands of front-line services. PCTs now control more than 75 per cent. of the NHS budget.

That substantial increase in investment has brought with it the need to review services within the Bedfordshire and Hertfordshire area and ensure that they are modernised so that the best use is made of the new resources. As my hon. Friend said, the decision to review acute services for Hertfordshire and South Bedfordshire was taken in January 2002. That review was later widened to encompass all of Bedfordshire and Hertfordshire, with the aim of securing an holistic approach to managing health services and a stronger emphasis on the interface between specialist, acute, intermediate and primary care services. Indeed, the local strategic health authority has already invested heavily in the local health economy.

As my hon. Friend said, Bedfordshire and Hertfordshire's preferred choice was option 2, but that has been subject to a legal challenge by the Dacorum health action group, which is seeking leave for judicial review. I am afraid that, as my hon. Friend recognised, I am unable to comment further on the proposed reconfiguration of services in the area in view of those legal proceedings, because the matter is clearly sub judice.

The reconfiguration of hospital services is often controversial, and my hon. Friend referred to the interest that local people were taking in it. However, within the "Shifting the Balance of Power" initiative we are trying to devolve funding decisions to a local level—to primary care trusts working in partnership with strategic health authorities and other local stakeholders. We believe that they can determine how best to use their funds to meet national and local priorities for improving health and tackling health inequalities while also modernising services. They are in the best position to do that because of their knowledge of the local community. The guidance "Keeping the NHS Local" was published by the Department of Health in February 2003. It is not a blueprint for hospital design, but it empowers local NHS services to work with local populations, helping them to decide together what pattern of local services will best meet everyone's needs.

The guidance sets out three core principles that should be followed when a major change to services is considered. Principle No. 1 is that options for change should be developed with—not for—patients, staff and local people. That means sitting down with the stakeholders at the outset and ensuring that everyone's priorities within an area are understood.

Principle No. 2 is that where possible services should be redesigned rather than relocated. In many cases, the redesign of services can provide new options for maintaining services locally. Principle No. 3 is about taking a view of the whole system; hospitals and other health and social care providers working in partnership can support each other with genuine integration and joint planning of services.

A legal framework underpins these principles for patient and public involvement in health. There is the statutory duty to involve and consult, which commenced on 1 January 2003. The Department's guidance, "Strengthening Accountability", which was issued in February 2003, sets out a range of suggestions for practical ways of involving the public in an accessible and rigorous way.

The Health and Social Care Act 2001 gave new powers to the overview and scrutiny committees of local authorities to review and scrutinise the planning operation and development of health services, so that democratically elected representatives of local people with responsibility for their well-being exercise proper influence over the NHS on their behalf. We have given the overview and scrutiny committees the right to refer proposals to the Secretary of State if they consider that public involvement has been inadequate or that the process itself is flawed. "Investing in Your Health" went through two local scrutiny processes and, as my hon. Friend knows, both confirmed that they were happy with the process and the outcome.

We have tried to put in train measures to ensure that in local areas where there is a reconfiguration of services there is proper patient and public involvement, and that those decisions are taken at local level, secure in the knowledge that local people will best be able to determine the priorities of their local communities.

My hon. Friend referred to Ministers' visits to his constituency. The Under-Secretary of State for Health, my hon. Friend the Member for South Thanet (Dr. Ladyman), and my right hon. Friend the Secretary of State have taken a keen interest in the Bedfordshire and Hertfordshire services. They have visited them in recent months and they were incredibly impressed by the enthusiasm and dedication of local staff working on the front line.

As my hon. Friend the Member for St. Albans said, on 27 November, my right hon. Friend the Secretary of State opened a modular theatre costing about £850,000 at St. Albans, which provides an additional day-surgery theatre; in total there are five such new facilities. By opening those facilities, the West Hertfordshire Hospitals NHS Trust will ensure that it meets the target of a maximum nine-month wait for surgery by March 2004 and a six-month wait by 2005.

[Ms Rosie Winterton]

The West Hertfordshire Hospitals NHS Trust has also drawn up proposals for the centralisation of breast services and for the relocation of ophthalmology services. The centralisation of breast services will provide access to clinics for four days every week for women in West Hertfordshire. That will ensure a speedy response to referral and access to surgery on an elective site, reducing the anxiety that women experience once a breast lump has been found. The ophthalmology service will concentrate on the provision of cataract surgery in an environment that lends itself to such a service.

As I said, my hon. Friend the Member for South Thanet visited the four acute trusts in Bedfordshire and Hertfordshire and saw areas in which investment had already been delivered. For example, a state-of-the-art magnetic resonance imaging, fracture clinic and dermatology treatment centre opened its doors to patients at Hemel Hempstead general hospital in March. That investment means that patients and staff have a new treatment area. The final phases of the project to construct an X-ray reception opened at the end of July. The Hemel birth centre, which opened on 31 March 2003, is a self-contained unit run by midwives, which offers a supportive "home from home" environment in which mothers can give birth.

As I have said, new investment is being made in the constituency of my hon. Friend the Member for St. Albans. He is obviously supportive of that and is working with the local primary care trusts, the strategic health authority, patients and the public in his constituency to ensure that the priorities that are decided reflect local needs. At national level, we provide extra investment. My hon. Friend will know that improving health services is a key priority of this Government. The success with which improvement is taking place in my hon. Friend's constituency has impressed my hon. Friend the Member for South Thanet and the Secretary of State.

I know that the issue that my hon. Friend the Member for St. Albans raised is a matter of great concern, and that he understands the difficulty that I have in further commenting on it. However, I hope that he would agree that the changes that we are making are delivering real improvements for patients and the public.

Peak Park Planning Board

3.58 pm

Mr. Patrick McLoughlin (West Derbyshire) (Con): I am grateful to have the opportunity to raise the issue of representation on national parks. I wish to discuss specifically the Peak District national park, which covers about 50 per cent. of my constituency. When I first entered the House of Commons, the issue of representation on the national parks was always controversial and lively. Indeed, there was a feeling that not enough local people were involved in administering national parks. I always accepted that there must be a proper balance between local and national representation, because the Peak District is a national park with a huge number of visitors.

Against that background, I introduced a ten-minute Bill on 4 July 1989, which would have greatly increased the number of local representatives on the national park. I was pleased to receive cross-party support for the measure; in fact, many distinguished hon. Members supported the Bill, not least the hon. Member for Denton and Reddish (Andrew Bennett), who is now the Chairman of the Office of the Deputy Prime Minister: Housing, Planning and Local Government Committee. The Bill also received support from my right hon. Friends the Members for Richmond, Yorks (Mr. Hague) and for Skipton and Ripon (Mr. Curry). From the Liberal Democrats, I was supported by the right hon. Member for Berwick-upon-Tweed (Mr. Beith). That showed that at that time there was considerable concern about the way that the governance of the national parks was being distributed.

In 1995, my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer), the then Secretary of State for the Environment, was very aware of those comments. In the Environment Act 1995 he did a great deal to address the balance of local representation on the national parks by including in that representation a proportion of parish representatives. It is worth noting that now throughout the major national parks there are 37 parish representatives out of a total of 183 members of the national parks. They have contributed valuably to the way in which the parks are administered and controlled.

I say to the Minister in all seriousness that from my point of view the parish representatives have managed to let people feel that there is an elected element in the national parks. A number of people argue that we should have a fully elected national park body. I have never been convinced by that argument because, as I said at the beginning of my comments, there are wider issues to consider in the way in which the national parks are managed and organised. Since the franchise was widened, I have been aware of fewer complaints about the way in which the national parks operate. Although at the time a number of people criticised the involvement of parish councillors with the national parks, it has been valuable for the functioning of the national parks.

As any Member of Parliament knows, we have no authority over planning committees or national parks. Sometimes—no doubt like you, Mr. Deputy Speaker—I am grateful that we have no power over planning committees. Sometimes I think that I could do a better job than the planning committees, but perhaps we all

feel that. The only real way for a Member of Parliament to get involved is to ask the Deputy Prime Minister to call in a planning application once a determination has been made.

I recently wrote to the Deputy Prime Minister on the matter of Stanton Lees and Endcliffe quarry, asking him to call that application in. It is slightly different with quarry applications because they are deemed to be quarries and therefore there is deemed to be permission. That is a controversial issue, which I shall not press the Minister on today because whether it should be called in does not fall directly within his remit. On Stanton Lees and Endcliffe, we have now had eco-warriors camping, squatting and living for the past four years. The people in surrounding villages want a determination and they feel that the situation has been going on for far too long. There are certain timetables in the offing. This is a controversial matter. The Minister will be aware of that from wider experience. It is causing a great deal of concern in that area of the national parks.

There are 11 national parks in England and Wales. They are the most outstanding naturally beautiful parts of our country; that is how they were designated when first set up under the Bill that had its Second Reading in the House in March 1949. The Peak District national park was one of the first to be set up. Things have obviously moved on since then. The area covered by the Peak District is huge. The Environment Act 1995 established the park authorities as autonomous and understood that local people should have a say about their area and the planning decisions that affected them. That is where I want greater local representation.

However, the Secretary of State announced some time ago that there would be a review of the English national parks. Recommendation 22 of the Government's report, published in July 2002, suggested a cap on membership of 20 to 25, with three fifths being local and two fifths national. I think that the Minister has decided that, in the main, there should be a cap of 22 to 25 members. That may be right for other national parks, but I am not here to talk about them. I am here to say that that would be the wrong size for the Peak District national park.

Currently, the Peak District has 38 members, and I can accept the argument that that is a very large committee and that the number should be reduced. I have no argument with the Government when they say that they want to reduce the numbers that make up the national park. At the moment, 20 members represent the county, district, city or borough councils. All 12 local authorities have at least one representative. Derbyshire, as a county, has 31,250 residents, but Derbyshire Dales, the district that covers the vast part of my constituency, has a population of 24,711.

If we went down to 26 members, my concern would be that Derbyshire Dales district council would have only one representative on the national park. That is why I should like the Government to announce a membership of 30. That would enable Derbyshire Dales to have two representatives on the national park, which is important for local accountability. I want to discuss that later. Currently, the Secretary of State directly appoints 18 members: 10 to bring other matters, such as national interests, into the management of the park, and eight to represent parish councils.

I believe that the national park is unique. I am always careful when I use that expression because I am always told off when I do so, but the park is so different from all the other national parks. It is the second most populous national park, with a population of more than 38,000. Only the Lake District national park has a larger population, of more than 42,000.

No other national park covers the area of so many local authorities or has so much local authority involvement as the Peak District. It covers part of six counties and 12 local authorities, including Cheshire, Derbyshire and Staffordshire county councils and Sheffield city council. Then there are the districts or metropolitan areas: Barnsley, High Peak, Kirklees, Macclesfield and Oldham borough councils, and Derbyshire Dales, North East Derbyshire and Staffordshire Moorlands district councils. The Lake District national park covers only four councils, so there is a great divergence with the Peak District national park. The Peak District is within an hour's drive of 60 per cent. of the United Kingdom's population—and some weekends, it feels like they are all going there.

I should like to see better local representation being maintained. One danger of moving to a smaller number of people on the national park would be less good local representation. As I mentioned, there are controversial planning applications to be dealt with. I have addressed the ones relating to quarrying, which are constant; they are always very controversial. I mentioned Stanton Lees and Endcliffe, and not so long ago there was the question of the future of Longstone Edge, which was also very controversial. The decisions that are taken by the Peak District national park authority have considerable effects on the local environment, road traffic and the very nature of the area.

As I said, I fully accept that 38 members may be considered too many, and that a reduction from the current size could well help to improve the efficiency of decision making, and that that is reasonable; but the number should not be less than 30. Even the Peak District national park authority has said,

"our membership cannot be less than 30 without having a severe and unreasonable impact on the representation of people who live within the National Park".

If one looks at the populations of the various districts inside the national park, it soon becomes obvious why Derbyshire Dales should have more representatives than the other authorities. Barnsley has 68 people living inside the national park; Oldham has 93; North East Derbyshire has 147; Kirklees has 202; Sheffield has 965; Macclesfield has 1,268; Staffordshire Moorlands has 3,875; and High Peak has 6,501. In Derbyshire Dales, however, the population living inside the national park is 24,711. To put it another way, 65 per cent. of the people living in the national park are in the area of Derbyshire Dales. That is one of the reasons why I would say to the Minister that taking the figure below 30, which would cut Derbyshire Dales representation down to one, is not acceptable. I urge the Minister not to take us back to a situation in which the whole question of the representation of the national park becomes an issue. That is not in the national park's interest, and is certainly not in the Government's interest. However, a worry has been going around that that could happen. As quickly as possible, we need to bring things to a conclusion so that people accept that there is greater representation.

[Mr. Patrick McLoughlin]

If the Minister accepts the number of 30, it is also the case that the parish council members, who are appointed by the Secretary of State but elected by the parish councils, will go from eight to six. That reduction is acceptable and would be understood. If the number went down to 26, we would be almost halving the parish council representation and that would be a disastrous decision.

This is not a huge issue, but it is important. The Peak District national park is important to the millions who visit it—I say millions because we get more than 20 million visitors each year. It is described as the lungs of the United Kingdom. People from Sheffield, Manchester, the west midlands, Nottingham and other large conurbations literally flood into the national park on weekends and bank holidays, and for their holidays. Maintaining the beauty of the area and ensuring that the planning authority has proper representation is therefore an important issue.

The Minister has earned the reputation within the national parks as somebody who cares about them. He has given a lot of time in his ministerial job to their development. I know that he recently visited the Youth Hostels Association in Matlock, which is outside, but close to the national park, and he no doubt visited parts of the Peak district; in fact, I think that he visited the Peak district one afternoon when I could not be there. I hope that he puts this matter to rest so that the questions that have been surrounding the issue of membership of the national park since the review was published on 2 July can be answered. People will then know where they stand.

4.14 pm

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): I congratulate the hon. Member for West Derbyshire (Mr. McLoughlin) on obtaining this Adjournment debate and giving me a pleasant opportunity to deal with one of the most interesting and varied topics of my portfolio. As I respond to the debate, I am conscious that I do so not only under your watchful eye, Mr. Deputy Speaker, but under that of the chair of the Peak District national park authority, Mr. Tony Hams.

The hon. Gentleman has rightly raised this issue with me before, and I am grateful for his courtesy in spelling out his concerns in advance of the debate. The issue has also been raised by my hon. Friends the Members for Staffordshire, Moorlands (Charlotte Atkins) and for High Peak (Tom Levitt), by the leader of Derbyshire county council and, on behalf of the Derbyshire Dales district council, John Williams. I have also taken the opportunity to discuss the issue with the chair of the national park authority and, more generally, with members of the national park authority at the beginning of October. The hon. Gentleman rightly says that I spent some time in the Peak District national park looking at the authority's work, meeting its members and its chief executive, Jim Dixon, who was previously an excellent member of the team within the Department for Environment, Food and Rural Affairs, and who has put his skills to good use in the service of the national park authority. He has a considerably more attractive office with a more attractive view as an officer of the national park authority than when he was part of DEFRA's team in London.

It is a particular privilege to have national parks in my portfolio. It builds on an earlier privilege because I grew up on the edge of the Snowdonia national park. I have appreciated in recent months the opportunity to make some comparison of the work of the different national park authorities and the incredible treasure that we have in the immense range of landscape, flora and fauna in the English national parks. It is a collection of landscapes that together form an immensely important national asset. Representation on national parks has been a sensitive issue, as the hon. Gentleman said, and I am glad that he referred to his earlier contributions to debate on the issue. I am particularly glad that he agrees with the idea of reducing numbers and I concur that we should not go too far: we must obtain the right balance in the end.

On 4 July 1989, the hon. Gentleman sought to strengthen local representation—as he said, the 1996 legislation subsequently dealt with that. However, it is worth reminding the House of objections to his views at that time. I see from the record that my hon. Friend the Member for North-East Derbyshire (Mr. Barnes) said that the hon. Gentleman

"presented the Bill because of his experiences with the Peak park joint planning board",

and went on to say that his views were

"over the top"

because

"that provision is merely part of the hon. Gentleman's general vendetta against Derbyshire county council."—[*Official Report*, 4 July 1989; Vol. 156, c. 157.]

Obviously, these are historic documents which reflect contemporary disagreements, but I am happy to confirm that the idea of reducing numbers is not part of a vendetta against anybody. It is part of a purpose to make the national park authorities more efficient and effective, without losing proper representation of different interests.

Mr. McLoughlin: I do not want to spend too much time on the ten-minute Bill that I promoted in 1989, but I am sure that the Minister will realise that I had the House's permission to bring in the Bill, and obtained some very attractive sponsors, as I said earlier—not least Dale Campbell-Savours, who is no longer in the House, and the hon. Member for Denton and Reddish (Andrew Bennett), the current Chairman of the Select Committee. The "mere vendetta" was shared by others as well.

Alun Michael: I am glad to hear the case for the defence.

I should like to explain the background to the recommendations that I am making. My conclusion, on reading the recommendations of the national parks review, was that we should reduce the membership of national park authorities to 22, where possible, or 26. In

view of the particular circumstances in the Peak District national park, where there is a large number of local authorities—and where representation is therefore a rather more complex issue than it is for the other national parks in England—and also in view of the opinions expressed by hon. Members of all parties and the chairman of the national park authority, I have concluded that 30 is the number to which we should move.

It is not just a question of my making that decision. I remind hon. Members of the process for altering the membership of a park authority, which is set out in statute in schedule 7 of the Environment Act 1995. The legislation has several important requirements. In summary, the size of the park authority can be altered only by statutory instrument. The statutory instrument changes the overall size; it does not alter the balance of membership in terms of the number of local authority and Secretary of State appointments or, within the Secretary of State element, the number of members that she appoints directly and the number that are nominated by the parish councils.

A consequence of that balance of elements in the membership is that only certain sizes are possible. That reduces the options available to us to 18, 22, 26, 30, 34 and so on. Also, any statutory instrument must be preceded by consultation with the principal councils—the counties, the districts and the unitaries—that have land in the park. No principal council can be excluded from membership of the park authority, except at its own request, so there is a good deal of protection for the representatives involved.

We have not started the process, but I am now prepared to do so. Clearly, those who disagree with the proposal will have the opportunity to object in the consultation, which will last for 12 weeks. Then there will be the opportunity to pray against the statutory instrument, should any hon. Members feel that that is necessary. I hope that it is not, as a result of the degree of consensus that is built up, and the fact that, as the hon. Gentleman reflected, there is a wish for a sensible outcome leading to an authority that is smaller, but not too small, and so can balance different interests.

The effect of my proposal to reduce the Peak District national park authority to 30 members would be to ensure that it continues to have more members than any other park authority in Great Britain. It also means that the authority will continue to offer at least one seat to each of the principal local authorities with land in the park, but will be better able to conduct its business effectively in accordance with its modernisation agenda. I would underline that the Peak District national park authority, like other national park authorities, is seeking to modernise, and to streamline the way in which it undertakes its work. That will give the members more scope to maximise their contribution.

Mr. McLoughlin: First, I should like to thank the Minister for giving us a final answer on that point, and for ending the uncertainty. Will he be a bit more specific about the timetable? He says that consultation will last for 12 weeks. If a statutory instrument is laid before the House and is not prayed against, and therefore comes into effect, when would he expect the new authority to take shape? When does he expect the implementation date to be? The parish representatives are usually elected for four years.

Alun Michael: I take the hon. Gentleman's point entirely. My approach is that the proposal should use the "least pain" method. We will set down the time scale, which will enable people to fulfil their terms of office. That means that it will take a bit longer to get to the end result, but it also means that people will not be ejected and that if any are able to serve part of a term, they will know from the beginning the period for which they will be involved. I undertake to spell that out in putting forward a proposal for the consultation, which will take place in a 12-week period before the statutory instrument is laid. I hope that that will satisfy the hon. Gentleman's concerns; he makes a perfectly fair point.

The current thinking is that the Peak District national park should be reduced to 30 seats, that Dartmoor, Exmoor, Lake District, North York Moors and Yorkshire Dales should be reduced to 22 seats, that Northumberland should remain at 22, and that the broads authority, whose legislation is different, should reduce to 21. The legislation on the broads authority addresses the planning requirements differently, so it is possible for that authority to deal with its local authority representation without encountering the complications that arise for the Peak District authority.

The Peak District national park covers more local authorities than any other park—12 as opposed to four or five authorities in the other cases. It also has an unevenly distributed population. The most populous three districts account for 92 per cent. of the resident population—Derbyshire Dales alone accounts for 65 per cent.—while at the other end of the spectrum, three districts each have less than 1 per cent. of the population. Having said that, those districts have a considerable interest in the national park and its success, so I do not want to suggest that they have only 1 per cent. of interest because they have only 1 per cent. of its resident population.

The park also stretches into four separate government regions. Although this is not directly relevant to the debate, there is a lead region, and I am pleased that, for example, in our work with regional development agencies, the importance of landscape to the economy as well as communities that live in the national park has been recognised, as well as the main focus of national park responsibilities to protect the landscape and consider recreational opportunities. It is a large park in all senses of the word, and it has a particular place in the history of the development of national parks.

I agree with the hon. Gentleman that the national park authority should not be composed only of people who are resident in the park. The parks are national assets and, as the regional dimension becomes more important, one issue will have to be addressed, as they will remain a national asset while also being considerably important to their region or, in the case of the Peak District national park, most of the surrounding regions.

[Alun Michael]

When it comes to planning, everyone thinks that he or she can do better than the local planning authority. I had the privilege of chairing the planning committee of Cardiff city council for a time, and it was borne in on me that the world is populated by two groups of people. There are those who think that the planning committee should not have agreed something that it did and therefore think its members are irresponsible and mad, and there are others who think that it should have allowed something and that its members are therefore unduly restrictive. There is little ground in between.

In general, planning authorities do a good job, and the hon. Gentleman rightly referred to sensitive issues with Lees Cross and Endcliffe quarries, which are matters for consideration. I have been briefed by the Peak District national park authority, and he is right to say that it is for the Office of the Deputy Prime Minister to decide whether any issue should be called in. However, the authority seems to be taking a careful and responsible approach to the difficult issues that have to be resolved. I understand that the hon. Gentleman has constituency concerns—that is always the case—but I would not want anything to be construed as a criticism of how national park authorities deal with their planning responsibilities.

I am grateful to the hon. Gentleman for initiating the debate, as it has given me the opportunity to confirm my views and proposals about the future membership of the Peak District national park authority. In view of the representations and the discussions that I have had with the hon. Gentleman, some of my hon. Friends and the national park authority members, I hope that my proposal will find favour with all. I hope also that we can continue with the constructive support of the national park authority and in agreement about the immense value of the contribution that the Peak District national park, as a historically important member of the family of national parks in England and more widely in the United Kingdom, will continue to play. It is a pleasure to have been able to respond positively to the hon. Gentleman's concerns.

Question put and agreed to.

Adjourned accordingly at twenty-nine minutes past Four o'clock.

Westminster Hall

Wednesday 3 March 2004

[MR. JOHN MCWILLIAM *in the Chair*]

Coal Health Claims

Motion made, and Question proposed, That the sitting be now adjourned.—*[Vernon Coaker.]*

9.30 am

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): In my contribution, I want to do four things. First, by way of background, I shall explain the procedure for making a coal health claim. Secondly, I want to explain the link between claims handling firms and solicitors firms. Thirdly, I shall give examples showing how mining communities are being exploited by claims handling firms and some firms of solicitors. I would say, however, that the number of solicitors firms that can be accused of being deceitful, if not dishonest, is small. Finally, I shall suggest what the Minister might do to remedy the issue; I know that he is as sickened as I am at the way in which mining communities are being exploited.

This month marks the 20th anniversary of the beginning of the year-long 1984–85 miners' strike. It should not go unnoticed that, 20 years on, we are still having to discuss how to prevent the further exploitation of mining communities.

For the record, I chair the all-party coalfield communities group and the miners' parliamentary group. I am also a member of the Minister's coal health claims monitoring group.

The coal health schemes comprise the vibration white finger scheme, the chronic obstructive pulmonary disease scheme and the coal industry pneumoconiosis compensation scheme. However, the debate will concentrate for the most part on the operation of the first two schemes. Former miners and their widows, as well as their estates, can claim compensation under the schemes, but they must register claims for vibration white finger or chronic obstructive pulmonary disease through a solicitor. Progress on the latter scheme is periodically reported to the court, along with proposed changes to the handling agreement.

The procedure for processing claims is set out in the handling agreement, and I shall explain how it works. It is an accord agreed by both sides, but it is still evolving. The claimants' solicitors group meets regularly with Department of Trade and Industry solicitors to discuss changes and amendments—or how the agreement might be tweaked. It basically identifies the information that, alongside the claims forms, is required to be completed by each claimant. That information is then passed to the insurers, formerly Aon IRISC, now Capita Insurance Services.

When the information is submitted to the insurers, it is checked and the work record of the claimant is sought in order to verify the claim. The number of fraudulent claims is extremely small, which suggests that the miner's word could be taken as the basis for claims without some of the statements that are required. When the work record has been verified, the claimant is referred for a medical examination. If it is a posthumous claim, records are generally sought from social security records, from the general practitioner and from hospital records to assist in making a diagnosis.

The vibration white finger scheme closed on 31 March 2003 for live claims, and three months later for posthumous claims; to date, 168,000 claims have been registered. The chronic obstructive pulmonary disease scheme is still open, but it will close on 31 March 2004. More than 400,000 claims have been registered, and I understand that they are still arriving at the rate of 8,000 a week. The Minister will be able to update us on the statistics.

To date, more than £1.9 billion has been paid to claimants under both schemes. Solicitors firms in England dealing with the claims number in excess of 500. Throughout the United Kingdom they have received about £300 million for the work that they have done. These statistics give some idea of the size of the claim overall, which I understand is the largest common-law damages claim run anywhere in the world.

David Taylor (North-West Leicestershire) (Lab/Co-op): My hon. Friend will be aware of the unfortunately numbered early-day motion 666 tabled by his Barnsley colleague, my hon. Friend the Member for Barnsley, East and Mexborough (Jeff Ennis). It points out that average legal fees for chronic bronchitis and emphysema claims are £2,143 and that half of all final settlements are for less than that. Surely something has got out of kilter here.

Mr. Clapham: I thank my hon. Friend for that intervention, which suggests the need for a minimum level of settlement. Perhaps we should press that with my hon. Friend the Minister.

It became clear from complaints to the monitoring group that miners and their families were being exploited. Many of my colleagues in the House say that some firms of solicitors are charging claimants, in addition to receiving their costs and disbursements from the DTI. The charges levied on the claimants vary in form. Some firms charge a success fee, while others charge an extra hourly rate for coal health work, and particularly for vibration white finger claims.

The situation is made more complex by the advent of claims handling firms, some of which have come into being only in the past few years to exploit the situation in mining communities. They collect potential claims and pass them on to solicitors. Some of the handling firms sell the claims to solicitors. In other words, they are exploiting a market that has developed.

I refer to a letter dated 20 February from a company called Zuko Legal Ltd., which was addressed to Towells solicitors of Wakefield. The letter reads:

"I understand that you may be interested in buying mineworkers claims for compensation under the DTI Scheme from us. The number of claims our company source each week continues to escalate as the cut off date of this Scheme nears. I would therefore welcome an early opportunity to discuss the development of potential relations between us. We are able to provide a large volume of extremely high quality, signed Client Claim Forms carefully vetted by in-house solicitors. We have produced so far in excess of 5,000 with only 1 per cent. being rejected on the basis of previous solicitors having been instructed."

[Mr. Clapham]

The letter did not give the price of each claim, but if it was between £1,000 and £2,000, the claims handling firm would have received between £500,000 and £1 million for the 5,000 claims that it handled. Towells declined that outrageous offer and passed the information on to the DTI. Perhaps the Minister, who I know is as sickened as I am by the market in claims, will say what he intends to do immediately to stop this trade in the exploitation of elderly miners and their widows.

When a payment is made to the claimant, whether it is an interim payment or full and final settlement, a proportion is paid to the handling firm. Some of these firms have adopted names such as Union and General Services Ltd. or the Miners Welfare and Compensation Agency Ltd. It is clear that the companies have deliberately tailored their names to mislead by giving the impression that they have some formal link with the mining communities, through either the union or the Coal Industry Social Welfare Organisation.

Only recently, one such firm, the Miners Welfare and Compensation Agency Ltd., wrote directly to one of my constituents, Mrs. Leadbeater, whose late husband I was privileged to know when I worked at the colliery. The firm misrepresented itself by stating that it had helped thousands of ex-miners and their families, and it offered her a service that it said was free. That free service cost Mrs. Leadbeater £9,000, and it took all my efforts and those of my hon. Friend the Member for Barnsley, Central (Mr. Illsley), along with the "Politics Show", to get that money refunded. The solicitors who dealt with the case were a firm called Lopian Wagner of Manchester.

I am aware that the Law Society does not regulate the claims handling companies. I also know that a review is to take place shortly, and perhaps the Minister will refer to that in his response. Nevertheless, I believe that because those companies are registered, the DTI could regulate or control them before waiting for the outcome of the review.

Mr. Ronnie Campbell (Blyth Valley) (Lab): It is a question of the companies setting up the case and then selling it on to the solicitors. Although my hon. Friend said before that no fraud was going on, I believe that there is. The companies are setting up the case; the solicitors are used only as a postman to post the claim on to the DTI, and they are getting paid for it. The company is doing all the work, and when the payment is made, the company tells the client that they have to pay the company x thousands of pounds.

Mr. Clapham: I thank my hon. Friend for that intervention. He raises a matter to which I will refer. As I said, only recently one of my constituents had £9,000 deducted from her settlement. It took a great deal of work to persuade the company to cough up.

In general, such companies take a percentage of a claimant's damages. My hon. Friend has just made that point. Normally, the companies have an agreement or an arrangement with the firm of solicitors to which they supply cases and, in some cases, the claimant's cheque is passed on to the company first so that the claimant has to give an instruction for a deduction to be made by the handling company before the cheque is sent on to the claimant.

I take the view that as the claims handling company deals directly with the law firms with which they have an arrangement, the firm, and not the claimant, should pay for the service. If we were to go down the route that I suggest, and the DTI were to insist that that should be the arrangement, we could restrict the operation of these companies. It is a disgrace that the companies are able to prey on miners and their families, and action needs to be taken immediately to obtain refunds. In the longer term they need to be regulated.

Mr. Kevin Hughes (Doncaster, North) (Lab): Should not the message from today's debate to miners and miners' widows be that there is no need to have any truck with claims handling companies at all, but that they could go straight to a solicitor and have the case dealt with directly?

Mr. Clapham: That message needs to go out. Claimants do not need to go through an intermediary; they should immediately contact their solicitors. It is fair to say that if they were first to contact their MPs, their MPs could put them in touch with solicitors firms that do not make a charge.

Some solicitors firms have repaid claimants after being approached by constituents' MPs. Others have adopted a total refund policy—for example, Beresfords Solicitors, in Doncaster, which decided to refund all its coal health clients in cases in which an additional charge was made. Firms such as Atteys Solicitors in south Yorkshire, which charges an extra hourly rate for doing vibration white finger work, levy on the claimant a charge that is the difference between the costs that it receives from the DTI and the number of hours spent on the claim by its solicitors. That can result in the claimant having to pay the solicitor more than £1,000.

I appreciate that solicitors firms do not all have the same cost structure. It is swings and roundabouts: some cases cannot be established, but others can be set on their feet. Moreover, the risk associated with claims is substantially mitigated under the scheme, so that it is minimal. Any firm that charges an extra hourly rate without first informing the claimant, thus giving him the option to go to another solicitor, should refund that money. That is the Law Society's view.

Vendside Ltd., which operates through the Union of Democratic Mineworkers, charges claimants a fee, despite being an in-house solicitor operation. I have written to that firm on several occasions, having been approached by constituents who have been charged an extra fee. I know that the DTI said in a press announcement that it did not see the UDM charges in the same light as legal fees, but the UDM and Vendside are one and the same, and they are pocketing fees from claimants in addition to the costs paid by the DTI. Recently, there have been press reports on this issue. I have seen documents, which have been passed on to the DTI, that show that the union's two officers, who represent only 1,300 members, are both nominee directors of Vendside, and that they earned £151,000 and £111,000 respectively in annual salary packages. Will the Minister ensure that the firm is investigated, with a view to deciding whether it should remain on his approved list?

Firms such as Kidd and Spoor Harper, and Robinson King, have replied to the Minister, stating that they do not charge clients, but have failed to mention that they

use claim handlers, the charge for which falls on the claimant. The former firm uses P. R. Associates Advice Bureau—a claims handling firm that deals with solicitors and has an arrangement for coal health claims—whereas the latter firm deals with General and Union Services Ltd.

The Law Society has been most helpful. I know that the Minister's officials met representatives of the Law Society and found them helpful in dealing with this issue. It has sent all its members a letter advising that they should not charge coal health clients, and warning of the consequences should they do so. It has also asked its members to refund claimants in certain cases in which an extra charge has been levied.

I conclude by saying that coal health claims are helping to restore much of the damage that has been caused by British Coal's negligence. The money paid to claimants tends to go directly into the local economy and is having a noticeable effect in some areas. The business of many local solicitors firms has legitimately grown on the back of the coal health schemes. I have no objections to that, but I find it scandalous and outrageous that some claims handling firms should conspire to exploit mining communities in a manner that is tantamount to robbery.

Several hon. Members *rose*—

Mr. Deputy Speaker: Order. There are many hon. Members seeking to catch my eye, but if everybody speaks for 10 minutes, there will not be time for them all to get in, so I counsel brevity.

9.50 am

Adam Price (East Carmarthen and Dinefwr) (PC): May I pay warm tribute to the hon. Member for Barnsley, West and Penistone (Mr. Clapham) for securing this debate and for the excellent way in which he set out the facts? I am sure that his concerns are widely shared throughout coalfield communities.

I should like to pick up on the comments that the hon. Gentleman made about Vendside, to which I was alerted some months ago. I wrote to the Department of Trade and Industry in July last year, when Vendside's marketing material, which boasted of an exclusive agreement with the DTI, was brought to my attention. However, that marketing material made no mention whatever of the connection with the Union of Democratic Mineworkers, and there is no reference to it on Vendside's website. Unwittingly, therefore, former members of the National Union of Mineworkers have indirectly been lining the pockets of Mick Stevens and Neil Greatrex. Whatever the legal position is, it sticks in many people's throats that union officials living in one of the most disadvantaged communities in the United Kingdom are drawing salaries of £150,000 a year, profiteering from the suffering of former miners. I see no way to defend that.

I have asked the Minister whether other unions were offered an arrangement directly to represent their members and others similar to Vendside and the UDM's arrangement. I do not think that the answer that I received was correct, although I am not making allegations. The Minister has fresh eyes, so I should like him to look again at why there was a special arrangement with the UDM. Also, there was no reference in the reply that I received to the National Association of Colliery Overmen, Deputies and Shotfirers. Once NACODS heard about the UDM's arrangement, it applied to have a similar arrangement but was turned down. I therefore urge him to look at why a special arrangement was made with the UDM.

I have read press statements by a DTI spokesperson defending the arrangement with Vendside and condemning the solicitors' charges—rightly, as we all agree—but saying that that case was entirely different and that it was acceptable to charge extra. However, it cannot be acceptable when, as we have heard, there are perfectly good solicitors who will not charge people. Surely the Department should urge people not to go to companies such as Vendside.

I urge the Minister to look again at the charges, because Vendside, as we have learned from the Department's figures, has a much lower average compensation payout than other firms. We should urge people not to use the firm, because the average payment is significantly lower. I looked at the figures for last year, which showed that, like for like, Vendside's average payout was £3,000 lower than the average for solicitors in England. We must seriously ask whether Vendside is doing the work on behalf of its clients. Clearly, there might be financial incentives to a quick turnaround.

I urge the Minister to suspend the exclusive arrangement with Vendside, pending a proper investigation of what has gone on in the firm. I also urge him to look at why the DTI entered into an agreement with the UDM in 1998 that was not offered to other trade unions. What was the advantage to the DTI or to former miners and their families in doing so, given that UDM and NUM members had been badly served by Vendside and the UDM?

9.55 am

Mr. Kevin Barron (Rother Valley) (Lab): I welcome this debate. I am not surprised by the number of hon. Members who are present. I first raised the issue of solicitors, trade unions and fees back in July 1999, with my hon. Friend the Member for Leeds, West (Mr. Battle), who was moved in a reshuffle shortly afterwards and sadly did not take any further action. Later that year, I referred the matter to the Law Society to investigate. I will mention one or two things that my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) said, because I take issue with him in relation to the Law Society and what has happened, and I will tell hon. Members why. However, I congratulate him on securing the debate.

The Law Society investigated the matter at the end of 1999 and the beginning of 2000. In early 2000, it was clear from a preliminary report that it was unlikely that it would take any further action. Indeed, that was the decision it came to. I had a bit of a wry smile when I read its press release of 20 January, in which the chief executive says:

"I am pleased the Law Society's Compliance Board was able to deal with this matter so promptly, following concerns raised by Ministers and MPs".

Four years ago this month, I raised the issue in an Adjournment debate. By that time, my right hon. Friend the Member for Airdrie and Shotts (Mrs. Liddell) was

[Mr. Kevin Barron]

the Minister responsible. We debated it for half an hour on the Floor of the House. The hon. Member for East Carmarthen and Dinefwr (Adam Price) might like to know that his predecessor—the man he beat at the last general election—mentioned the South Wales branch of the National Association of Colliery Overmen, Deputies and Shotfirers in that debate all those years ago. The union had a levy of 5 per cent., which was similar to that of a union that I raised, and some of the awards were as high as £7,250.

I do not want to go into the detail of that debate except to say that it covered most of the issues raised in the past few months about what solicitors have and have not been doing. What was happening in coal mining communities was brought up at that time in the full knowledge of all concerned. There is no doubt in my mind about that.

Things fell down in the early stages, when we had the Law Society's preliminary report and an investigation by a firm of solicitors from the west midlands. The problem was that solicitors were still saying at that time that they were raising the money—success fees, administration fees, or whatever they were called—on a no win, no fee basis. I disputed that then and I dispute it even more now.

It is true that there was a dispute in the early days—certainly when I first raised the matter—about whether unsuccessful claims were going to be funded in any way by the DTI. It cannot be disputed that from September 1999—I think it was 24 September—when the claims handling agreement was signed up to, the DTI made some payments from public funds to progress unsuccessful claims. Yet I have in front of me—I mentioned these problems in that earlier debate—a letter from the lead group of solicitors, Irwin Mitchell, based in Sheffield. The letter is dated 24 November, but it still says:

"No costs are paid by the DTI incurred in relation to claims which are pursued in accordance with the terms of the Agreement but are ultimately unsuccessful."

In the same month, Mr. Jeremy Cousins of the Department of Trade and Industry, sent a letter to the firm of solicitors that was investigating my complaints, saying:

"There is therefore some direct recovery for unsuccessful claims."

Ever since September 1999, therefore, we have been having a fictitious debate about what solicitors are getting for coal claims.

As the lead firm of solicitors on the subject, Irwin Mitchell should have known what had happened. Last year, and indeed in the years before that, the DTI had the good grace to hold seminars to update us on coal claims, as did my hon. Friend the Member for Cunninghame, North (Mr. Wilson). I did not go to every seminar, but I raised the problem when I did. The agreement on handling coal claims is periodically reviewed, so I asked those on the platform last year—my hon. Friend was the Minister at the time—what the DTI had done about solicitors who were charging. Aside from my hon. Friend, those on the platform, who I assume were the DTI's legal advisers, just looked at one another. Then—this is only my recollection, although one or two other hon. Members were at the meeting—someone said, "I think some trade unions have this agreement, but I'm not too sure." There was nothing conclusive.

Within five minutes of my asking the question, however, a solicitor from Irwin Mitchell stood up—I think that he was called Mr. Andrew Tucker, but I would have to ask others who were there to be certain—and said, "The fees shouldn't have been raised after April 2000." I did not write down what he said word for word, so I am not sure whether he said that that would be "illegal", but he definitely said that it should not have been happening.

Geographically, Irwin Mitchell is close to my constituency, so the firm will have handled the cases of several constituents. We should not forget that it was the lead firm and had been negotiating with the DTI for years on the payments that would be made from taxpayers' money. As I said in that earlier Adjournment debate, I had seen evidence that Irwin Mitchell had been charging different levels of success fee—10 per cent., 15 per cent. and 20 per cent. So it struck a chord with me when Mr. Tucker said last year that what had been happening was illegal or that the fees should not have been raised after April 2000.

After the seminar, I went back to my constituency office to check some details from May 2001, when the daughter of a miner in my constituency who had died contacted me to say that Irwin Mitchell was after a success fee for her claim. I photocopied the documentation that she had received and wrote to Irwin Mitchell on 14 May. That was just before the election, so I was still working as an MP, although I was soon to be a candidate. I had a conversation with representatives of Irwin Mitchell five days later and they said that a mistake had been made.

Let me tell hon. Members what mistake that lead group of solicitors had made. In the letter to my constituent, Irwin Mitchell mentioned three scenarios for the funding of respiratory disease claims; indeed, the letter is headed "Respiratory Disease". The first scenario was:

"You may have a Legal Expenses Insurance policy".

The second was:

"You may be a member of a Trade Union or another membership organisation".

The third was:

"Legal Aid—unfortunately Legal Aid has recently been withdrawn".

That was in May 2001, many months after Irwin Mitchell had been the lead firm in signing the agreement to allow the taxpayer to pay its expenses. It is still using such scenarios.

The letter continued:

"On the basis of the information that we have relating to your claim we consider that the best funding option for you is to enter into a Conditional Fee Agreement with us. We enclose a copy of our standard CFA agreement. We have assessed the risks of your case and the percentage success fee has been calculated at 43 per cent."

That calculation of 43 per cent. was made when the lead person—he did not sign the letter—in that firm of solicitors had, I am sure, told me that it was illegal to do that in 2001. I will not read the contents of the letter that

I sent off straight away, but—this is a memory test for me—I had a phone call a few days later with the person at Irwin Mitchell whose name is on the letter. She said that a mistake had been made and that there would be no success fees in that case. I have no evidence to suggest whether that was or was not so. I asked the person concerned if she would contact me when she had been paid so that I could pursue the matter, but she did not. I have not tried to make contact with her recently.

I wrote to Irwin Mitchell on 22 December last year because of what the Law Society and my hon. Friend the Member for Barnsley, West and Penistone said in the press release about fees being claimed. He said that Beresfords was making repayments. I hope that it is making full repayments, because a BBC journalist told me a few weeks ago that it is paying them back if a claim is made. Will my hon. Friend comment on that?

Mr. Clapham: I stated that Beresfords was refunding everyone who had been charged extra, over and above the DTI cost, because it informed me in a letter that that is what it intended to do.

Mr. Barron: I take the firm's word for that and am pleased that that is happening.

I received a letter from Irwin Mitchell in early January in response to the letter that I sent asking whether it was repaying all conditional fees. The letter was from Mr. Tucker and stated that he had attended a meeting with the Minister, who

"expressed his views on behalf of the DTI."

The letter stated:

"Up until April 2000, the Conditional Fee Regulations meant that only the Claimant could pay the success fee calculated as an uplift on the costs payable by the Defendant. From April 2000 this rule was changed and since then success fees calculated as an uplift on costs have only been payable by the Defendant. Although we have entered in to Conditional Fee Agreements with mineworkers bringing Respiratory Disease claims we have not raised charges of any of them. If, however, as your letter seems to imply, you believe you are aware of such cases I would be most grateful if you would provide me with the details so I may investigate them and take the appropriate action."

Two matters arise from that. First, why was that company getting people to sign up to conditional fee agreements after April 2000 when it was not claiming any of the money and had

"not raised charges of any of them"?

Secondly, why does Mr. Tucker want me to send my evidence to him if he is not doing that? What is there to investigate on Irwin Mitchell's behalf if it is not doing anything about conditional fee or success fee agreements?

With all my good will, especially to my hon. Friend the Minister, who has been great in bringing the matter to the forefront and putting it in the newspapers—I am sure all hon. Members appreciate how the work load has risen in the past few months in relation to what he and those who work in our offices do—I must tell the Law Society, which I assume will read this debate, that I raised the subject four years ago this month and it should have investigated it further. It knew what was happening in 1999 but did nothing. I am pleased that it is doing something now, but, further to the comments of my hon. Friend the Member for Barnsley, West and Penistone, I would be happier if the Law Society, on learning of solicitors who have asked for money—whether or not they took it, as in the case that I highlighted—would go into their offices, review the cases and ensure that moneys that were wrongly stopped are paid. We must not forget that at least 50 per cent. of the cases are posthumous.

10.10 am

Mr. Bill O'Brien (Normanton) (Lab): I congratulate my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) on initiating this necessary debate. In particular, I wish to take up his point about solicitors exploiting our communities and the people we worked alongside who are now claimants. We saw the conditions in which they worked, we saw them when their health was broken and we watched their wives and families nurse them through their illness. Their claims were justified in every way, and we must congratulate the Labour Government on taking the initiative in helping our constituents and the people with whom we worked with their claims.

As my hon. Friend said, the records that have been produced by many of the claimants have been accepted. That demonstrates that our colleagues are honest and that they have presented their cases in a truthful manner. Therefore, the matter of the exorbitant fees charged by solicitors who work on miners' health claims must be taken seriously.

I had a case in which the solicitors asked for money up front before they would take the case. When I learned of that and wrote to the solicitors, they agreed to refund the payment. That was one case; one wonders how many other solicitors requested payment up front before accepting a case on behalf of a claimant.

Not all solicitors take claimants for a ride. My hon. Friend referred to Towells of Wakefield, with which I have worked. They are effective and efficient, and have been of tremendous benefit to some claimants; the same can be said for Raleys. However, some of the other firms should not be on the list of accepted solicitors. I ask the Minister to ensure that those solicitors who have exploited claimants should not be allowed to deal with any further claims on behalf of our colleagues. We should ensure that such practices are not allowed and that exploitation does not continue.

I wish to thank the Minister for the way in which he keeps us informed of the progress of compensation claims. In the recent newsletter, he referred to solicitors' costs and the way in which the Department views claims handling organisations and the charges, fees and other deductions that are taken from any award that is made. The situation should be investigated further, and we should ensure that solicitors who exploit our colleagues are put on a blacklist.

My hon. Friend the Member for North-West Leicestershire (David Taylor) referred to the average solicitors' fee, which can be five times greater than the compensation paid to some claimants. Again, the

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Department should investigate this matter further, because it shows that of the £1.9 billion that has been paid, an excessive amount is being paid in legal fees—an amount that is over and above the amount of compensation that has been paid. Taxpayers should not be paying solicitors for services that can be described only as partial to the claims that have been made. I hope that the Minister will take note of the concerns that we have as former mineworkers, and as members of communities that serve miners and their families. That is why I wanted to take part in today's debate: to show the support for the initiative taken by my hon. Friend the Member for Barnsley, West and Penistone. We want to show communities that we are concerned about what is happening in the mining industry and the mining communities. I urge the Minister to take note of what Members are saying this morning.

10.16 am

Mrs. Helen Liddell (Airdrie and Shotts) (Lab): I congratulate my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) on securing the debate. I put on record my recognition of the enormous amount of work that he has done in relation to coal health claims. I speak with some knowledge, as I was an energy Minister when this process was getting under way. Freed of the responsibilities of ministerial office, I can follow the example set by other colleagues and talk about my experiences as a Minister. The process was rather slow to get under way. One reason for that was the activity of the solicitors negotiating settlements. The process was slow because of the fees that they wanted to charge.

I say from the start that some of my best friends are solicitors, and I pay tribute to those who have been prepared to get down to work, boots and socks, adequately to represent the mining community, even to the extent of attending miners' welfares and helping miners and their dependants to sign the forms. Miners' welfares in Scotland do not take many prisoners. I am a reasonably calm person, but the entire process has made my blood boil. The Government acknowledged their responsibilities to the miners not so that we could help to pay the school fees of solicitors or help them to buy a little place in the Dordogne, but to accept that we had a responsibility to people who had sacrificed their lives.

As a representative of a mining community, I have seen some of the worst aspects of the society in which we live. Let me begin by talking about the claims handling companies, which masquerade as good Samaritans but are vultures hovering over the dead and the dying. Many miners are very elderly and have badly failing health. This morning, as I sat in the Tea Room, I read in the *Daily Record* yet another advertisement from a claims handling company—Industrial Diseases and Injuries Claims Ltd.—frightening miners and their widows into thinking that a solicitor with an English office would not be able to deal with Scots law. We all know what that company is trying to do.

I will give one example. Mr. John Gardiner is an ex-miner who did not know how to process his claim. He knew that he needed a lawyer, but was frightened of lawyers. He saw the advertisement in the newspaper and approached Industrial Diseases and Injuries Claims Ltd. because it said, "No win, no fee." He was moderately successful. I will not say how much he received, but Industrial Diseases and Injuries Claims Ltd. took 10 per cent. That is not the worst case. As my hon. Friend the Member for Barnsley, West and Penistone said, some companies can take as much as 40 per cent. However, 10 per cent. was enough to pay for a nice Caribbean cruise for someone, but not for the ex-miner in my constituency. The company justified itself by saying that it had pointed out to Mr. Gardiner that its sliding-scale fees agreement allows clients to see instantly how much they will have to pay. It offers a 14-day cooling-off period, but at no point did it point out to my constituent that had he gone to another firm, he would not have had to pay a penny piece and would have been able to keep a nice little nest egg for himself.

What made me particularly angry is that the solicitors company, Corries of Scotland—in the Pentagon centre, Washington street, Glasgow—is on the approved list of solicitors. It is not a naive little company that did not know that the Government were picking up the tab for miners in relation to this issue.

I pay tribute to my hon. and learned Friend the Member for Dudley, North (Ross Cranston), who was the Solicitor-General at the time. He went the distance to ensure that the profession, of which he is a distinguished member, would take on some of the inadequacies that we have seen. It is irritating that much of what the companies are doing is within the law, but it is not morally justified.

A month ago, I asked my two local newspapers—the *Airdrie and Coatbridge Advertiser* and the *Wishaw Press*—to publish a warning that people should be extremely careful of leaflets put through doors by claims handling companies and solicitors. People are now frightened because the gate is coming down at the end of March. My office has been inundated—like that of every other hon. Member in Westminster Hall, no doubt—with cases of companies trying to make a quick buck on the backs of men and their families who have suffered for decades.

What the Labour Government have done in relation to coal health claims has been one of their great successes. In my constituency alone, out of a number of cases that is not huge—I have had about 280 cases—we have already seen £5 million going to a few villages. That has transformed people's lives. I am proud of that, proud of the part that I have been able to play in it, and proud of the part that my hon. Friend the Minister, my right hon. Friend the Secretary of State for Wales and my hon. Friends the Members for Leeds, West (Mr. Battle) and for Cunninghame, South (Mr. Donohoe) have been able to play. However, I am ashamed that there are those in our society in the 21st century who would behave as some of the claims handling and solicitors companies have done. They should look to their morals and repay the money that they have taken away from the dead and the dying.

Mr. Deputy Speaker: Again, I appeal for brevity. I say to the right hon. Lady that the last time I was in a miners' welfare in Scotland was about 30 years ago in the company of the grandfather of the hon. Member for East Lothian (Anne Picking).

10.23 am

Mr. Dennis Skinner (Bolsover) (Lab): I congratulate my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) on introducing the debate. It is one of many that have taken place in the course of the past several years since 1998 when the court decision was made. I shall refer briefly to that because it was one of the saddest days of my life as someone who worked underground for 21 years and experienced the pneumoconiosis settlement in 1976 under a previous Labour Government. At that time, we in the NUM begged and prayed of the people who were taking the Pickles case, "For God's sake don't take it into court. Settle it on the steps, because if it goes into court, the net result will be that all the miners in Bolsover and the rest of the country will have to fight a common-law settlement on an individual basis for every pneumoconiosis case."

Fortunately, the Amalgamated Engineering and Electrical Union at that time was smart, and it agreed not to take the matter into court. It was settled on the steps. What did that mean? It meant that the Labour Government had to pick up the pieces, as they usually have to do after the Tories have been in power for so long. We decided to pay out the pneumoconiosis settlements on the basis of a sliding scale. No fly-by-night solicitors were involved. The only solicitors involved were those who represented each of the 15 regions in the NUM and NACODS. The net result was that every pneumoconiosis payment was made within the space of nine months. That was a massive settlement and a great success story.

The real tragedy of the current issue, and the fact that we have to deal with fly-by-nights, vultures and all the rest is down to the decision of Welsh NACODS to secede from NACODS generally. Bleddyn Hancock, the Welsh nationalist, with the house on the hill, decided to take the matter to court. He had his 15 minutes of glory on television. It was sad for me, because I knew that we were not going to get a repeat performance of the pneumoconiosis settlement, and that the process would drag on.

The result is that tin-pot solicitors have become involved—none of whom was available for the 1984 strike. We looked for solicitors when 10,000 miners were arrested, but the tin-pot solicitors could not be found to make representations for our people to the police. I agree with everyone who has a crack at them.

When, in 2001 at the manifesto meeting, prior to Labour's second success, I learned what money had been provided for the settlement of the claims, I told the Prime Minister and the Cabinet, "I think you'd better at least double that amount, because this is going to cost a lot more." I said, "I want to make a plea: for God's sake, when we double the amount from £2 billion to £4 billion," which I think will have to be doubled again the next time I go to the manifesto meeting—I am serious; it will probably be a rise of that proportion—"I hope you will not allow any more of the money to find its way into the pockets of the likes of Vendside." That goes for the rest of them that have been mentioned, with their houses in the mountains in Wales, or wherever—it is not just the Dordogne.

That is the biggest problem and why we are here today. The sad thing is that we should be having a meeting with 20 miners' MPs and people who represent miners, congratulating the Government on picking up the bill for this massive common-law claim. I say to the media that this is not state benefit. I want them, for God's sake, when they write their little pieces, to tell people that it is not a state benefit like the old age pension. It is a common-law claim—just the same sort of claim that is made if someone has a car accident. Every one is different.

I hope that the Minister will manage to keep ahead of the game and the solicitors. My hon. Friend the Member for Barnsley, West and Penistone mentioned problems in an earlier phase of the process, but one of the major problems recently has been the cut-off date. We had to set one, but the result is that all the solicitors have come out from under their stones and said, "Christ, I'd better make a packet here, before it finishes." They have been making massive money fast.

One of the real problems now is that we must deal with miners who worked for British Coal and then went to mining companies one, two, three and four. That means that there is an aggregate claim, not just one simple claim against British Coal. It is not only the solicitors: some of the mining companies are just as bad. They refuse to pay for the two years or nine months when a miner worked for them, with the result that the British Coal claim that would be settled by Aon IRISC and the Government is being held up.

I thank my hon. Friend the Member for Barnsley, West and Penistone for raising the matter. As I said at the outset, it would have been wonderful if we had been here today to appreciate how great the scheme is, and the way in which the Government have footed the Bill. It would have been even better if the matter could have been settled after 12 months by the mining regions and the solicitors.

10.29 am

Mr. Kevan Jones (North Durham) (Lab): I, too, congratulate my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) on securing a debate on a subject that is of keen interest to many of my constituents. Individuals have had their compensation plundered by people whom they trusted to represent their best interests. I agree with other hon. Members that the way in which claims have been dealt with is nothing short of a national scandal. If it had been happening in the leafy suburbs of Surrey or the south-east, the issue would have been in every national newspaper, and people would be asking for action to be taken at the highest level, but because it is happening in coal communities, it is ignored.

On 18 December 2003, in the Christmas Adjournment debate, I raised the case of a Newcastle-based firm, Mark Gilbert Morse. Not content with the £10 million that it had received in fees from the Department of Trade and Industry, it was deducting up to 25 per cent. of victims' compensation in my constituency. Since I raised the case of Mark Gilbert Morse, many other

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people have contacted me. It appears to be paying money back to victims—where people complain, I hasten to add.

I still have concerns about why it deducted the money in the first place. I am also concerned about the comments and contradictions made by the firm in the *Newcastle Evening Chronicle*, which I must congratulate on the forceful manner in which it reported the story, in justifying its actions. For example, on 22 December 2003, the firm told the newspaper that it was deducting money only from claims lodged before April 2000. The senior partner, Mr. Morse, was quoted on 13 February 2004, saying that the problem stemmed from a change in the handling of mining claims in 1999, when the Government accepted liability.

That is complete nonsense. I have that agreement with me. It is dated 24 September 1999. I also have a copy of the agreement's schedule 1 and its annexe listing the solicitors who were party to the agreement. Turning to page 4, the name that appears at No. 17 is Mark Gilbert Morse. So, not only did the firm know, in 1999, that it was getting its costs covered, but that part of the agreement on costs. It may make excuses that it did work before 1999, but I understand that there were separate schedules to cover any work that had taken place.

Why did the firm deduct from my constituents' settlements if, in 1999, it knew that it would get its costs paid? Mr. Morse told the *Newcastle Evening Chronicle*, on 13 February 2004, that the firm had decided midway through 2003 that its policy of charging clients part of payments was unfair as the Government were already paying it £1,800 for successful cases. Why did the firm make its decision in mid-2003, if it already knew, and was part of the settlement, that costs would be covered in 1999? Even Mr. Morse's statement about changing the policy in mid-2003 does not hold water. I have a constituent, Mr. Steele of Stanley, from whose settlement it deducted £2,180.80 on 29 September 2003—hardly mid-2003.

John Mann (Bassetlaw) (Lab): Is not the key point in law that the solicitors never told my hon. Friend's constituents that they had the alternative of going to another solicitor who would provide the service for free? Therefore, along with all the other firms—Richmonds, Raleys, Avalon, Hickmotts, Moss, Gorman Hamilton, Frank Allen Pennington, Graysons and Colemans—the Government could mount a legal challenge to get the money back.

Mr. Jones: I think that there might be a legal challenge on the individual cases. In many cases, the firm did not give client letters explaining the terms of the cases that were being pursued. I ask why one of my constituents, Mrs. Elliott, who contacted the firm in April 2003, was told that she was not entitled to get her fees back? She has now successfully had her money returned with interest. I also note that I have constituents, such as Mrs. Greener, who are still waiting for the interest on their payments.

I congratulate the Law Society on its handling of the case, as it is taking a robust stance against the firm and is investigating, although I understand that Mr. Morse told the *Newcastle Evening Chronicle* that no such investigation is taking place.

Finally, I touch on the issue of claims handlers. It is important that they be exposed. I refer to one company in the north-east in particular: Industrial Diseases Compensation Ltd. of Ashington, Northumberland. It charges a registration fee simply for accepting claims. It is not a firm of solicitors—it passes claims on to solicitors. In some cases, it takes a proportion of the claimant's award. I was outraged when I saw that it had taken more than £5,000 from an individual award, not for doing any work but simply for taking the case. The Law Society is now considering that case. Unfortunately the individual does not want his name mentioned. If it is scandalous for solicitors to deduct money, claims handlers are doing nothing except acting as unelected middlemen. It makes me angry.

Mr. Ronnie Campbell: As we have stressed before, is it not important that now, before the deadline, when the hawks are out and the vultures are around, we should tell our people in Northumberland, Yorkshire, Scotland and Wales that they must not sign up with claim handler companies but should stick with the union solicitors?

Mr. Jones: I entirely agree with my hon. Friend's sentiments. The way in which some people have preyed—motivated by sheer greed—on the poor and sick makes me very angry. If those same individuals had robbed those old people using force, there would be universal calls from here and elsewhere for them to be locked up. Action must be taken, and I urge the Minister to continue the good work that he is doing so that he can right the wrong that has been done to many of my constituents and those of other hon. Members, many of whom are present.

10.36 am

Jeff Ennis (Barnsley, East and Mexborough) (Lab): I will keep my remarks brief to allow as many Members as possible to enter the debate; an hour and a half is not long enough to discuss this very important issue.

I congratulate my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) on initiating the debate, and on the amount of time, effort and research that he has put into the matter. Money is being put into the pockets of miners and I congratulate the Government on the scheme. According to the latest figures, my constituency has received more than £33 million for vibration white finger, which is the biggest VWF settlement of any constituency. For chronic bronchitis and emphysema, we received £29.5 million. More than £63 million is going to former miners and their families in my constituency, and no one can take away the credit due to the Government for funding the scheme.

I shall comment on the take that is currently being paid out by the Government. Of all the money that has been paid out so far, 77 per cent. has gone to the miners; 13 per cent. has gone to the contractors such as Healthcall which are dealing primarily with health claims, such as medical assessments and so on; and 10

per cent. has gone to the solicitors, which most Members are focusing on today because solicitors are doing very nicely out of the scheme.

If we consider the top 10 solicitors, in the top three, Hugh James Ford Simey has received £35.8 million so far; Thompsons has received £34.6 million; and Raleys in Barnsley has received £23.7 million. Number seven on the list happens to be an organisation called the Union of Democratic Mineworkers. The list does not mention Vendside. The Department of Trade and Industry responded to a question of mine by stating that it was the Union of Democratic Mineworkers and not Vendside that received £8 million.

So, the solicitors are doing very nicely. As some of my colleagues have already said, on average a solicitor receives £465 for dealing with a VWF claim and £2,143 for dealing with a CBE claim. I shall focus on the average fee for CBE claims. Using last November's statistics, by then about 85,700 miners had received full and final payment settlements for CBE claims. Out of those, more than 40,000 had received less than the average amount that the solicitors claim—in other words, 40,000 miners received less than £2,143. Out of those 40,000, about 3,162 had received less than £200, decreasing to about £50 for the lowest payment.

When I found out that information in November, I wrote to the Minister in the following terms:

"Dear Nigel,

As you are probably aware I have recently been tabling a number of questions concerning the amount of money that is going to miners for CBE and VWF, and the money paid to the solicitors. I enclose PQ4282, which has drawn attention to the fact that we now have over 3,000 former miners who have received a full and final settlement of less than £200. Whilst at the same time the average, being paid to solicitors, dealing particularly with CBE claims is over £2,000.

I fully realise that the solicitors' fee has already been agreed by your Department over that course of time. However, I cannot believe that it is right that in some cases that the solicitors are being paid over 1,000 per cent. more than a claim settled at under £200.

There are two issues I would like to bring to your attention from this PQ. Firstly is it possible to review the charges that are currently being paid to the solicitors so that more money can be channelled to where it is needed, this being the miners. Secondly I believe that if we are paying such vast amounts of money out to solicitors and the final settlements are less than £200, then in order to make the scheme fairer consideration ought to be given to allowing a minimum compensation fee to be paid for every individual case. I would suggest that we look at the possibility of establishing a minimum £1,500 payment for a successful claim. This would then avoid the current embarrassment being generated by the solicitors' fees issue. I would appreciate your observations."

I received a reply from Ann Taylor, who was the head of the coal health claim unit at the DTI on the 28 November:

"Dear Mr. Ennis,

Thank you for your letter of 10 November regarding solicitors' costs and minimum payments to claimants. I note the points you raised in your letter. The Claimants' Solicitors Group recently made a proposal to the Department regarding minimum payments to claimants, and the fees they receive. The CG are currently discussing the issue with all of their members, and hope to reach a decision shortly."

I understand that that review has now been completed, and I would like the Minister to inform the House of the result. If it was negative, I would like to ask the Minister how he intends to address this iniquitous situation? If we cannot establish a minimum £1,500 fee, as we should, that is why I have tabled early-day motion 666, which I hope hon. Members will sign at the conclusion of this debate, if they have not already done so.

My final point, given the amount of time that is available to us, is that many former miners are still under the impression that the compensation scheme is being paid out of the mineworkers' pension fund surpluses, which are being generated from the two pension schemes. I know that that is not correct, but I would hope that the Minister would address that issue in summing up.

10.43 am

John Mann (Bassetlaw) (Lab): The list of solicitors has been outlined. I would stress to the Minister that every claims handling company requires a solicitor who is prepared to take on the work. All the 18 firms that I have a dispute with have been named today.

I want to concentrate on the point in law. According to the chief executive of the Law Society, when I discussed the issue with her, it is very straightforward. Did the solicitors, or did they not, tell the individual client that they could go to another solicitor and get this work done for nothing? If they failed to do that specifically—I would suggest in writing as well as verbally—the case in law against them seems absolute. It is not about them um-ing and ah-ing about whether they choose to give good-will gestures, and some of these companies have written to me saying that they are sending cheques back to my constituents. It is about whether they should be struck off by the Law Society, which is the action the Law Society should take, or whether they should be sued by the DTI.

Therefore, I would like to ask the Minister two questions. First, will he, on behalf of the Government, request that the Law Society strike off the register all firms of solicitors that have failed to tell people about the claims handling agreement and the fact that individuals can get this work done for nothing? Secondly, is he prepared to launch legal action against all those companies, where it can be identified that they have double charged, so that the money can be returned to the people who should rightfully have it—miners, miners' widows and their families?

Mr. Deputy Speaker: There is little time left. I thank the Opposition Front-Bench teams for saying that they will co-operate. I apologise to the Minister, but there has been a great deal of interest in this debate, and most hon. Members have not been able to speak in it.

10.45 am

Brian Cotter (Weston-super-Mare) (LD): Thank you, Mr. Deputy Speaker. We will severely cut our remarks in view of the time constraint.

I thank the hon. Member for Barnsley, West and Penistone (Mr. Clapham) for raising this matter. It is very timely as time is running out for claims. I thank also the many other speakers, including the right hon. Member for Airdrie and Shotts (Mrs. Liddell), who said that her blood is boiling and referred to vultures. It is a revelation to people like me, who have done some work on this issue within my party, to hear what has been going on.

In support of the hon. Member for Bolsover (Mr. Skinner), I very much hope that there will be widespread publicity after this debate, not only in local newspapers in

[Brian Cotter]

Wales, or wherever, but nationally. This is a scandal, and it must be addressed. I hope that the Minister will take on board the points that have been made—the description of a market developing, of vultures, as the right hon. Member for Airdrie and Shotts said, the exploitation of elderly miners and their widows and the tailoring of names by firms to try to make them sound reputable, relevant and semi-official. There are many issues involved, including that of payments up front.

As it is so important for the Minister to be able to respond to the points that have been raised, I resume my place and allow him to do so.

10.46 am

Mr. Laurence Robertson (Tewkesbury) (Con): I, too, will not detain the Chamber for very long, because it is important that we hear from the representatives of mining communities—I am not one, although my father was a miner, and therefore I feel sympathy with the points that are being made.

I know that the Minister has done a great deal to help. Given the fact that claims are being made in relation to work carried out when mining was a nationalised industry, that there is a great deal of taxpayers' money being spent, not only on compensation but in paying solicitors to carry out the work, and that the situation does not have to arise in the first place, the only point that I would seek to make at this late hour is to ask the Minister whether there is any more that can be done to educate people who are about to make claims.

Huw Irranca-Davies (Ogmore) (Lab): Would the hon. Gentleman now put his party on record as supporting calls for retrospective action against those companies that are refusing, against Law Society advice, to pay back this money, so that miners can claw it back one way or the other?

Mr. Robertson: It is an avenue that I do not think I should go down at this late stage. I certainly take the point on board, and I promise that I will discuss it further. I would ask the Minister whether there is any way in which a process of education of claimants can be embarked on, to let them know that there is an alternative, and that they do not effectively have to pay twice. I know that Labour Members will not take my brevity as meaning that I am not interested in this issue. I am simply allowing more time for the Minister. I congratulate the hon. Member for Barnsley, West and Penistone (Mr. Clapham) on raising this issue and on the passionate way in which he and many other hon. Members have addressed it.

10.49 am

The Parliamentary Under-Secretary of State for Trade and Industry (Nigel Griffiths): This debate is about justice and fairness, which is why it is so well attended—indeed the attendance here exceeds that in the main Chamber—and why so many hon. Members have spoken with such eloquence and informed the Chamber so well. It has been one of the best-informed debates of the Session, and nobody has been better informed than my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham), whom I congratulate on securing this debate. It is about justice because it aims to remedy an injustice that saw hundreds of thousands of miners suffer from terrible, crippling lung diseases, and other diseases that rob them of the use of their hands. Furthermore, hundreds of thousands of them died without one penny in compensation. The scheme was designed to ensure that every sick miner, their widow if they are no longer with us, or their family if both parents have passed on, receive the compensation to which they are due. In 1997 and 1998, court judgments established their right to secure compensation for those diseases.

At that time, the Department for Trade and Industry agreed a claim handling agreement with solicitors representing claimants. That agreement was, as my hon. Friend the Member for Bolsover (Mr. Skinner) said, to avoid miners individually having to go through the court one by one settling on the steps of the court. The agreement included specifically a payment to solicitors for handling successful claims. It was not just the successful claims. An element of that sum—we are reminded that it was on average about £2,100—was to cover them for the claims that were unsuccessful. That was accepted as a convenient arrangement by all and we did not expect it to be abused.

As a result 371,000 claims have been met and £1.7 billion has been paid out on both schemes. Levels of compensation range from £350 to £350,000, but the average for both schemes is £7,700. My hon. Friend the Member for Barnsley, East and Mexborough (Jeff Ennis) urges on us the need to consider a minimum figure and suggests £1,500. The judge has considered that figure in consultation with us but has some reservations about it, one of which I will share with hon. Members. If a minimum amount is set, all those who currently fall below are likely to be excluded from it, which would not be just. Those are the issues that we are wrestling with and trying to reach a fair and balanced view on, so that no one is discriminated against and everyone receives compensation.

I became aware early as Minister about what appeared to be gross overcharging by solicitors. Therefore I undertook to write to all solicitors, having studied the claims handling agreement, to spell out to them that every penny of that £1.9 billion—it could rise to £6 billion; the largest scheme of its sort in the world—should go to the sick miners, their widows or their families, and that not one penny of that compensation was to go to the solicitors, because under the claims handling agreement that we reached, solicitors were amply recompensed.

One firm, Mark Gilbert Morse, which my hon. Friend mentioned—I am pleased to confirm that a team from the Law Society is investigating it and reporting regularly to me—has received £10 million. The compensation has been generous, as has been said. I wrote to all 500 or so solicitors on our list and asked them to confirm that they were not double charging, and asked them also what action they were going to take to repay any double charging. Two hundred had responded to me by last month, so I had 300 immediately removed from our list. The Law Society has written to them separately.

Two hundred more firms have additionally come to my notice, to which we have also written. The Law Society, I am pleased to say, agreed that they were in

breach of its codes and requested that the money be refunded. There was some concern expressed by myself and other Members that the refunding process might involve said miners unhooking themselves from their ventilators and going to the solicitors to say, "Please can you revisit my claim and pay me back?" I was not having any of that and neither were other hon. Members.

I said to the Law Society that I thought it was only fair that all solicitors should be asked to investigate every record and to make repayments in the event of double payments. I am pleased that the Law Society wrote to me on 27 February in complete agreement, and has made that request. It is also writing to the additional firms that we now know about over and above the original 515 firms that we believed were handling claims to instruct them to make repayment. My hon. Friends know me well: we shall be monitoring the situation vigorously.

I want to cover all the issues that have been raised, but I know that there have been time problems with the debate, because of the intense concern of hon. Members.

Huw Irranca-Davies: I hope that DMH is one of the firms that are being looked into. It replied to Mr. Cosker in my constituency, saying:

"Having consideration to the Law Society's recent guidelines, we do not believe that we are under any obligation to reimburse Mr. Cosker the contingency fee charged."

It may not be under a legal obligation, but for goodness' sake, it is under a moral obligation.

Nigel Griffiths: I shall pass my hon. Friend a copy of the Law Society's letter. His interpretation is the same as the Law Society's: the firm is under an obligation. I shall take a personal interest in that firm.

The role of claims handlers also causes considerable concern. I am informed that the DTI does not endorse claims handlers, and never has. The message is clear: we have an agreement with the claimants' solicitors, and claims can be submitted only via solicitors. That allows the Law Society and others to regulate them.

The important issue of claims handlers and unregulated claims handlers is part of the review being carried out by David Clementi for the Department of Constitutional Affairs, which was announced by my right hon. Friend the Secretary of State. Mr. Clementi is due to publish his initial findings in a consultation document later this month. I have spoken to many hon. Members with an interest in this matter, reminding them of the review and asking them to give Mr. Clementi evidence of gross abuses of claims handlers that have in part been highlighted in the debate. It would clearly be helpful if such evidence could inform the consultation document before it is published. However, once the document is published, we shall want to ensure that the concerns are reflected and that whatever action is recommended to the Government is studied seriously and taken.

We have also written to the Law Society about a number of firms that are in partnership with claims handlers, so that it can examine the relationship between solicitors and some of the claims handlers whose abuses have been highlighted today and elsewhere. It appears that such relationships may contravene the Law Society's rules. I shall keep hon. Members well informed and briefed on that issue too.

My hon. Friend the Member for Bolsover rightly referred to the cut-off dates for claims. The cut-off date for the second respiratory claims scheme is the end of this month. The cut-off date for the vibration white finger scheme was some time last year. Hon. Members will be reassured to know that there was not the chaos that had been predicted. That is a tribute to the terrific staff we fund at the DTI to look after the schemes. They have done a tremendous job, and I was grateful for hon. Members' words of appreciation. As hon. Members can imagine, they have never been busier.

I want to echo the important message that has emerged this morning. Everybody who thinks that they may be eligible to claim for a respiratory disease—not just those who are sick, but the widows of miners or their children if the parents are no longer with us—should submit a claim now, through an approved, reliable and trusted solicitor. I know that all hon. Members who have been busy assisting, counselling and even, I am sure, helping to complete some of the forms will be active over the next few weeks.

If there are any other matters that I have not dealt with, I shall be happy to report back to the working group and to other hon. Members who have raised valid points.

Mr. Deputy Speaker: I thank hon. Members for their co-operation, and for the quality of debate.

Cold Calling

11 am

Mr. Paul Truswell (Pudsey) (Lab): I do not intend to cover every aspect of cold calling. My objective is to secure three things from the Minister: first, a recognition of the scale of the problem; secondly, a readiness to take serious and robust measures; and, thirdly, an assurance that the Government will take a joined-up approach.

Cold calling covers a multitude of sins and some not so sinful activities. I shall concentrate on the unquestionably criminal activities of distraction burglars, con merchants and fraudsters, as well as those activities that although not necessarily illegal, are immoral in the true sense of the word.

Although we are all potentially vulnerable to crime generated by cold calling, research shows that the typical victim is an 81-year-old woman living alone. With the exception of crimes against children, nothing fills me with greater anger and disgust than the actions of those who cynically target and exploit vulnerable older people, robbing them not only of their pensions, their savings and their treasured possessions, but of something far more damaging—their pride, their self-respect and, in some cases, their independence and even the will to live. No criminal better deserves the description of scum of the earth.

Cold calling is called the Leeds crime because it started there in the 1960s following heavy, destructive storms. The resulting damage presented con men with a heaven-sent opportunity. It is fitting that Leeds should remain at the forefront of tackling the crime.

My involvement with cold calling and distraction burglary goes back about six years. I have been closely involved in a campaign against a rogue company called Midland Coating. Its tactic was to offer people free property surveys, to scare them into believing that their homes were about to fall apart, and then charge the earth for unnecessary, negligible and often shoddy work.

As a result of a successful campaign to get Midland Coating closed, in which the *Yorkshire Evening Post* played a brilliant role, I was contacted by Claire Morrow of the Leeds distraction burglary project steering group. It soon became clear that although Midland Coating represented the bad side of doorstep calling, distraction burglary was downright ugly.

I was pleased to assist the project in lobbying the Home Office for a grant of £500,000. That was money well spent on a wide range of valuable initiatives. I am sure that a great deal can be learned nationally from that experience. I was delighted that lottery moneys enabled a successor project, the Leeds community distraction burglary initiative, to follow in its footsteps. It was a privilege to be asked to launch it a few weeks ago.

My involvement brought me into contact with Brian Steele, a former detective chief superintendent, who became the project's co-ordinator. His infectious, crusading spirit and his advocacy played a key role in moving distraction burglary up the agenda, not only locally but nationally. I am aware that my hon. Friend the Minister knows Brian only too well.

When the project came to an end, Brian's obvious expertise was snapped up by the astute head of North Yorkshire trading standards, Stuart Pudney, on behalf of a consortium of northern trading standards authorities. I am now working with them and the Trading Standards Institute on a parliamentary campaign for a law to ban cold calling for the purpose of offering property repairs. That would help to address the favourite modus operandi of distraction burglars and other criminals. It would also deal with those whose unscrupulous activities, while not necessarily illegal in the strict sense, are designed to fleece vulnerable and unwary people.

My hon. Friend will be aware of early-day motion 219, and the Property Repairs (Prohibition of Cold-Calling) Bill, adopted by the hon. Member for Blaby (Mr. Robathan), which is due to have its Second Reading on 12 March. I look forward to that. He will also be aware of the excellent and hard-hitting newspaper campaign undertaken by the *Yorkshire Evening Post* in our area. Indeed, newspapers throughout the land have conducted impressive campaigns, including the Nottingham *Evening Post* and *The Northern Echo*.

I appreciate that the Minister awaits the Office of Fair Trading's report into the National Association of Citizens Advice Bureaux's super-complaint on cold calling. That has taken considerably longer than we all anticipated, although I appreciate that one of the main reasons is the commissioning of extra research on the prevalence of nefarious cold calling, which is still underestimated. I also realise that any Government would introduce a ban only as a last resort. However, I hope that my hon. Friend will appreciate that those who must grapple with the issue daily are now talking about a ban as a last resort, having tried other approaches.

My hon. Friend will have heard Brian Steele describe how, as head of the West Yorkshire murder squad, he investigated the cruel and vicious murder of Isobel Gray. Isobel, an 82-year-old lady, severely disabled with curvature of the spine, was a serious victim of bogus property repairs and was eventually murdered by distraction burglars. They violently forced their way into her home, tortured her to discover the location of the cash that they knew she kept there, broke her back and left her to choke to death on her own vomit. That case in particular leads me to call a cold calling Bill "Isobel's Bill". It is said that good cases make bad law, but that is so when ill-considered legislation is rushed through as a knee-jerk reaction. Isobel Gray died seven years ago this month, so Isobel's law would not have been conceived on such a rushed basis.

My hon. Friend will also be aware of Brian Steele's research into distraction burglary, which involved interviewing a significant number of distraction burglars in prison. He describes graphically how they showed not the slightest remorse for their crimes; how older people were mere impersonal objects in their cunning and proud trade, as they saw it; how they could "smell" the money in an older person's home; how they were prepared, if thwarted, to do what they called "a naughty one" and use violence to achieve their ends; and how they bought and sold the names of victims—victims, presumably, like Isobel Gray. We need to operate at every level, from the Government down, to block the distraction burglar and literally form a human shield against the con artist and the rip-off merchant.

That will not be an easy task. Last year, the Trading Standards Institute published a survey about doorstep selling. Some 9,000 randomly selected householders across the UK were asked to give their views on, and experiences of, doorstep callers. Not surprisingly, 96 per cent. said that they did not want doorstep sellers at all and only 0.1 per cent.—my arithmetic tells me that that is nine people out of 9,000—welcomed doorstep calling. It can therefore be said with some justification that in terms of public support we are pushing at an open door in calling for restrictions on cold calling. In the survey, 61.5 per cent. of householders reported receiving cold callers in the previous month, which is a very high rate indeed. Worryingly, up to 21 per cent. of householders reported having had a bad experience with a cold-calling doorstep seller, but only a small proportion of those reported it to the authorities, either to the police or trading standards.

Also of great concern was the low level of household security. Only 13.4 per cent. of people reported ever asking for identification and only 1.3 per cent.—a handful—ever checked it out. Even such basic measures as the use of door chains were disappointingly low, with 40 per cent. of householders having had one fitted, but only 6 per cent. ever using it.

The survey on bogus caller crime that Help the Aged conducted in summer 2003 added weight to those findings. According to the survey, police reports from 2001–02 and 2002–03 showed an average of 19,030 reported distraction burglary crimes in England and Wales a year. The survey, however, suggested that between 300,000 and 400,000 people aged 60 or over in Great Britain may have been approached by suspicious callers or distraction burglars in the past year alone.

Clearly, not all of those callers will have been distraction burglars. However, the results do show the level of cold calling and the potential for such crimes. Findings from the survey would also suggest that suspicious callers have gained entrance to the homes of approximately 180,000 people and that they will have stolen from approximately 122,000 of those.

The apparent underestimate of levels of distraction burglary may be down to a number of factors, which have been well rehearsed in the past. Those include inconsistencies in the way in which police forces collect figures. Victims of distraction burglary may also choose not to report the offence because of embarrassment or for other reasons. Many people have a fear of engaging in the criminal justice system and a fear that it will increase their vulnerability by identifying them as potential victims of crime. Some victims may even fail to recognise that valuables are missing from their home or may not link stolen moneys to a previous distraction burglary incident.

Many older adults—39 per cent. in the survey—did not report their experience of a suspicious caller to the police, particularly when the caller did not gain entrance to the home. Encouraging the reporting of such incidents to the police could greatly assist the identification and mapping of the activities of those particular criminals. Alarmingly, 25 per cent. of older people reported that they did not regularly lock their doors, making them even more vulnerable to such opportunistic crime. When faced with an unknown caller, 25 per cent. of respondents reported that they opened the door without taking any precautions.

Almost one third of respondents reported feeling worried some or all of the time when answering their door to someone they did not know. A huge proportion of people over 60 are fearful of what is waiting for them on the other side of the door. Eleven per cent. of respondents reported that they wanted help with the upkeep of the outside of their home, 9 per cent. wanted help with repairs to the inside of their home and another 9 per cent. wanted help with their gardens. Such a degree of need and of unmet need is obviously fertile territory for the operation of distraction burglars and bogus property repairers.

Local projects, such as the Leeds distraction burglary project and its successor, can of course do their utmost to reach vulnerable older people and raise awareness. We can give out the message about getting a chain and using it. We can tell people to check identity. We can make our targets harder. We can develop cold-calling protocols with utility companies and local authorities. However, people will always continue to remain vulnerable, too trusting or confused and will need far more help than that. That is why we need a multi-agency approach, not only locally, but underpinned by a similar cross-departmental national approach at central Government level.

The murkier side of cold calling presents a challenge that cannot be tackled by one Department or by one Minister, no matter how much we love and respect him. It is when community safety meets consumer protection, public health, social services and housing services. Community safety and crime are clearly the responsibility of the Home Office. However, the lead role now placed on local authorities means that the Office of the Deputy Prime Minister is also a major player. The Department of Trade and Industry is responsible for consumer protection. The ability to cope at home, especially for our more vulnerable citizens, whatever their age, is a concern of the Department of Health, and of social services. Housing—a crucial part of the process—is a principal responsibility of the ODPM.

It is crucial that at least those Departments form the four legs of a sound stool, and not four separate stools through which the issues and, more importantly, the victims can fall. That is why we need a national taskforce to tackle the issue and the problems that it creates.

If a bogus caller gains entry and steals something, that is currently the responsibility of the police and the Home Office. However, if the caller claims to have carried out some work, no matter how minimal, shoddy or unnecessary, and then defrauds the householder of hundreds if not thousands of pounds, that is the responsibility of trading standards and the DTI. Both trading standards and police forces have many initiatives under way locally and nationally, but at a national level there needs to be joined-up thinking and joined-up working. A national taskforce would help to achieve that. The message to fit and use door chains is not just relevant to home security, and hence the Home Office, but should be reinforced by other Departments, such as the DTI, the Department of Health, the ODPM and others who deal with older and vulnerable adults.

[Mr. Paul Truswell]

We have a single assessment procedure whereby people, particularly older adults, are assessed for the services that they need to maintain an independent lifestyle in their own homes. The scheme is a wonderful opportunity to assess home security and to take a few minutes to talk to people about dealing with doorstep callers. However, that rarely happens because the scheme operates under the aegis of a particular Department.

I shall finish as I started. This is a huge problem. We do not want to frighten vulnerable people, especially older people, but we do need to protect them, and we cannot play down the problem of cold calling. We can protect them only if there is a recognition of the scale of the problem, a readiness to take firm action and a co-ordinated response at national and local levels.

11.15 am

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Gerry Sutcliffe): I congratulate my hon. Friend the Member for Pudsey (Mr. Truswell) on securing the debate. He knows that I share his concerns. I am well aware of his interest in cold-calling crime and consumer detriment. I attended the seminar organised by him and the Trading Standards Institute on 4 February. It was a very worthwhile event, and I listened with great interest to what was said. I commend my hon. Friend and others who spoke—the hon. Member for Blaby (Mr. Robathan), the head of North Yorkshire trading standards and regulatory services, and former Detective Chief Superintendent Brian Steele—on their hard work in drawing attention to what I fully acknowledge is a serious problem. I was as alarmed as anyone to hear about the case of Isobel Gray and the torture that she suffered at the hands of people who dealt with her unmercifully. I know Brian Steele well. His portrayal of that event was very graphic but very relevant to the problem we face.

Cold calling by bogus or exploitative traders, who usually offer overpriced or substandard goods or services, is economically detrimental to consumers. Moreover, the targets for rogue traders in that sector are often vulnerable people, so detriment is often compounded by distress. That is clearly unacceptable. I am aware of the evidence linking cold calling that offers property services with crimes such as distraction burglary, which adds another unacceptable perspective to the problem. Sadly, such crimes have also been linked to cold callers claiming to represent a range of commercial and public bodies, including the utility companies and the health and social services. For those reasons, I am perfectly willing to agree that we must seriously consider tackling the problem and protecting consumers.

I am very conscious of the fact that the problems related to cold calling can be compounded by the fact that straightforward consumer detriment is a matter for local trading standards and that doorstep crime is a matter for the police. This reflects existing law and the role of the enforcement authorities, but the rogues can exploit the situation, as my hon. Friend said. Several initiatives aimed at improving co-operation between trading standards and the police are already tackling the problem with some success and I want such co-operation to become the norm throughout the country.

There is also scope for closer co-operation between Departments with a policy interest in the subject to support the necessary co-operation at local level. My hon. Friend the Minister for Crime Reduction, Policing and Community Safety referred to that in a similar debate held before Christmas. She emphasised the importance of not allowing the problem to fall between the gaps that exist between departmental responsibilities. I endorse that sentiment wholeheartedly and would be happy to work with ministerial colleagues to help to develop more co-ordinated approaches to the problem. Officials in my Department and the Home Office have been in close contact on the issue for some time. As my hon. Friend the Member for Pudsey said, however, other Departments need to be involved, and I have suggested to my hon. Friend the Minister that we set up a cross-departmental committee of Ministers to examine the problem in greater detail.

The problems associated with the cold calling practised by various types of rogue trader do not exist in a vacuum. My hon. Friend is aware that the Government are already committed to a thorough review of the doorstep selling market as a whole. He referred to NACAB, now called Citizens Advice. It published "Door to Door", a report on doorstep selling, in 2002. The report contained evidence of the problems experienced by clients of citizens advice bureaux with a range of goods and services. It also contained several recommendations for improving consumer protection, which included the recommendation that traders trading in consumer goods should be under a general legal duty to trade fairly in the United Kingdom and in all other European Union states. That should be enforceable through stop now orders.

The report also recommended that the regulations on doorstep selling should be changed to provide a cooling-off period of 14 days for all contracts made in consumers' homes, irrespective of whether the visit was solicited by the consumer. Another recommendation is that the provision in the regulations on doorstep selling, under which the right to cancel in effect falls if a purchase is incorporated into the home during the cooling-off period, should be changed so that the cancellation right remains for the full period.

In addition to the obligatory mention in the sale contract, consumers should get a separate notice explaining their right to a cooling-off period and to cancel a contract. All consumers should be given a standard leaflet during any doorstep sale. It should be independently produced and include key information about the consumer's rights, questions to ask the salesman and sources of further information and advice, including how to complain and report traders who do not comply with the law.

The NACAB report was submitted to the Office of Fair Trading as a super-complaint under the terms of the Enterprise Act 2002. During national consumer week 2002, the OFT announced that it would investigate the super-complaint. The investigation has considered practice in other European Union member states and the problems of bogus and exploitative trading. Possible outcomes of the investigation include: enforcement action by the OFT's competition enforcement and consumer regulation enforcement divisions; referral of the market to the Competition Commission;

recommendations for changes in laws and regulations; recommendations to regulators, self-regulators and other bodies to consider changes to their rules; and campaigns to promote consumer education and awareness.

As my hon. Friend said, the investigation has taken longer than expected. That is partly because it has been necessary to consider many issues across various sectors in the doorstep selling market as a whole, but the OFT is expected to publish its report and recommendations in April. I look forward to the report and assure hon. Members that any recommendations will be carefully considered.

There is no doubt that cold calling by certain types of rogue traders may be a source of consumer detriment and distress. However, we must also recognise that although unscrupulous traders operate in the doorstep selling market, there are also a great many legitimate and reputable traders conducting business. Of course, it is clearly in the best interests of legitimate traders if the rogues are put out of business, not least because that would remove unfair and unscrupulous competition. When the OFT first announced that it would investigate the doorstep selling market in response to the super-complaint, it made it clear that it did not consider doorstep selling intrinsically wrong and that it could even be useful for some people, such as the housebound. I agree with that.

By way of example, the Direct Selling Association, which imposes stringent codes of practice on its members, estimates that that form of trading is a distribution channel which in the UK accounts for sales in excess of £4 billion per annum across a wide range of products and services. The DSA also estimates that almost 500,000 people are engaged in direct selling either full or part-time. Those are significant figures.

Mr. Truswell: We accept that it is because of the arguments that the Minister deploys that the Property Repairs (Prohibition of Cold-Calling) Bill is narrowly and specifically focused on those who solicit work for property repair or maintenance purposes. As such, it has the support of the Federation of Master Builders.

Mr. Sutcliffe: I appreciate the comments of my hon. Friend, who acknowledges the need for that narrow focus. I just wanted to describe the market's wider position.

The consumer protection measures that are in place provide the context for the OFT investigation and the NACAB report. Consumers purchasing goods or services at the door are directly protected by legislation known as the doorstep selling regulations, which consist of the Consumer Protection (Cancellation of Contracts Concluded away from Business Premises) Regulations 1987, as amended by the Consumer Protection (Cancellation of Contracts Concluded away from Business Premises) (Amendment) Regulations of 1988 and 1998. My hon. Friend knows those regulations well. Collectively, they give consumers the right to a seven-day cooling-off period during which they may cancel an agreement to buy goods or services worth more than £35 from a trader whose visit was unsolicited. The regulations also provide that consumers who agree to a visit following an unsolicited doorstep approach retain their right to a seven-day cooling-off period. In addition, traders who fail to inform consumers in writing of their right to a cooling-off period commit a criminal offence. Door-to-door sellers must provide a notice setting out cancellation rights when any agreement is made. Failure to do so makes the agreement unenforceable, whether a deposit is paid or not.

Since the first set of regulations implemented the doorstep selling directive in the UK in 1987, the protection for consumers has been further improved by subsequent regulation. I would expect the OFT to consider the effectiveness of the protection that the regulations now provide.

The Government are committed to placing empowered consumers at the centre of an effective competition regime. That means that consumers should be properly protected and informed to promote effective competition. Bogus or exploitative traders represent unfair competition to legitimate businesses. To help achieve their objective, the Government have introduced several new measures to protect and inform consumers.

The Enterprise Act 2002 introduced the new concept of super-complaints and provided the legislative framework for the Office of Fair Trading to conduct an investigation of the doorstep selling market. It also included provisions to strengthen the powers available to enforcement authorities to tackle the activities of rogue traders. Stop now orders, which were introduced in 2001 by implementing the injunctions directive, created a new enforcement regime across a wide range of consumer protection legislation. Designated enforcement authorities could then apply to the courts for stop now orders to stop the practices of rogue traders if they went against the collective interests of consumers. The Act has extended that protection across an even wider range of consumer protection legislation, particularly in the service sector.

Another way in which we are informing and empowering consumers is by developing consumer support networks, which bring together organisations to plan and deliver better, more accessible and more joined-up support for local consumers. Throughout Britain, the networks are helping to raise awareness of consumer issues. That includes placing considerable emphasis on issues relating to sales in the home, particularly where vulnerable or older consumers are involved.

The Government have also made up to £30 million of new money available over a three-year period to roll out a new national consumer helpline—Consumer Direct—which is perhaps the most exciting development in consumer advice for a generation. With a single, widely publicised number, it will be a powerful tool for providing consumer advice throughout Britain. No matter where consumers live, they will be able to access reliable, independent help on consumer matters via their own phone for the price of a local-rate call. For those who prefer it, the service will be available online. At the beginning of the year, I announced the four regions that would start operating as pathfinders for the Consumer Direct service this summer. They are Scotland, Wales, the south-west and—my hon. Friend will happy about this—Yorkshire and Humber. Taken together, those measures strongly demonstrate the Government's real

[Mr. Sutcliffe]

commitment to protecting the interests of consumers—particularly vulnerable consumers—from the activities of rogue and bogus traders.

My hon. Friend will know that the Trading Standards Institute launched a national survey on cold calling at the same time as the Office of Fair Trading announced its market study of doorstep selling. The result of the TSI survey was a report entitled "Door to Door Cold Calling of Property Repairs, Maintenance and Improvements—Long Overdue for Statutory Control". The report concluded that there was clear evidence to demonstrate significant consumer detriment from cold calling in relation to property services. In addition, the TSI concluded that the sector attracts criminal elements who, as my hon. Friend said, are willing to take advantage of consumers and to engage in more direct criminal activity. The report's recommendations included introducing a statutory prohibition on salesmen calling on householders unannounced to offer home improvements. The report has provided the OFT market study with important input by highlighting problems in the property services sector, and I commend the institute on its valuable work.

As my hon. Friend said, the report led directly to the private Member's Bill to be introduced by the hon. Member for Blaby. The Bill calls for a ban on cold calling to offer property repairs and maintenance. We are all looking forward to its Second Reading on 12 March. I have had two useful discussions with the hon. Gentleman about the Bill and its aims. I have not yet seen it in its published form and it would, in any case, be inappropriate for me to comment on it before Second Reading. However, the Office of Fair Trading expects to make public both its position on a cold-calling ban and its full market study report in anticipation of next week's debate. I cannot anticipate what those will say, but they will clearly help to inform the debate, and I welcome such action.

I am genuinely grateful to my hon. Friend and his associates for their excellent work in focusing attention on the serious problems associated with some types of cold calling. I assure him that I am sympathetic to their aims. As the Minister with responsibility for consumers, I take all forms of rogue trading, and the detriment and distress that they cause, very seriously. The impact of such practices on consumers—not least vulnerable consumers—is unacceptable and we must make every effort to put the rogues out of business. The Government have shown a strong commitment to protecting consumers' interests. In keeping with that commitment, I can assure my hon. Friend that all the options for improving protections for consumers from bogus or exploitative cold callers will be carefully considered.

11.29 am

Sitting suspended until Two o'clock.

Osteoporosis

2 pm

Dr. Vincent Cable (Twickenham) (LD): I am grateful for the opportunity to introduce the debate, which I have secured for several reasons. Like a great many Members, I have received lots of letters and cards in connection with a recent campaign by the National Osteoporosis Society about the recommendations of the National Institute for Clinical Excellence. Several of the moving and affecting letters that I have received led to complicated casework, which has highlighted some of the difficulties of the matter.

The issue affects many people in the House. I note that 161 Members signed the early-day motion in the name of the chairman of the all-party group on osteoporosis, the hon. Member for Erith and Thamesmead (John Austin), and that another 72 signed a virtually identical early-day motion in the name of the hon. Member for Westbury (Dr. Murrison). I am not sure why there should be any tribalism on the subject, which is fundamentally non-controversial. However, as a result of those two initiatives, more than 235 Members have expressed their support for the society and its work, and their concerns about the problems that the widespread illness presents.

Another reason why I have a personal interest in the matter is that one of the first initiatives that I took after entering the House in 1997 was to introduce a ten-minute Bill on the role of the elderly more generally in the national health service. I tried, as one does, to introduce provisions on non-discrimination in the health service as it affects elderly patients. However, a lot has happened since then: the national service framework has been introduced, and there is now much greater sensitivity toward osteoporosis, which has become a pretty central issue. Much progress has been made, but there are serious problems.

The osteoporosis arguments are very much at the heart of bigger debates on the health service and how we shift the emphasis from dealing with disease to prevention. Although that is an attractive slogan, it is difficult to realise in practice, as this case makes all too clear. I want to focus on the issue too because it raises some challenging questions about the role of the National Institute for Clinical Excellence. Most of us accepted that the underlying philosophy behind NICE was right. We thought it important to have an independent body to make professional, objective assessments of drugs rather than to rely on lobbying by companies, fashion, doctors or press campaigns. The aim was to have an objective, detached institution that was separate from Ministers to make such judgments.

Although the role of NICE has been vindicated, what has happened with osteoporosis is alarming: in many ways, the initial ruling—the technical assessment—appeared to cut the ground from under the argument in favour of prevention. One is left with two potentially alarming explanations. One is that the methodology employed by NICE is flawed. If the health economics that underlie it are unsound, that raises wider questions. The second explanation, which is even more alarming, is that the case that most of us made for placing much more emphasis on prevention rather than dealing with disease may be flawed. The first explanation is likely to

be the issue. Therefore, the case of osteoporosis raises not only specific issues but more fundamental questions about what NICE is doing and about its reputation, which has been somewhat damaged by this episode.

All that means that we are in a worrying position: many people, particularly women, have been left stranded, because they have been advised by doctors and the media not to take hormone replacement therapy. Some 1.7 million women use HRT; they have been advised that it enhances the risk of cancer. Indeed, if they read this morning's *Daily Mail*, they will also have been advised that it enhances the risk of stroke. Many of them are ceasing to use it, but they are in a kind of limbo in which alternative drug treatments appear uncertain and NICE is unwilling to make positive recommendations—certainly on newer drugs. Therefore, such women have been left in what has been called NICE blight—an unsatisfactory situation that is unlikely to be resolved until June 2005, when a revised version of the NICE report will be published.

I want to set out a few of the basic facts, with which the Minister and many hon. Members will be familiar, although it does no harm to rehearse them. Osteoporosis is an extensive illness that affects one in three women over the age of 50 and one in 12 men—3 million people altogether, of whom probably 250,000 have an acute form. It almost certainly leads to about 300,000 fractures a year. There is a much uncertainty about the specifics, because in many cases the disease is difficult to define precisely, but probably between 70,000 and 85,000 are hip fractures and another 50,000 are wrist fractures. I have seen quite wide variations in the estimates, but there are probably 100,000—perhaps fewer—spinal fractures a year. The literature suggests that the position is not static, but that the incidence of the disease and of fractures is growing rapidly, and for simple demographic reasons: the population is getting older, and there are more frail and elderly people, particularly frail and elderly women, who are prone to the illness.

The consequences of osteoporosis are not simply the obvious ones. Once a fracture has occurred, not only is the probability of a repeat fracture considerably enhanced, many people become crippled, with the attendant consequences of immobility, care costs and so on. Moreover, the illness gives rise to enhanced rates of mortality, as apparently 20 per cent. of those who have hip fractures die within a year. There may be other reasons for that; it may not be a direct cause and effect, but it is a rather worrying link.

The impact on the NHS is substantial. It has been calculated that the cost to the NHS of hip fractures alone is about £1.7 billion—so it is much higher for osteoporosis in general. Osteoporosis also makes a heavy demand on orthopaedic beds, accounting for an estimated 800,000 bed nights. Probably at any one time, 20 to 25 per cent. of beds in orthopaedic wards are blocked—I know that that is a pejorative term and we should perhaps be careful with it—mainly by elderly people with osteoporosis.

I want to touch on two issues relating to the policy response. The first is the role of the national service framework, in which the Government have been central. Secondly, I want to say something further about NICE, its recommendations and their consequences. I believe that there is general acknowledgement among those involved with the disease that standard 6—the step forward taken in 2001—was positive. Tribute has been paid to those who campaigned for that and to the Government's role in delivering it. It was a big step forward, and I have no criticism of it. It had several positive outcomes. It led to awareness of the need for osteoporosis work at primary and secondary care level; to the need to deal with falls and their prevention; and to greater concern about prevention and risk assessment.

Mr. David Drew (Stroud) (Lab/Co-op): I apologise for missing the hon. Gentleman's first words. I want to raise a problem with the issue of falls and osteoporosis. A retired general practitioner, Dr. Jonathan Bayly, who produced a report for the National Osteoporosis Society, did some valuable work on fall prevention. Of course, it involves trying to prove a negative. The local primary care trust has been unwilling to widen the scheme beyond one practice, where it tries to pinpoint women who are likely to suffer from osteoporosis. Is that not a particular problem? It is difficult at present to prove how valuable preventive work is. What does the hon. Gentleman feel about that?

Dr. Cable: That is a thoughtful and appropriate intervention. Concern about the problem that the hon. Gentleman describes is quite widely shared. When NICE published its report on falls and how to prevent them, the National Osteoporosis Society described its work as muddled and lacking in cohesion. Even the experts have had the same difficulty in linking the various elements as he and the GP whom he mentioned have had, so the point is perfectly valid.

Although the national service framework has been launched with the positive objectives that I described, those who have been following the issue most closely have several concerns. Despite the creation of the framework, there is, for example, little evidence that many PCTs are taking the issue very seriously. I think that only 20 per cent. of PCTs even mention the framework in their local plans. Also, very little monitoring is being done. Clearly, one does not want to argue for a large bureaucracy and monitoring for its own sake, but there appears to be little monitoring other than that which the society conducts.

The skeletal evidence that exists suggests that Britain still lags way behind other European countries in the extent of scanning. Large numbers of people with fractures are still released from hospitals without having been scanned. There is also a lack of linkage between the genuinely pioneering preventive work in primary care and that in the secondary care sector, where such standards are not matched. The national service framework standard 6 is an important step forward, but the big question is how we put more energy into it and take it forward.

The other policy question arises in connection with NICE and its technical studies, particularly those on three contentious drugs that required evaluation, of the five drugs that were studied. Those drugs were—I am not a scientist, so I shall have to read their names to ensure that I do not get them wrong—bisphosphonates, raloxifene and teriparatide. Three major conclusions were derived from that technical work, which have rather worrying implications for osteoporosis sufferers.

[Dr. Cable]

First, NICE strongly advised in its initial draft that there should not be preventive use of drugs by people who do not have a fracture. In other words, NICE questioned the principle of using drugs for prevention. Secondly, even for people who have fractures, there is a tight definition of risk that excludes many of the variables that people in the field recognise as important predictors, thereby considerably narrowing the range of drug use. Thirdly, the lack of confidence in raloxifene and teriparatide prevents the use of drugs for dealing with spinal vertebrae osteoporosis and fractures resulting from it.

The society and many people who have written to us were alarmed by those outcomes for several reasons—one of which was that they appeared totally to contradict the work in the national service framework and to undermine the current preventive work, let alone its expansion. The findings have also opened up the possibility that people who cannot use bisphosphonates—the established drugs—because of their side effects will have no other drug treatment open to them.

As a consequence of the objections that were raised, NICE is having a fresh look and a report will appear in just over a year's time. The result of the whole exercise, however, has been to raise doubts about the methodology. Again, I am not a specialist or scientist in the field, but critics of the process made some rather obvious points that question the basic scientific rigour.

For example, it was noted that the studies failed to establish the connection between the use of such drugs for osteoporosis and their value in other fields such as cancer prevention. They appeared to assume that each fracture had equal value for health economics, when in fact repeat fractures increase the probability of a return. Simple mistakes seem to have been made—a serious consequence of which is that the lives of large numbers of people, particularly women, are blighted because they cannot progress with drug therapy and it is uncertain which treatment is appropriate.

An unintended consequence of the uncertainty surrounding the subject has been that it has drawn attention to one area in which prevention can be improved: people's lifestyles and diets. We all pay lip service to lifestyle and diet, but they are becoming the first line of defence in the absence of a satisfactory agreement on drug treatment. Some of the conclusions that emerged from the dietary research underline much of what we say about other diseases: smoking and alcohol add to the risk; plenty of exercise reduces risk; and fruit and vegetables are good preventers. All those good messages are reinforced in the case of osteoporosis.

In addition, there is a large body of evidence on the importance of calcium in milk drunk at early stages of growth and of vitamins D and K. Milk is important. Some 30 years ago, I was part of the campaign to try to stop the withdrawal of milk from schools. It was a major political issue more than a generation ago, but the battle was lost. The rationale for withdrawing milk was that it was originally provided to deal with rickets, and that as rickets was disappearing, we might not need to worry too much about it in future. However, evidence is emerging that lack of milk in early years is a major factor in increasing the risk of osteoporosis later in life. The National Dairy Council is quite properly putting the issue back on the agenda. I am not suggesting that the spending commitments of the Government or the Liberal Democrats should include free school milk; as the Liberal Democrat Treasury spokesman, I would not be very popular with my colleagues if I suggested that. None the less, reintroducing milk as central to preventive care is an important theme.

Dr. Andrew Murrison (Westbury) (Con): I was one of the primary school children who were affected by the withdrawal of milk. My childhood memory is of leftover crates of milk, because the milk was invariably of poor quality, it had usually gone off, and was rarely drunk. Does the hon. Gentleman accept that bone mineral density is certainly increased by diet and by milk, but that the evidence relating to the incidence of fractures and their prevention is less clear-cut?

Dr. Cable: The hon. Gentleman speaks with medical authority. His conclusions, which I read in the literature, are straightforward, and I accept his point.

Another finding concerns acidity and relates—I believe—to the risk of fracture rather than to bone density. The hon. Gentleman has not yet referred to that finding, but it is quite interesting, and perhaps he will comment on it later. A conclusion that is emerging about diet is that all that sparkling water in this Chamber is extremely helpful in preventing osteoporosis fractures. There is, however, a negative side to the story: Coca-Cola and Pepsi-Cola are risky substances that appear to be very damaging to our bone structure. I do not know whether the Minister intends to campaign against those companies, but if he reads the literature, he will probably conclude that he should.

I draw my thoughts together by asking the Minister a few questions. This is not a highly polemic subject, let alone a party political one, but there are issues that we need to address. First, how do we bring energy and life into national service framework standard 6, given the somewhat negative and even cynical comments about its effectiveness at grass-roots level? What can be done to reinvigorate it?

Secondly, what happens when what NICE says diametrically opposes the national service framework? Will Ministers express a view, or will they let the process of professional comment and interaction between bureaucracies work itself out? There is clearly a problem. Thirdly, what happens about blight? We are in a difficult position because women, in particular, are highly uncertain about what preventive measures to take, given that all such measures are unapproved or risky. What advice is given? How does one reduce blight?

Fourthly, is the Department monitoring hormone replacement therapy? Are there numbers to show how rapidly it is tailing off? Given the frequent changes in clinical assessments, what advice is now being given? Lastly, the importance of lifestyle choices is growing, although some are controversial, while others are not. What role do the Government have in ensuring that lifestyle choices are improved, particularly as regards osteoporosis?

2.21 pm

Mr. Russell Brown (Dumfries) (Lab): I congratulate the hon. Member for Twickenham (Dr. Cable) on selecting this subject for debate. I also apologise to you, Mr. Deputy Speaker, to the Minister and to others in the Chamber, as I must leave just before 3 o'clock for another engagement.

I must declare an interest as a patron of the Dumfriesshire osteoporosis support group, which has been in existence for about six years. The group's chairman, Mrs. Margery Wilkins, is a trustee of the National Osteoporosis Society. As such, she represents all sufferers and support groups in the United Kingdom.

The hon. Gentleman mentioned NICE, to which I shall return later. I fully appreciate that it covers only England and Wales, and not Scotland. When I spoke to the Minister, he assured me that NICE's recommendations on a host of issues were recognised throughout the world, but not in Scotland. I am sure that he will enlighten us about that.

Sandra Gidley (Romsey) (LD): I believe that Scotland has a separate system called SIGN, or the Scottish intercollegiate guidelines network. When the Select Committee on Health examined the phenomenon—I hesitate to say problem—that is NICE, it was supportive of the Scottish system, which seemed to be quicker and to provide more practical advice.

Mr. Brown: I thank the hon. Lady for her comments. She is right. Although we have devolution in the UK, practice on either side of the border is not completely at odds.

As I said, my local group has been in existence for about six years, and I want to give colleagues an indication of some of the good work that it is doing. The group produced the National Osteoporosis Society healthy bones packs and, with a grant from the Lloyds TSB Foundation for Scotland, it distributed them to all the primary schools in Dumfries and Galloway 10 months ago. That goes back to the point about prevention in the early years, when people can take on board issues that will help in later life.

In my area, people initially went to West Cumberland hospital in Whitehaven for DXA scans. If necessary, that was followed by a meeting with the bone nurse. Given the pressure in the area, we purchased a DXA scanner through public subscription. However, even after many months, it was receiving little usage. People were still going to Whitehaven, and those who know the geography of the area will know that getting there and back is a significant journey. I added my support to the local osteoporosis group and we were able to put pressure on the local health trust to develop a strategy to enable better use of the DXA scanner. I am delighted to report that an expanding service is now being provided to sufferers and that the group is now well established at Dumfries and Galloway royal infirmary.

The chairperson of my local group contacted me in early January because NICE had published on its website the consultation document prepared by the technology appraisal committee. She was considerably concerned as the document was in draft form. I want to give hon. Members a flavour of the concerns that arose from that initial posting, although I appreciate that the consultation period finished on 23 January, that we have moved on and that the Minister will update us. The chairperson wrote:

"To deny a DXA scan to those over 65 with a broken bone is to deny them and their doctor a base line from which to assess whether their bisphosphonate treatment is effective or not".

In her case, the scan results showed that the bisphosphonate drug Fosamax alone was not proving effective, and until Fosamax was combined with HRT, calcium and vitamin D, her bone density continued to decline. Had she been denied a scan, none of that would have been discovered.

She went on to say:

"For those under 65 to have to wait for treatment until their T score is as low as stated by the NICE proposals, is counter-productive in terms of fracture risk and positively cruel. Many people with T scores less severe than this do suffer pain from wedged vertebrae."

The big question was: were they being denied the basic human right to have the disease arrested and further fractures prevented? All in all, the draft proposals that were posted caused concern. I am delighted that that letter allowed me to take the opportunity to write to Lord Warner, the Minister with responsibility for NICE, who got back to me and fully explained what was happening.

I said that I would keep my comments brief, and that is basically as much as I want to say. Again, I congratulate the hon. Member for Twickenham. As he has said, this is a debilitating illness. Early intervention is vital. I have given the example of my local group, which believes that the starting point should be in schools. Those who suffer need to be listened to, and I hope and pray that they are. The National Osteoporosis Society, an extremely well-organised national body, needs to be listened to. The real test will be whether we see a dramatic fall in the number of sufferers over the years on the back of NICE's recommendations. I apologise again that I have to leave the debate early, but I will read the Minister's response in *Hansard* tomorrow with great interest.

2.28 pm

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): It is a pleasure to follow my hon. Friend the Member for Dumfries (Mr. Brown); I always want to call him the hon. Member for Moffat, where I was born, but he is the hon. Member for Dumfries. It is also a pleasure to share his experience. There must have been a drive six years ago to set up local osteoporosis societies, when I became a patron of my local society. I remember the inaugural meeting at which well over 100 people—there could have been more than 200—turned up. That was an early lesson to me about the impact that osteoporosis can have on people's lives.

We have probably all been active members of the all-party group on osteoporosis, which has been ably supported by the National Osteoporosis Society. I wish to take this opportunity to pay tribute to the former director of the society, Linda Edwards, who sadly died an untimely death at an early age last year. On a nice sunny day such as today—well, it was a nice sunny day—I well recollect some of the events that were organised. We were invited to take our bones for a walk and to have our photograph taken with Oscar the skeleton. I have still have a photo up in my office of me shaking hands with the skeleton.

[Linda Gilroy]

I congratulate the hon. Member for Twickenham (Dr. Cable) on initiating this timely debate. He has already referred to the NICE appraisal. As that appraisal continues, it is important not only for the individuals concerned but for Government policy that we make robust representations. As he mentioned, the NHS currently spends £1.7 billion a year on mending fractures. We are talking about 86,000 hip fractures and 310,000 osteoporotic fractures. That is a huge cost on the health service and it is largely preventable. That is one of the reasons why the work of the all-party group on osteoporosis and the National Osteoporosis Society is important. When working out how one spends one's time, this is an area in which Members should try to ensure that a programme that addresses the issues is carried forward.

The NICE technology appraisal on drug treatments is in progress. The preliminary recommendations that it was considering caused significant consternation. It is important that patients and carers get clear, authoritative advice on the sort of care that might be appropriate and what can be expected from the NHS. That consternation was largely well founded. The hon. Gentleman has already referred to some of the concerns expressed by individual patients suffering from osteoporosis and also to the concerns of the National Osteoporosis Society, which I recently met. It is important that the final appraisal determination reflects those concerns. Some signs that that is the case might already be emanating from the recent meeting of the appraisal committee. I hope that the Minister will assure us that he is putting his weight behind ensuring that the many representations that were made in the early parts of the process are taken heed of.

It is difficult to believe some of the grounds on which the initial recommendations were made. Take the example of women over 65 with fragility fractures receiving treatment without a DXA scan. That could immediately have an impact on women with old traumatic deformities, Scheuermann's disease or osteoarthritis of the lumbar spine, who could wrongly receive treatment if the decision is based solely on an apparent vertebral fracture. The apparent proposed treatment restrictions in the case of post-menopausal women below 65 would mean that, unless there was a T-scan or other risk factors, they would be excluded. In reality, it is difficult to use an absolute cut-off of the type that is proposed. I know that both NICE and the World Health Organisation are considering more sophisticated approaches, and I understand that there may be further reflection on that issue in future stages of the appraisal process.

On restrictions on treatment, there is the idea that no treatment should be given until a woman has a fracture, and the proposal that we should move away from the sort of primary prevention that we have all been working hard to encourage in our local primary care trusts among those at highest risk. Women are at much greater risk of subsequent fractures following the first fracture. As the National Osteoporosis Society said in its representation to NICE:

"just as high blood pressure and raised cholesterol are treated to prevent heart attack and stroke, so osteoporosis should be treated in those at high risk".

The National Osteoporosis Society expressed a number of other concerns to me about the restrictive criteria being proposed for the use of teriparatide, and the way in which it was proposed that calcium and vitamin D supplements should be used. It was also concerned that raloxifene would no longer be available to prevent fractures in those at higher risk, especially as it reduces the risk of breast cancer and is an alternative to HRT, which has been the subject of much topical concern. That needs to be looked at far more closely. Women who are at risk of vertebral fracture often cannot tolerate the side effects caused by biophosphonates or cope with complex treatment regimes. Several other concerns were expressed alongside those.

As an illustration, I wish to refer to a letter from a local constituent, as it shows how some of the issues that I have described can impact on and worry some of our constituents. The lady in question writes:

"I was diagnosed with osteoporosis in 1992 after suffering excruciating back pain, day and night. The rheumatologist arranged a bone density scan."

That density scan revealed that her bones were indeed in a bad state, and she continues:

"I was unable to take Didronel because of quite severe side effects, so I was treated with HRT patches. Over the ensuing months and years, the pain decreased dramatically and mobility was restored."

After five years, she had another scan that showed a great improvement in her bone density and HRT was continued for another five and a half years. However, from time to time she developed painful cysts in her breasts that had to be aspirated.

A year ago, although the breast clinic was of the opinion that to protect my constituent's bones, it would be good on balance for her to remain on HRT and to keep the situation monitored, her GP and rheumatologist—presumably against the background of concern about HRT and breast cancer that I have described—thought that it might be better to give her different medication, at least for a while. She has been trying different regimes of medication, such as Evista, which did not suit her, and Actonel—both the one-a-day and one-a-week versions—but that caused her considerable pain. She has now settled with the one-a-week version, but that will have to be reviewed in a year's time. She also writes:

"It needs no stretch of the imagination to envisage my despair when I read that it was being proposed that this drug 'should not be available to post-menopausal women with osteoporosis and at high-risk of fracture until they have fractured already'."

In that one case alone, we can see almost all the points of concern that the National Osteoporosis Society raised in its representation to NICE on the initial proposals.

I hope that the Minister will be able to offer us some reassurance that he will be encouraging NICE to continue to listen to representations such as those from my constituent. Indeed, that lady did in fact submit her views to the NICE committee. I hope that he will give that reassurance not only for all the reasons of personal distress and anxiety that the letter illustrates, but also because of the contribution that getting the correct balance between prevention and secondary care can bring to reducing the £1.7 billion bill that I mentioned at the beginning of my remarks.

I hope that the Minister will take a close interest and encourage the more strategic and flexible approach that appears to be beginning to emerge, and that he will not hinder implementation on falls and fracture prevention in standard 6 of the national service framework. Extending the appraisal period as NICE now intends to do will be a noteworthy effort to evaluate primary and secondary treatment. It will give a chance to do that evaluation and to create the best guidelines for both pre and post-menopausal women.

If the draft had stood as it was originally presented, there would have been an increase in falls that would have had disastrous effects on the health and lives of many women. There is no logical sense in creating guidelines that are so strict that they overlook the needs of patients. Patients should definitely come before guidelines. Patient needs must be assessed in a more flexible approach that allows treatment to ensure that that first preventable fracture never occurs.

2.40 pm

Sandra Gidley (Romsey) (LD): I congratulate my hon. Friend the Member for Twickenham (Dr. Cable) on securing the debate. I am a little surprised that there are not more Members present, because I for one have received a large number of cards on this subject. We all know how easy it is to arrange a postcard campaign, but what struck me particularly was the number of people who also took the time to write to me to tell me how the recommendations would affect them if they were implemented. That is powerful; people do not lightly write to an MP.

Osteoporosis is a prevalent issue, but I sometimes cynically ask myself whether it is so ignored and underestimated because it mainly affects women. If it were a male disease, would more research be devoted to the subject? That is probably a little churlish. The answer is that I do not know why there is not more research or why something that affects such a large number of the population—affects their mobility and the way in which they can look after themselves when elderly—does not receive the attention that is given to other matters.

Linda Gilroy: Will the hon. Lady concede that the disease not only affects women but is prevalent in older age? It is only in recent times that we have begun to take it much more seriously and not just to put it down to something that is inevitable in old age.

Sandra Gidley: Sadly, despite some of the Government's best efforts, there is all too often an institutional ageism in the NHS. If one looks closely at the NICE guidelines, one sees that if somebody is much older—over 80 years old, for example—the cost benefit of treating them is much better. Any figures that showed such cost benefit across the age range would suggest that such people should receive treatment. So, I wonder whether there is almost an element of ageism in some of the NICE conclusions.

Clearly, there is a big problem. Many statistics have been mentioned today, but the one that I was particularly taken by is that every three minutes somebody has a fracture owing to osteoporosis. More seriously, 14,000 people die as a result of an osteoporotic hip fracture.

It has already been mentioned that if one has one fracture, another is between half as likely and twice as likely to occur. I did some work on the matter—I think that it was with the National Osteoporosis Society—a couple of years ago. I was not sure what part I was meant to play, as there was a very young, glamorous model, a very small old lady and me in the middle. I think that I was there in my capacity as an MP, but the age range was quite stark. We were posing with dummies in a shop window. Members could make a lot of political capital out of that should they be so cruel.

The dummies were in various stages of disrepair, and the point that we were trying to get across was that, as a young woman one was unlikely to suffer breakages. The first break is often of the wrist or a lower arm fracture, which should be treated as a sign that the case should be investigated and, perhaps, that treatment for osteoporosis should begin. Sadly, not everybody has a less serious fracture first. Many women—and some men—who suffer from osteoporosis, first know of it when they have a more serious fracture.

The point of that campaign was to try to encourage young women, in particular, to exercise. It is with dismay that, in reading for this debate, I discovered that the jury is still out on whether exercise is a good thing. Clearly, exercise provides other health benefits, but from the point of view of osteoporosis, it is not as clearly beneficial as it might be.

Dr. Murrison: Perhaps I can help the hon. Lady. I think that it is proven that bone mineral density increases on exercise. The question is whether the incidence of fracture goes up or down.

Sandra Gidley: The hon. Gentleman is correct. It must be pointed out that not just any old exercise will help; it has to be weight-bearing exercise to have a beneficial effect.

Sadly, some of the women who wrote in—my hon. Friend the Member for Twickenham referred to this point—felt a double whammy. HRT had been taken away from them as a recommended treatment. Many women were taking HRT and thought that it was doing them good. There seemed to be evidence that it was helping with osteoporosis, but the problem was that the benefits did not appear to outweigh the risks.

There is some interesting research that suggests that it might not be the hormones in themselves that have a beneficial effect. One effect of taking such hormones is to alter the acid-alkali balance in the body; the body becomes less acidic. That has been shown to have a positive effect on bone density and—possibly—on whether someone gets osteoporosis. We should be investing in research around food and Coca-Cola. Incidentally, I have switched to drinking sparkling water. It would be interesting if the Minister could tell us exactly what research is going on. Setting aside the recommendations for a moment, I found it particularly interesting that NICE recommended further research. It struck me again, most powerfully, that we simply do not have all the answers that we need in order to come to an informed decision.

NICE has arrived at a different decision from a number of other bodies. I mentioned the Scottish intercollegiate guidelines network—SIGN—in an intervention. It has come to a different conclusion:

[Sandra Gidley]

"Postmenopausal women who have had low BMD confirmed by DXA scanning should be considered for one of the following options",

and it goes on to name some treatments. The Scottish Medicines Consortium appraised teriparatide in 2003 and recommended that it be used by osteoporosis specialists following assessment of fracture risk and bone mineral density. I think that assessment of fracture risk is important. An action plan on osteoporosis in the European Community published in November stated:

"Many interventions, such as bisphosphonates and raloxifene are cost-effective if targeted at individuals at high-risk of osteoporotic fractures."

We have to develop a much more robust way of identifying who is at high risk than merely saying, "Well, you've had a fracture, clearly you must be high-risk." That needs looking into.

Some of those comments bear out the NICE proposals for further research. NICE can make proposals for prescribing that must be adopted, but I am not clear whether if it proposes further research there is an onus on anybody to conduct it. How can the Government and drug companies work together to make sure that we have the answers sooner rather than later?

I do not want to dwell too much on quality-adjusted life years, which NICE uses to measure whether a drug is cost-effective. I have alluded to the fact that that changes according to the age of the patient. However, when the Select Committee on Health looked into NICE, it was clear that the science around health economics, health benefits, quality-adjusted life years and the like was very new and inexact. Sometimes figures must be treated with a little caution; one must find out exactly what criteria were used in order to ensure that the figures were not blurred. In fairness to NICE, it is improving in that regard, but I am still not sure that its systems are state-of-the-art.

I turn to the link with falls and the standard in the national service framework for older people. NICE is producing clinical guidelines on falls in August 2004, and it is producing a separate set of clinical guidelines on osteoporosis in June 2005. It seems that there is scope for overlap, so is there not a case for amalgamating the studies or at least for ensuring that enough account is taken of the former? It would clearly be ridiculous—it has not happened yet, and there are no signs of it happening, but it may happen—for different groups within NICE to produce guidelines that are slightly at odds with each other. The thinking should be joined up more efficiently.

There has been little evidence of progress or of joined-up thinking on the matter. In January, I asked the Minister this question:

"What estimates the Department has made of the potential savings to be made by preventing osteoporosic fractures"

rather than treating them? Sadly, the reply said:

"The Department has made no estimate of the potential savings to be made".—[*Official Report*, 5 January 2004; Vol. 416, c. 203W.]

It then went on to refer to NICE. Clearly, NICE does not feel that it has the right answer. The preliminary revised statement was very welcome, in that—hopefully—there will be a review of cases to examine how high-risk patients can be assessed and whether there is any way in which they can be treated before they suffer a fracture, but I must admit that I found the reply a little disappointing.

I started to think about the slightly wider implications. It may have been the hon. Member for Dumfries (Mr. Brown) who mentioned bed blocking; my hon. Friend the Member for Twickenham may also have done so. I tabled another question:

"What assessment has been made of the link between osteoporosis and bed-blocking?"

Clearly, a large number of patients with osteoporotic fractures are, because of their age group, unable to rehabilitate easily at home. It would be useful to try to get a grip on the scale of the problem—but no. The answer stated:

"The Department of Health does not collect data on the precise medical conditions of patients delayed in hospital".

It does not mention falls or osteoporosis.

The National Osteoporosis Society has discovered that osteoporosis is still not sufficiently prioritised and that services are not established in line with the national service framework. Although falls have been included in primary care trust local delivery plans, very few plans contain direct references to such measures. I asked for the Minister's assessment of whether identifying osteoporosis had become a priority in primary care as suggested in the national service framework for older people. I do not propose to read out the full answer, which is quite long, but it ends:

"The most recent reports we have from strategic health authorities indicate that all but a few of the primary care trust local delivery plans include actions to achieve the 2005 falls milestone. We have collected no systematic information on what local plans cover." —[*Official Report*, 12 January 2004; Vol. 416, c. 618–9W.]

I am not quite sure who has got it right. Perhaps the Minister needs to talk to the National Osteoporosis Society. Clearly, there is a great difference in perception between the answer to my parliamentary question and the survey by people on the ground. If he can elaborate on that, it will be useful.

I wondered whether the Government had a good initiative on falls, and became excited on finding a press release stating that falls had been halved. Sadly, the small print revealed that that was not for the whole country, but in one primary care trust area that had issued gripper slippers to older people at risk. Although that is a welcome initiative, it is disingenuous to put a bold headline on the website claiming that the problem is well on the way to being reduced, when close inspection does not bear that out. I hope that the Minister will assure me that that measure is not the only one that is to be introduced. He may want to announce a roll-out of the slipper scheme today, so that the number of people in hospital can be reduced. Any progress on that initiative will be welcome.

The National Osteoporosis Society said that

"there is still a long way to go in implementing Standard Six, particularly with respect to better co-ordination between primary and secondary care services."

Its audit also highlighted a lack of progress towards implementation and focused on several cases. I have been doing a preliminary survey of my own, and my findings are closer to those of the National Osteoporosis Society than to the Minister's.

The subject is an important one. I look forward with interest to the Minister's reply—particularly with regard to whether the Government will help to fund any of the research projects identified by NICE. We would, I think, all agree that preventing an accident, or preventing the deterioration of osteoporosis, is in everyone's best interest.

2.58 pm

Dr. Andrew Murrison (Westbury) (Con): There have been some thoughtful contributions today. It is a pity that there have not been more of them. That may be the case because of the trade justice debate that is happening under the auspices of the official Opposition on the Floor of the House, but it is a pity nevertheless, because the subject is important.

I pay tribute to the National Osteoporosis Society for its hard work in highlighting a subject that is one of the forgotten areas of medicine. I am mindful of my time about 20 years ago as a house surgeon in Bristol in orthopaedics, dealing with orthopaedic fractures, including hip fractures. At that time, the condition was pretty well ignored. If someone had a fracture, they had their hips repaired and either got better or did not. By and large, no real thought was given to the treatment of their underlying osteoporosis.

I wonder whether, 20 years on, a great deal has changed. I suspect that it probably has, although perhaps not quite as much as one might have liked it to change over two decades. In so far as there has been change and improvement, a great deal of it has been down to groups that have brought the condition into the public arena. Of those groups, I would obviously single out the National Osteoporosis Society.

I congratulate the hon. Member for Twickenham (Dr. Cable) on initiating the debate, which is very timely. We have recently heard a great deal about NICE and its consideration of osteoporosis. While I would hope to avoid the temptation to use the present occasion as an opportunity to criticise NICE, it is right to highlight the fact that that episode has perhaps not been the most glorious in its history, and it may wish to reflect upon that.

The impact of osteoporosis on people's health and its economic impact on the national health service are underestimated. I recall broken hips and vertebrae, wedge fractures and the classic dowager's hump. Osteoporosis is often passed off as part of the natural ageing process when it can be treated quite satisfactorily. It is a great pity that even now, in the 21st century, we are prepared to pass it off as a normal facet of ageing. It is also a great pity that many radiologists will not comment on wedge fractures in an elderly chest X-ray, for example, and that they will not be recorded in notes, even less subjected to any formal assessment of treatment. There is a long way to go in raising awareness among the public and professionals.

The NICE appraisal consultation document has been subject to criticism both by the National Osteoporosis Society and the public, as is evidenced by the mailbag that NICE has received. It has been criticised by the industry, and in particular by Lilly, which is responsible for producing two of the products in question—the selective oestrogen receptor modulator, raloxifene, and teriparatide, which is better known as parathyroid hormone.

We must welcome last month's announcement that there will be a separate appraisal of primary and secondary prevention, which probably follows criticism of NICE and its work to date on osteoporosis. The announcement is welcome because the two forms of prevention are quite different and need to be addressed, and the work to date has not been as comprehensive or forensic as one might have liked.

There have been big problems with the consultation document. Its ethos appears to conflict with the national service framework for older people of 2001, of which standard 6 has been cited. It seems to be preoccupied with treatment rather than prevention of fractures. It is a pity that it should simply deal with the situation after somebody has sustained a fracture. We hear a great deal about public health, and we have had a Minister with responsibility for public health since 1997. Osteoporosis is a public health problem, as it applies to the population, and we could have done more over many years in this area of public health.

There are several conflicts with the NICE guidelines and those issued by the Royal College of Physicians in 1999, which are the trade standard for treatment of osteoporosis. They are exceptionally good, considering that it is sometimes difficult to make head or tail of some of the college's paperwork; they clearly set out what works, what does not and what might, and they give reasonably clear guidance to professionals working in the field. The NICE guidelines appear to row back from many of those recommendations, which is why the National Osteoporosis Society said that they are a retrograde step. It is a great pity when NICE is cast in the guise of an organisation that is removing rather than promoting that which is good.

It is true to say that the guidelines produced by the Royal College of Physicians and the remarks of the National Osteoporosis Society reflect the importance of compliance. One or two hon. Members, including the hon. Member for Plymouth, Sutton (Linda Gilroy) in particular, mentioned compliance in relation to fragility fractures involving the spine, and alluded to the fact that it can cause digestive problems. That becomes a particular problem with biphosphonates. People are often unable to cope with biphosphonates because of gastric upset. We are then left asking what on earth they are going to use for their treatment because they are left with calcium and vitamin supplements—and the answer is not a great deal.

It is important to note that, if someone feels unhappy with a treatment and if it upsets them, they are probably not going to take it. We find that that is the case with high blood pressure and the treatment of hypercholesterolemia—conditions that do not cause great problems from day to day. We do not go around complaining about high blood pressure or about high cholesterol because they hurt, but we have them treated because we fear the long-term consequences. It is difficult to insist on compliance in those circumstances, and we know from studies that it can be poor.

I suspect that if we do not give people a treatment with which they can cope in this field, they will not take it. That is why it is important that, as the national osteoporosis society is right to insist, we give people a range of treatment options. If one option does not agree with them, there is a possibility that they can have another.

[Dr. Andrew Murrison]

It is also probably true to say that affordability has not been adequately assessed by NICE in connection with selective oestrogen receptive modulators. We know that raloxifene protects against breast cancer, but there is a bit of a paradox here, because HRT was associated at the tail end of last year with stories about a possible risk of breast cancer. Here we have a treatment for the same condition that appears to protect against it. We do not see any evidence in the recent NICE information about the protective effect in respect of breast cancer. If we are going to make a serious economic appraisal, we need to factor in such possibilities. Apparently, there is a protective effect on the heart, but we see no evidence of that. It is probably true to say that we need to have a bit of a rethink. To that extent, I welcome the recent announcement by NICE that it is going to look at the issue again.

NICE seems to be relying on the lack of evidence for a reduction in the incidence of hip fracture in respect of raloxifene in making its conclusions about whether the treatment can be recommended. That is a pity, because such an approach underplays the importance of fragility fractures in the spine. The inference is that there is no evidence that the treatment can be used effectively to prevent hip fractures, which are, by implication, more important than vertebral fractures. I am not sure that that is right. Surely, we cannot be saying that we cannot recommend that treatment purely on the basis that there is no evidence that it will be any good for treating one particular subset of the range of conditions that can be provoked by osteoporosis. That is a non-sequitur.

Equally, we must recognise that there are some good things about the NICE appraisal; it would be remarkable if there were not. A consensus is emerging, and the Royal College of Physicians and the society certainly appear to believe that there is no reason to go for population screening, attractive though such options often are. A more selective approach is required, involving so-called case finding.

We need to make provision for the possibility that there may be technology in future enabling us to embark on screening the population, possibly using ultrasound scanning or indeed bone-turnover markers. I agree with the hon. Member for Romsey (Sandra Gidley) in her assessment of the need for further research in this area. As an aside, I shall comment on her suggestion that the condition has not been given the attention that it deserves because it predominantly affects females. It crossed my mind that if one were to compare the incidence of research on breast cancer and prostate cancer and the money spent on such research, a parallel could be drawn. The situation may not be as straightforward as she suggests.

It will be interesting to see in August what I hope will be NICE's formal recognition of the importance of a fall-prevention strategy. One or two hon. Members have touched upon that subject. Again, I think that we shall see a consensus among NICE, the Royal College of Physicians and the society on the need to prevent falls. The issue is not only about dishing out pills for the condition; at the end of the day, it is okay to have osteoporosis provided that one does not have fractures. One prevents fractures by not falling—or by not coming into contact with immovable objects. We may want to think about how to reduce that risk, particularly among the at-risk elderly population. I look forward to seeing the guidelines, which I understand will be published in August.

Exercise will help; it certainly increases bone-mineral density. A little more controversial is the question whether it prevents fractures. We could say that more exercise means a greater possibility of falling and a greater chance of fractures, but the matter may not be as straightforward as it seems. Equally, tobacco and alcohol increase the risk of osteoporosis. That is a particular concern for women, because we know that they drink and smoke more than previously; their habits have come to approximate those traditionally associated with men. We may be storing up problems for the future.

In our public health strategy—I know that the Government are keen on it—we should focus on the reduction of osteoporosis not only in the elderly, but in the younger population, by ensuring that attitudes to exercise, alcohol and smoking are changed at an early stage. We can then ensure that bone structure is enhanced at that formative stage and that attitudes are developed that will promote long-term skeletal health.

Osteoporosis has been ignored over the years for several reasons. One is its lack of ownership by a medical specialty. In my earlier experience as a junior orthopaedic surgeon, it seemed that no one was particularly worried about osteoporosis as a medical condition. It seemed to fall between specialties. In my day, surgeons were by and large concerned with fixing people's fractures. I suspect that a residue of that attitude remains, and that osteoporosis has suffered as a result. Its treatment is multi-disciplinary. It is a pity that people who suffer from fragility fractures do not get the gold standard treatment of physiotherapy, hydrotherapy, pain management and so on that they really ought to receive. I genuinely feel that that is a reflection of the fact that no specialty has gripped the illness or taken ownership of it.

It is a sad fact that the UK ranks behind almost all European countries in its provision of dual-energy X-ray absorptiometry. That is a great pity, because we know that existing treatment is best targeted at those who are at high risk. That is a reflection of their bone-mineral density, and the only way to assess it accurately is by DXA scanning. We also know that poor intra-centre comparison of the results of DXA scans is a problem for screening. One of the reasons why we could not screen the population, even if it were possible to do so, is that it would be difficult to compare the results from one centre with those from others. We clearly need to work on that. It would be interesting to hear from the Minister whether any of the £3 million that his right hon. Friend the Secretary of State announced last week for radiology will be devoted to that area.

Self-help has been somewhat neglected. Many constituents feel strongly about the use of food additives for treating chronic conditions such as osteoporosis. I could cite others. In that connection, the European food supplements directive has caused a great deal of distress to many people, as it appears that many of the remedies that they think help their condition will be harmonised out. That leads to a conflict: as a science-based person, I believe that evidence must sustain any backing of a treatment, but if I were honest, I would say that that was

an arrogant view. Many people insist that additives and supplements make them feel better, and that really is the bottom line. It is not for any of us to say otherwise if people believe that what they buy in the shops helps them. Many of the products in question have been used perfectly safely in this country for many years, and people feel that the EU is doing them down by removing them. I am pleased that the Alliance for Natural Health has taken a case to the European Court of Justice in connection with the European food supplements directive, and I await the outcome with interest.

The Minister would be somewhat disappointed if I did not take this opportunity to point out that the Government's obsession with targets, predominantly for acute conditions, has, in our finite system, inevitably impacted adversely on long-term and chronic conditions. We can more or less take that as read. I am pleased that he and his colleagues have decided at this rather late stage to change tack somewhat. I welcome the implications that that may have for the management of chronic conditions.

Twenty years on from my own rather unsatisfactory experience of dealing with osteoporosis in hospital orthopaedics, I ask myself whether things have improved much. I have to admit that they probably have done so, but not really as much as I would have hoped them to do in two decades. I look forward to the NICE reappraisal of its draft proposals and hope that they will at least be a step in the right direction.

3.17 pm

The Parliamentary Under-Secretary of State for Health (Dr. Stephen Ladyman): I begin by thanking the hon. Member for Twickenham (Dr. Cable) for initiating this debate on this important issue, which is of great concern to many of our constituents and which affects many people in Britain today. I share his concern and that of other hon. Members about reducing the suffering of those who have osteoporosis and about putting in place prevention strategies.

As has been said, osteoporosis is an important subject. Why? One in three women and one in 12 men over the age of 50 will develop the disease. Almost half of all women experience an osteoporotic fracture by the time they reach 70. Some 90 per cent. of osteoporotic hip fractures result from a simple fall from standing height or less. After an osteoporotic hip fracture, some 50 per cent. of patients lose the ability to live independently, and 20 per cent. die within a year. As those figures suggest, the disease is a terrible burden to individuals, their family and friends, the national health service and their community. That is why the Department of Health, the NHS and others have put in place a programme of work to help minimise the harm done by the disease.

The Department of Health and the Welsh Assembly have asked the National Institute for Clinical Excellence to develop two clinical guidelines and a technology appraisal to provide the best available evidence covering falls, fractures and drug treatments, and to assess that evidence. It is probably appropriate that I stress that at this point.

The response to some of the comments that have been made during the debate—I highlight the difficult case outlined by my hon. Friend the Member for Plymouth, Sutton (Linda Gilroy) and cases mentioned by other hon. Members—is that the issues are complex. If they were easy, if some fact were crying out "You do this, and people will get better", it would not be necessary to have bodies such as NICE, because doctors themselves would be able to make such assessments. NICE must look at the available evidence, balance the complexities and give us guidance about the most appropriate treatment for the most appropriate people.

I caution hon. Members that, when they are communicating with their constituents on these matters, what will obviously be right for one constituent will not be right for every other constituent who presents at a doctor. NICE must ensure that the information is available to allow doctors to make those difficult decisions.

The hon. Member for Twickenham referred to NICE blight. It is true that while NICE is considering these complex issues, there is a period of what may appear to some to be limbo. During that time, and even when the NICE guidance is published, it is up to doctors to make their own judgment for the care of the individual patient. Therefore, nobody should delay making recommendations—

Sandra Gidley *rose—*

Dr. Ladyman: I shall not give way to the hon. Lady. I have only nine minutes and hon. Members have asked me a lot of questions. I want to deal with as many of them as possible.

The perception of NICE blight should be rejected. People should press their clinicians to make their own judgments in the absence of firmer NICE guidance.

The clinical guideline on the assessment and prevention of falls in older people is currently out for consultation. Falls are a major cause of disability and the leading cause of mortality resulting from injury in people aged over 75 in the UK. One-third to one half of those aged over 65 fall each year. Up to 14,000 people die annually in the UK as a result of an osteoporotic hip fracture. Falling, therefore, has a considerable impact on quality of life, health and health care costs. Although osteoporosis does not cause falls, it significantly increases the likelihood of a fracture when a fall occurs. The falls guideline will provide recommendations for good practice based on the best available evidence of clinical and cost-effectiveness and is due to be completed in August.

A second clinical guideline has been commissioned to assess fracture risk and consider the prevention of osteoporotic fractures in individuals at high risk. Osteoporotic fractures can lead to pain, disability, greatly reduced quality of life and premature death. The guideline will look at all high-risk groups and will examine interventions used to prevent an initial fracture and those used to prevent subsequent fractures where one has already occurred. The guideline is due in June 2005.

NICE is also conducting a technology appraisal of the drugs used in the prevention and treatment of osteoporosis. The initial findings have recently been out to consultation and, as several hon. Members have said, have elicited a large response and considerable controversy. However, I want to assure hon. Members

[Dr. Ladyman]

that this consultation document does not constitute the institute's formal guidance. Recommendations of this type are preliminary and may change after consultation. It would have been nice if one or two hon. Members in the Chamber had given NICE a pat on the back for listening to the consultation and for announcing that it intends to amend its work as a result.

The institute has accepted the independent appraisal committee's recommendation to separate the appraisal into two parts. The first will address the treatment of existing osteoporotic fractures in post-menopausal women—so-called secondary prevention. Further analytical work will be done on that before the appraisal progresses to the next stage, as several hon. Members requested. A new timetable for the work will be published shortly.

The second part of the appraisal will address the prevention of fractures in post-menopausal women who have not yet had a fracture—primary prevention. To inform recommendations on the clinical and cost-effectiveness of treatments for primary prevention, more data are needed that will assess the contribution of risk factors in the development of fractures. The data will be informed by work being done by the World Health Organisation and the NICE guideline development group on osteoporosis. The data are expected towards the end of the year and the institute will publish a separate timetable for that part of the appraisal.

I should like to thank all who have responded to the consultation, including the National Osteoporosis Society. Those individuals and groups have highlighted the need for additional information and analysis, which is being built into NICE's work. I regard that as a good example of what consultation is about. NICE has listened to the views that other experts and members of the public have expressed and has adapted its work to take account of their concerns. That shows that the process of consultation is working. The National Osteoporosis Society has welcomed that development.

The hon. Member for Romsey (Sandra Gidley) asked several questions about research that might have been identified as necessary during the process. The Department of Health funds the NHS research and development programme, which aims to identify NHS needs for research and to commission research to meet those needs. Commissioning is undertaken through national programmes of research, such as the health technology assessment programme, through which three projects have been funded, two of which have now ended. The topics include treatment of osteoporosis—a systematic review and cost-utility analysis—and selective oestrogen receptor modulators for osteoporosis. Research on the cost-effectiveness of different strategies for the management of steroid-induced osteoporosis is due for completion in the middle of this year.

The main Government agency is of course the Medical Research Council. In the financial year 2001–02, the MRC spent an estimated £6.9 million on research into osteoporosis, which included a randomised trial of vitamin D and calcium for secondary prevention of osteoporosis-related fractures in the elderly. It was therefore a little churlish of the hon. Member for Romsey to say what she did. *[Interruption.]* I do not know why the hon. Lady is looking aghast—she suggested herself that she was perhaps being churlish when she implied that there were restrictions on research in such fields. It is important to remember that we are not the only country in the world conducting such research. Research is conducted all around the world, as well as in the UK, but the work done here is extensive. The MRC welcomes good quality research proposals at any time, so I encourage anyone who has such ideas to put them to the council.

Falls services, incorporating those for osteoporosis, are covered in the national service framework for older people. I am grateful to the hon. Member for Twickenham, who said some nice things about the framework. It is important to recognise that the framework has been well received and is doing some good work. However, I should point out to the hon. Gentleman that the framework is a 10-year programme and that we are only three years into it. He asked what I was going to do to put energy into the programme. The answer is that, as the implementation of the national service framework for older people falls within my portfolio, I welcome any suggestions that he has for sustaining the rapid pace of reform. However, given the time since the national service framework was published, it is making stupendous progress. I do not say for one second that there are not huge areas in the health service or our social services that we cannot improve. Demonstrably, much work remains to be done in many areas; however, the national service framework is making huge inroads in those areas. The people who are involved in it and who drive it forward should be congratulated on their work.

The NSF sets clear milestones for the planning and development of integrated falls services and provides the basis for a service model that will deliver the improvements in prevention, care, treatment and rehabilitation that many hon. Members have mentioned. The framework aims to reduce the number of falls that result in serious injury and to ensure effective treatment and rehabilitation for those who have fallen. The Department is undertaking detailed work in conjunction with professional and voluntary bodies to support the delivery of the NSF's integrated fall service. For example, we have worked with Help the Aged on its "Avoiding Slips, Trips and Broken Hips" campaign. I cannot promise that we shall announce a national gripper slipper campaign—

Mr. Deputy Speaker (Mr. John McWilliam): Order. Time is up. I should point out that the Minister had only 13 minutes in which to reply. Even after only an hour and a half of debate, a Minister should have the opportunity to reply effectively to the hon. Member who introduced the subject. The Minister was so constrained in this case because Opposition Front Benchers took 37 minutes.

Out-of-Hours Medical Services (Hampshire)

3.30 pm

Sandra Gidley (Romsey) (LD): I welcome the opportunity to highlight the important issue of out-of-hours medical services in my locality, and I shall begin by setting the scene.

As MPs, we all receive complaints from time to time, and that is par for the course, because life simply ain't perfect. However, alarm bells ring when we suddenly receive a cluster of complaints about a service that has hitherto ticked over in the background without coming to our attention. Alarm bells certainly rang when I received complaints about the out-of-hours medical services, and it rapidly became clear that all was not right.

Most of the letters highlighted the service—or lack of it—that patients received when they tried to obtain the services of a doctor at the weekend and in the evening. As the Minister will be aware, GPs are currently responsible for providing out-of-hours emergency cover, but many, particularly in my area, have opted out of the scheme and paid a deputising service to take over. In my part of Hampshire, that service is provided by an organisation called Primecare.

It might be helpful if I outline some of the problems. First, patients must play a game of telephone hurdles, and the typical scenario is as follows. The patient rings NHS Direct for advice and is told to ring their GP. When they do so, an answerphone service asks them to contact the out-of-hours service—probably Primecare. The patient rings the number, which is for a call centre in Birmingham, and encounters someone called a call taker, who asks them a few questions and refers them to a triage nurse. The nurse then rings back. Indeed, there is a standard governing such things. I do not think that it is being met, and although that is not the main complaint, what if the patient calls from a call box? Not everyone has a phone at home, so ringing patients back is not without its problems. That aside, the patient is then given an indication of how long—be it one hour, two hours or four hours—they might have to wait for a home visit. Some hours later, the doctor might contact them again to see whether they still need a home visit and to ask further questions.

There are, therefore, several phone calls, not all of which would be necessary in a joined-up service. It is immediately apparent that that is not a good use of resources, but I shall return to that later when I discuss how the system is likely to change in July, when primary care trusts take over responsibility for providing out-of-hours services.

In many cases, patients are asked to attend an out-of-hours centre. One constituent was asked to travel from Longparish to Southampton—a journey of approximately three quarters of an hour—and that person told me of a young relative who had had a similar experience. In that case, family members were so concerned that granddad decided to take the child to the minor injuries department in Andover. When they said which surgery they were from, they were told that the child would be unable to see a doctor, because staff were fed up with seeing patients from that surgery.

The practice manager has said that anyone who is concerned about the length of time that Primecare takes to respond should attend accident and emergency and call an ambulance if they are not fit enough to travel by car. Indeed, it is quite a common feature of the correspondence for people to be told, "If you are concerned, call an ambulance." Sometimes, Primecare staff deliver that advice. In that respect, the Minister might not be aware of an Adjournment debate that I secured on the response times of the Hampshire ambulance service. The service is now heading in the right direction and is just starting to hit its targets, so it can do without unnecessary pressures from another part of the health service. It is easy to see that an extra burden will be placed on the system if people are regularly advised to call an ambulance. If patients are being made to wait for too long, they will be tempted to call an ambulance. I have spoken to paramedics who have also mentioned occasions when deputising services have asked paramedics to visit and assess on their behalf, and occasions when inappropriate requests for an ambulance have been made, some when the medic has not even seen the patient face to face.

I am also aware of an occasion when a call from a GP was rerouted to a deputising service. That service did not have the GP on its list and so refused to provide a response. What other option does a sick person have under those circumstances than to call for an ambulance? This clearly has a knock-on effect on patient emergency care, and I ask the Minister to investigate this for himself.

There are others who are reluctant to call out an ambulance under any circumstances. Another of my constituents had a stomach ache, went to the NHS Direct website and was quite alarmed to be given the advice that he should ring 999 for an ambulance. He thought, "I only have a stomach ache. It seems a bit extreme. I will just call the doctor. I do not want to call out an ambulance unnecessarily." He contacted Primecare. The triage occurred, but the patient, despite having gone through the NHS Direct protocol and come up with a 999 response, was advised to go to a walk-in surgery, as there might be a long wait to see a doctor. My constituent lived alone, some distance from the surgery, and there was no one he felt able to ask for a lift. He decided to wait. He had originally rung the out-of-hours service at 2.30 in the afternoon and received a telephone call at 8 pm advising him that he would probably have to wait a further three hours. At half past 11, some nine hours after the initial call, a doctor arrived and immediately called an ambulance.

I could easily spend the remaining time outlining further stories, but I will leave it at that, apart from reinforcing the point that most of the complaints have been about the protracted nature of the process, the pressure to travel to an out-of-hours centre when unwell, and the length of time it has taken to secure a home visit and for a health professional to arrive. I have met representatives from Primecare and there is some focus on trying to improve the service being provided, but it is still not good enough. There was a Radio Solent phone-in this morning and the lines were red hot with people ringing in from all over the area with similar experiences.

What is of more concern to me at the moment is that the new GP contract means that the primary care trust will be taking over responsibility for out-of-hours

[Sandra Gidley]

medical services. I am beginning to wonder, having done some research, whether this is an opportunity that is likely to be squandered. I have been told that the four primary care trusts in the area—Southampton City, Eastleigh and Test Valley South, Mid-Hampshire and New Forest—are liaising on the provision of a new service. I wrote to the primary care trusts that serve my constituency in December last year. I also wrote to the ambulance trust.

Most responses try to provide a bland reassurance, but there were some worrying responses tucked away. For example, Chris Evenett, chief executive of Mid-Hampshire PCT, said:

"As part of this development work, being co-ordinated across three PCTs in mid and west Hampshire, we are assessing demand. It is fair to say that there has not been a robust activity monitoring of out of hours provision in the past and therefore we have to develop estimates based on best available information."

John Richards of Eastleigh and Test Valley South PCT seemed to have slightly more information about what was going on in his particular primary care trust. He told me that there were approximately 14,000 calls each year to the out-of-hours service, 40 per cent. of which required some sort of face-to-face consultation. He went on to describe how he thought the service might develop. He said:

"The plan is comprehensive and includes call centre facilities, communications hub, primary care centres, transport and visiting . . . Initially the service will be GP-led but, over time, we hope to increase the involvement of nurses, paramedics and others to ensure that patients are seen by the most appropriate health care professional."

Sounds okay.

The response from Brian Skinner of Southampton City PCT was quite interesting, because he stated:

"As a primary care trust we have seen an increase in the visit rate from 15% of our total out of hours activity to 25% in the last two years. It is too early to say at this stage whether the effects of the changes we are currently making to the service are reducing the demand for visits. It should be noted that an out of hours GP can carry out the equivalent of 1.5 visits per hour as opposed to a GP or nurse in a primary care centre who can see seven patients per hour."

He went on to mention that there had been a number of new initiatives, such as walk-in centres and NHS Direct, which had to be monitored to assess the impact on the demand for services.

The letter of 19 January from Claire Severgnini, the chief executive of Hampshire Ambulance Service NHS trust, was of the greatest concern. She says:

"The ambulance service has seen an increase in demand as a consequence of the changes and particularly to poor systems Primecare have in place."

More positively, Claire Severgnini mentioned a new initiative called "see and treat", which is being piloted. She says:

"increasingly we could provide care in the community and minimise the number of patients being brought into already busy A & E Departments."

The obvious question is where we go from here. It might be useful to refer to the Carson standards, which were produced in an attempt to provide a minimum standard of service for out-of-hours care. They are what local service providers should be taking into account when developing new services, and to which they should aspire.

In March 2000, Dr. David Carson produced a report, which states:

"the purpose of out-of-hours services in primary care . . . to meet those urgent patient needs that cannot safely be deferred until the patients own GP practice is next open."

It also recommended that

"All patients should have access to the same high quality, out of hours services, regardless of the part of the country in which they live."

I am not sure that that is happening.

Recommendation 1 states:

"A new model of integrated out of hours provision should be accessed by patients via a single telephone call, routed in the first place through NHS Direct, passed where necessary to the appropriate providers of out of hours services in that locality."

I have already described the problems. The verdict is that that has failed.

Recommendation 3 states:

"Sufficient primary care centres should be provided to enable out of hours providers to meet the Quality Standards set out in the review."

Current provision is very patchy, which may explain the difference in the figures for Test Valley and for Southampton, which has better provision. People do not want to travel a great distance when they are ill, which is overlooked. My constituents in particular will miss out, because, I believe, none of the planned centres will be based in my constituency.

More worryingly, I have been told that there are differences of opinion between the four PCTs, even though they are supposed to be liaising with each other to provide a service. Eastleigh, Test Valley South and Mid-Hampshire PCTs want to direct as many people as possible to the Winchester and Southampton PCTs. However, Southampton City PCT, where the Southampton hospital is based, does not want the service to be based in the hospital, but prefers to direct people to the two walk-in centres. New Forest PCT wants to use separate locations.

What hope do we have for a decent service by July if the PCTs cannot even agree where they want the service to be based? I strongly believe that consideration should be given to basing a service at Romsey hospital, which was used by GPs when they provided the service. The verdict is "Fail". If the Minister is inclined to say "Pass", will he say what journey time he believes is reasonable for anyone wanting or having to access these services?

Recommendation 9 states:

"A fully integrated out of hours service should be planned by the PCT/G in each locality, bringing together all appropriate service providers."

There is total lack of co-ordination in the provision of community-based minor injuries management. There are walk-in centres, minor injury units, community care centres and proposed diagnostic and treatment centres, all of which have little or no night provision. I have described the series of telephone hurdles that one encounters before one can access the service.

It would be sensible to co-ordinate more efficiently the expertise of NHS Direct, the out-of-hours providers, the emergency services and the PCTs. The lack of co-

ordination between PCTs is particularly worrying. I have learnt that some PCTs intend to fill the void with paramedics, while others intend to use community nurses. I do not have a problem with that, but there has been no work force planning exercise, and no thought has been given to consistency of training and standards. Again, the verdict is "Fail".

Recommendation 19 states:

"Other than in exceptional circumstances, patients should be able to receive the medication at the same time and in the same place as the out of hours consultation".

I am not sure that that happens at the moment, as I have received a number of letters stating that, when the local supermarkets that have pharmacies shut, which on a Sunday happens at 4 o'clock, it is almost impossible to obtain medication. The demise of the neighbourhood chemist living above the shop has added to the crisis. My area local pharmaceutical committee has developed a community pharmacy on-call scheme, which works with NHS Direct. That is clearly to be welcomed, but it does not meet the provision in recommendation 19 of the Carson standards. Verdict: "Fail".

Recommendation 22 states:

"The fully integrated model of out of hours provision set out in the Review should be achieved by all GPs and out of hours providers by 2004".

I will concede that when the recommendations were made, the change in the GP contract was probably but a twinkle in a Minister's eye. Even when allowances for that are made, I can only despair at how things seem to be shaping up. There is an inadequate grip on what is needed. Nobody seems to know who will be able to travel and who will require a home visit, and there seems to be too little forward planning about training the necessary staff. The guidance of the strategic health authority seems to be absent.

We have a golden opportunity to provide a service with well-staffed local centres, augmented by a mobile fleet of health professionals including nurses and paramedics. Access to the service would be by a single phone call. The service provider should be able to co-ordinate that with NHS Direct and the ambulance service. Future changes should be communicated to all residents so that they are aware of what the most appropriate course of action is and what they can realistically expect if they are ill in the evenings or at weekends.

I finish by returning to Primecare, where I started. It admits that it experienced a large number of problems when it moved its call-handling service from the Southampton area to the centralised area in Birmingham. That experience should not be allowed to repeat itself. We must learn from the mistakes of the past. Any new systems will have teething problems. In cases dealing with sick people who need an emergency response, we must make sure that the teething problems are not serious and do not cause worse illness, or even death.

3.47 pm

The Parliamentary Under-Secretary of State for Health (Dr. Stephen Ladyman): I congratulate the hon. Member for Romsey (Sandra Gidley) on securing the debate. I know that it will be of great importance to her constituents. I also congratulate the staff of the national health service across the whole of Hampshire on their work. I thank them for their efforts to deliver high-quality services. I know that they are dedicated to producing good services for everyone and they deserve our admiration. No doubt they will take the hon. Lady's concerns on board and have a constructive approach in doing what they can to address them.

All hon. Members rightly attach great importance to developments in the national health service in their constituencies and in the ability of local people to access high-quality health services as and when they need them. The need for access is particularly important in the evening and at the weekend, when many people feel isolated from convenient local health services. That is why, in March 2000, the Department of Health commissioned an independent review of GP out-of-hours services. The report that followed, "Raising Standards for Patients: New Partnerships in Out-of-Hours Care", also known as the Carson report, resulted in the Government endorsing the view that a new, modern and integrated out-of-hours service was a crucial component in delivering safe and reliable health care. That new model of service is set to ensure that a high-quality out-of-hours service is available to everyone, irrespective of where they live and who provides it.

We have put in place new quality standards and are working towards close integration between NHS Direct and GP out-of-hours services. By 2004, a single phone call to NHS Direct will be a one-stop gateway to out-of-hours health care. Calls will be passed on, if necessary, to the appropriate GP co-operative or deputising service. I was pleased to hear that NHS Direct gave the correct advice to the hon. Lady's constituent immediately. I would encourage all constituents to act on, and not second-guess, the advice that it gives because it is starting to produce advice to a very high standard.

GPs have a statutory responsibility to provide out-of-hours care before 8 am and after 6.30 pm and at weekends and bank holidays. The majority of GPs, as is the case in the hon. Lady's constituency, delegate that responsibility either to a GP co-operative or to a commercial service, so patients do not usually see their own GP for an out-of-hours consultation.

From April 2004, subject to PCT approval, GPs can choose to hand over responsibility for out-of-hours care of their patients to their local PCT. PCTs will have a legal responsibility to ensure that patients are well cared for out of hours and continue to be offered safe, fast and convenient care, delivered to nationally set quality standards. Strategic health authorities will performance-manage PCTs in the transition period. We are in discussions with SHAs to ensure the robustness and sustainability of PCT plans. I will ensure that the SHA serving the hon. Lady's constituency is sent a copy of *Hansard* so that its staff can read her comments. However, as her speech raised many matters for her local SHA and PCT, I encourage her to engage with them and make known her concerns so that they can act on them.

The opt-out was a key factor in our being able to win support for the contract among doctors. It enables GPs to opt out to improve their working lives and it will have a positive impact on GP recruitment and retention and increase capacity in primary care, which will be

[Dr. Stephen Ladyman]

important to our constituents. It will also provide PCTs with a greater opportunity to commission an integrated service that brings together out-of-hours services with emergency care, NHS Direct and ambulance services, and covers the whole range of unscheduled care. The hon. Lady is right to identify it as an opportunity to get out-of-hours services right in her constituency.

The vast majority of practices in the hon. Lady's constituency have said that they intend to opt out of their responsibility for their patients' care out of hours, opting instead for transferring that to the PCT. It will contract a commercial provider that is able to offer a single point of access and a thoroughly integrated service to ensure that care is offered to the patient on a case-by-case basis by the most appropriate health care professional.

Sandra Gidley: I understand that the planned service will not provide a single point of access using NHS Direct. If people ring NHS Direct they will be referred directly, which is a step in the right direction, but they will not be encouraged to ring it in the first instance. I do not know whether that is a capacity problem or whether sufficient thought has not been given to it.

Dr. Ladyman: I cannot tell the hon. Lady exactly why she has been given that information. I can only tell her that it is our ultimate intention to make the NHS a one-stop shop. In planning the out-of-hours service with the commercial provider, the PCT must ensure that it is working to achieve those objectives. Perhaps there are local reasons why the PCT does not think that appropriate in her constituency, and it must meet her, as constituency MP, to discuss that further. This is a matter for local planning and consultation.

In many places, elements of the out-of-hours services are already configured in the way that I described, with existing out-of-hours providers typically covering areas encompassing more than one PCT. In those circumstances, it is easy to understand why co-operation and co-ordination among PCTs is essential and why certain economies of scale have led to the development of a cost-effective and more comprehensive and integrated service.

PCTs should build on the strengths of existing providers and work closely with them and other PCTs to plan their out-of-hours provision. SHAs will support them in that process. The aim is to introduce out-of-hours services that provide care that meets the quality standards and provides a basis for integrated networks of unscheduled care, including out-of-hours care. The PCTs, supported by SHAs, should develop commissioning solutions that fit local circumstances and meet the priorities.

We now have 34 exemplar sites that test current models of integration and partnership working. They provide single-call access to out-of-hours primary care services through NHS Direct and cover 10 million people. If the hon. Lady has been told that that is not an option in her area, she should take the matter up with her PCT and suggest that it obtain guidance from the exemplar sites to determine what might be achieved.

Additional resources of £110 million over three years from 2003–04 have been announced to help fund the PCT with the provision of out-of-hours services. A further £28 million was announced in November last year, to be focused on those PCTs facing the biggest challenge in developing their out-of-hours services.

PCTs in Hampshire have been working collaboratively with stakeholders, including the local medical committees, to develop out-of-hours services and to ensure that patients continue to gain access to health services whenever and wherever required. I understand that four PCTs in west Hampshire, a cluster that covers the hon. Lady's constituency, have joined together to develop effective out-of-hours arrangements for their population. I also understand that that project is being co-ordinated by a steering group with clinical representation from the four organisations, together with further representation from the local medical committee and NHS Direct. If she thinks that that group has not consulted her on the matter in some way, she may wish to contact her PCT and insist on a discussion with it.

From July 2004, the four PCTs in west Hampshire will contract with Primecare for out-of-hours services for one year. That will involve the provision of call handling and triage for local providers. In addition, locally trained staff will assist with priority calls, triaging calls from a central position in Hampshire. Decisions will be taken laterally about how out-of-hours services are provided, depending on the development of local services. I am confident that that will build on the current out-of-hours service for the residents of Hampshire.

I am aware that there have been some challenges and problems associated with the out-of-hours service provided for the west Hampshire population by Primecare. The hon. Lady expressed those concerns eloquently. The concerns and challenges have, in the main, related to the quality of the call-handling service and the delays encountered by patients attended by on-call doctors. The majority of those complaints relate not to clinical performance but to delays in response times.

PCTs must ensure that the out-of-hours services that they commission or provide meet the national quality standards set out in regulations, to which all significant professional bodies are signed up. All organised out-of-hours providers must meet those standards in the transitional period between 1 April and 31 December and all providers will have to meet the revised quality standards, which are under review by an expert group.

It is important that the momentum for improvement is not lost. I understand, for example, that the PCTs are in continuous dialogue with Primecare to explore concerns and to identify opportunities for improvement, which to date include improving Primecare call handlers' local knowledge, enabling them to manage calls quickly and safely, and establishing a group dedicated to the assessment of performance and to ensuring service quality for out-of-hours services.

I understand that work is also under way to integrate primary care out-of-hours services with out-of-hours arrangements in mental health services, social services and transportation. I am assured that the Hampshire and Isle of Wight strategic health authority is taking a strong role to ensure that out-of-hours services are developed and delivered appropriately for their area. As well as having a performance role, I understand that the SHA is securing the support of national advisers as well

as facilitating joint work across the county on issues such as the work force, education and training. There is significant evidence to suggest that the Hampshire and Isle of Wight health system has identified the matter as their priority for development. I understand that the health community has invested an additional £3 million.

Mr Deputy Speaker (Mr. Frank Cook): In anticipation of the Division, that is about to be called, and to avoid unnecessary disruption of the opening comments of the next speaker, I suspend the sitting for 15 minutes.

4 pm

Sitting suspended for a Division in the House.

Call Centres (Offshoring)

4.18 pm

Mr. Bob Laxton (Derby, North) (Lab): I am pleased to have been granted this debate because it gives me the opportunity to raise the concerns of a sizeable number of my constituents and those in surrounding constituencies who will either lose their jobs or find that their jobs are at risk because of decisions by a number of companies—two in my constituency—that have decided to offshore some of their call centre work to India.

To set the scene, around 6,000 call centres operate in the United Kingdom, some small and some sizeable. They employ around 500,000 people, which is equivalent to about 1.7 per cent. of the total work force. Call centre work has developed and a number of years ago, when we had high unemployment, that work was often directed into areas where traditional manufacturing work had disappeared. Call centres have been a mainstay of some of those areas ever since.

A research study by Mintel showed that competition from low-wage rival call centre companies in India could mean the closure of perhaps one third of all call centres by 2005. That would equate to about 90,000 jobs. Other pundits have said that hundreds of thousands of jobs could go as call centre work is offshored, not just to India but to other parts of the globe as well. However, I do not believe that that will be the case.

There has been a lot of debate in the media about protectionism—about how the Government can engage with this process and stop it from happening. In reality, they cannot, and should not, be in the business of passing legislation designed to protect call centre work in this country. I am not about to argue that protectionism should be introduced in any way, shape or form. There are benefits in some of the work going to India or wherever. As the economy develops in countries such as India, there will be a ramping up of trade and we will see other benefits as a result. Protectionism should not feature in the debate.

For some, the argument might, from a simple point of view, involve protectionism. However, it is not a case of protectionism versus free trade but of quality of service versus as yet unproven levels of savings from offshoring call centre work. Even the national Call Centre Association admits that there is evidence that organisations that have taken the offshoring route because they thought it would be an effective way of making savings and improving quality of service have failed to realise those benefits.

There have been two announcements in my constituency. Some 170 jobs will go from the Abbey bank call centre based in the city centre by the end of the year. I contributed to a debate on BBC Radio Derby and listened to what people who rang in before and after the debate said. What was interesting was that almost to a man and a woman, all of them said, "We are not happy about Abbey bank doing this. We have been with the Abbey bank and its predecessor, the Abbey National building society, for many years, but if UK jobs are being lost through the work being offshored"—although not necessarily to India—"we'll remove our accounts and place them elsewhere." Companies need to take serious note of that.

[Mr. Bob Laxton]

The other jobs that will be affected are those in the National Rail Enquiries service. It is a complex process operated by the Association of Train Operating Companies. The private rail companies that operate the National Rail Enquiries service contract the work out to BT, which sub-contracts it to a company called ClientLogic. A decision has been taken to offshore 50 per cent. of the National Rail Enquiries service. That work will be going out to India later this year. As a direct result, nearly 400 jobs will go from the ClientLogic call centre in Derby. Very regrettably, that poses some threat to the whole ClientLogic call centre operation in Derby, which employs about 700 people.

The Call Centre Association has raised issues relating to quality of service. Unlike Abbey bank, where individuals can say that they are not happy with the company's policy and move their accounts elsewhere, the National Rail Enquiries service is a national, single point of service and there is no alternative for customers. We are, therefore, left with that service. If it deteriorates, the customers ringing it will not be interested in whether it is the fault of the Association of Train Operating Companies or the National Rail Enquiries service, BT or whatever. The buck will stop at the Government's door. I have had some discussions with the Secretary of State for Transport on my concerns about that.

Mr. David Clelland (Tyne Bridge) (Lab): Is my hon. Friend aware that Lloyds TSB is proposing to close a call centre in my constituency with a loss of 1,000 jobs barely two years after the call centre was opened with a fanfare of trumpets and a promise from the chairman that they would be long-term sustainable jobs? Does he think that Lloyds TSB should have some loyalty to this country and its employees? If it and other companies are not going to be loyal to this country, that will fall at the Government's door, as he said. It is not good enough for Ministers to say that this is a global economy. With thousands of jobs under threat and others haemorrhaging from this country as a result of offshoring, surely the Government have to do something.

Mr. Laxton: Both my hon. Friend and I will listen with great interest to the Minister's comments. I am aware of the decision taken by Lloyds TSB. It must take account of the impact that that will have on its customer base if customers are not happy with the work going to China, India or wherever. If they are not happy that it is being offshored, they have the opportunity to move their accounts elsewhere, which would be to the overall detriment of Lloyds TSB. My point about National Rail Enquiries is that as customers we have no alternative as to where we place our business if we are unhappy with its decision to offshore its work.

In some of the discussions bandied around and some of the Select Committee meetings that I have sat in on, I have learned that the National Rail Enquiries service expects to save around £25 million in the cost of its operation as a result of offshoring. There are, however, concerns about the quality of service. Some interesting research has been undertaken. One of the studies by an industry analyst, ContactBabel, published in January this year, found that the service provided by offshore Indian call centres was not all that it was made out to be, but I am sure that there are good and bad call centres in India, as, of course, there are in the UK.

The general analysis was that calls were answered more quickly because the staffing levels were higher than they would be in the UK, but from a customer's point of view problems are answered, dealt with, expedited and resolved much more quickly and simply in the UK, which is something that businesses must take into account. Cost savings can be made by offshoring, but in my view they will be outweighed by frustrated and angry customers if they do not receive the quality of service that they expect.

Research carried out by Phil Taylor at the university of Stirling and Peter Bain at the university of Strathclyde also found communication difficulties. That might be a problem in the UK. I would have difficulty understanding some of the regional dialects of people in the part of the country represented by my hon. Friend the Member for Tyne Bridge (Mr. Clelland). However, customers and companies need to take those issues into account rather than just looking at the bottom line and saying, "We can make lots of savings—let's go for it."

We have carried out research on other call centres in my constituency. Egg, which is the banking arm of the Prudential, is committed to keeping its work in the UK and in Derby. It uses few external consultants and does pretty much all of its work in-house. Companies such as Alliance and Leicester, Northern Rock and mmO_2 said that the cost-savings from offshoring would be modest and outweighed by the loss of control over their operations. They also thought that offshoring would mean losing their most vital form of communication with their customers, which they believe to be a good way of generating business.

Nationwide has also pledged not to move work offshore and is opening a new centre in Swansea. Some 20 per cent. of its business comes from UK call centres. It has stated that it is staying put because it values having roots in the community. It has also said that there has been an overwhelming customer response to its announcement that it will stay in the UK. I am sure that the Minister will pick up on my point, which I repeat ad nauseum, that this is not just about companies saying, "We can make huge savings by offshoring"; they need to consider the other side of the equation as well.

There is a wider impact. The UK service sector makes up about 70 per cent. of gross domestic product, and many call centres are concentrated in areas where there used to be manufacturing jobs, including both my constituency and that of my hon. Friend the Member for Tyne Bridge. Of course, offshoring does not only involve call centres. We might be seeing the start of many jobs being moved offshore, including those that require workers of low or medium skill, or perhaps even those who are highly skilled. What impact would that have on the service sector and our GDP?

I reiterate that the issue is about companies weighing up the economics of moving work offshore. They must consider the costs, benefits and the supposed gain from lower-cost services. It is also about weighing up the politics. I cited as an example the possible deterioration of National Rail Enquiries. That would be a political issue because the buck would stop with the Government, not with the companies involved. The

problem is companies thinking in the short term, by putting immediate and unproven cost-cutting and profitability above quality of service.

The Government need to help UK companies to innovate and invest so that there is employment and growth in the service sector. There is already some growth in that sector and new call centres are coming online. We hope that that will continue. From a fiscal point of view, the Government should consider the situation with regard to VAT. The way in which it is currently imposed encourages firms to offshore because they do not then pay it on certain elements of their business activities. The Treasury should consider the fact that that acts as a financial incentive for companies to offshore. It has closed a loophole but opened another of which companies may wish to take advantage.

Those are the sorts of issues that the Government should consider. We have nothing to fear from offshoring, but we need to help companies. We need the Government to say to them, "Look, it isn't just a simple matter of saving costs. That has to be balanced against the impact that it may make on your company's productivity and the level of business activity within your company." I wait with interest to hear the Minister's response to my comments, in particular about how Government can assist companies in this context.

4.35 pm

The Minister for Energy, E-Commerce and Postal Services (Mr. Stephen Timms): I congratulate my hon. Friend the Member for Derby, North (Mr. Laxton) on securing this debate on an important and topical issue. The House last debated it in Westminster Hall on 10 December 2003, and it seems that hardly a week goes by without an announcement of one kind or another about intentions to offshore, or concerns about the impact on jobs in the UK.

The bulk of the announcements, as my hon. Friend said, have related to call centres. The debate in December followed some high-profile announcements by companies in the financial services sector of intentions to place both call centre and back-office processing work overseas, and in India in particular. The IT sector, as I have seen on a couple of visits, including one just a few weeks ago, is another area where India is very strong; a quarter of the 1 million graduates that it produces each year are qualified in science and IT.

We need to keep the issue in perspective. Outsourcing is not new. Companies have been buying in services, instead of providing them in-house, for years. Most outsourcing by UK companies is still placed with other UK companies. Even offshoring—that is outsourcing abroad—has gone on for a long time. British Airways first offshored some of its business processes to India in the early 1990s.

The advance of new technology, however, and the development of e-commerce, have certainly increased the scope for services offshoring. Communication costs have fallen and speed and efficiency have increased. For example, the cost of a telephone call from India to the UK has fallen by more than 80 per cent. in little more than three years.

The recent spate of announcements has given the impression of an increasing trend. My hon. Friend made a valid point about this: offshoring will suit some companies, but not all. He mentioned some companies, to which I would add the Royal Bank of Scotland, Alliance and Leicester, and Nationwide, which have all announced their intention not to offshore. Others have tried offshoring and decided to return work to the UK. Littlewoods, for example, recently announced that it would be closing its Indian call centre and returning the operation to the UK.

Offshoring is not, therefore, a one-way street. Not every service, in any case, can be delivered across borders. However, where that is possible, other factors such as customer relationships of the kind that my hon. Friend spoke about can have an impact on the offshoring decision.

We need to remember that this is not a zero-sum game. Last year in the UK we succeeded in attracting 700 inward investment projects into the UK, including 19 from India. India is becoming a major inward investor into the UK. Those 700 inward investment projects generated between them nearly 35,000 new jobs; the figure included 35 new customer contact centres.

Globalisation is a reality that means more opportunities, including opportunities for the UK. We are not, as my hon. Friend said, in a position to stop it, but neither should we want to, because the UK in particular is a large net beneficiary of what is happening. A point on which I agree with my hon. Friend is that the UK call centre sector remains a UK strength. Despite the apparent trend towards offshoring there are still 5,500 call centres in the UK, employing about 400,000 people. The evidence, as my hon. Friend said, is that that figure is continuing to rise.

There is much going on, and still much that we need to know. To deepen our understanding of offshoring and the current drivers, my right hon. Friend the Secretary of State for Trade and Industry announced, in December, three important initiatives. First, we published a consultation document asking for comments and reaction by the end of January. We received 40 replies, which we are now studying. The consultation document was called "Services and Offshoring: the Impact of Increasing International Competition in Services". It is still available on the Europe and world trade section of the DTI website; indeed, we would still be glad to receive further responses to it. Having studied all those replies, the Government will respond to the consultation in the White Paper on trade and investment that, as my right hon. Friend announced recently, will be published in the summer.

Secondly, we commissioned an independent study of the competitiveness of UK call centres. We have appointed a consortium of three firms, including ContactBabel, which is due to report to us in April. Call centres have a huge variety of roles, from direct selling to customer relations management, across nearly all commercial and industrial sectors, as well as the public sector. There are a great many conflicting predictions about current trends in call centre numbers and employment. The study will therefore capture a fuller picture and identify the UK industry's main strengths and weaknesses. I also hope that that analysis will

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inform actions that the industry can take, in partnership with the Government or alone, in response to the increasingly competitive worldwide market for call centre services.

Thirdly, my right hon. Friend hosted a round table early last month at which a number of businesses, trade unions and academics gave their views about offshoring. That round table was held under the Chatham House rules and a report was not published, but there were some important messages of consensus. The first is that companies' decisions on location in the era of global competition must be commercial. If Governments sought to interfere in those decisions, there would be a greater risk of business as a whole being driven offshore, with the loss of even more jobs. It is important, however, to involve the work force in the decision-making process. That is why I warmly welcome the examples of Barclays and HSBC, with which Unifi has reached a consultation agreement. I also welcome the example of BT, which has a similar agreement with Connect and has successfully undertaken offshoring, but by agreement.

Secondly, in reaching decisions on where to locate, companies need, as my hon. Friend rightly emphasised, to consider the business case carefully. There was broad consensus at the seminar that the UK cannot compete on labour costs alone and should not try to do so. Offshoring decisions are driven principally by low labour costs, but, as my hon. Friend rightly said, businesses need to take account of other factors as well, because if standards of customer service decline, they will soon see the impact on their business. Companies understand that, but it is important that they do their homework carefully, as my hon. Friend said.

Where decisions to offshore result in the loss of UK jobs, we must do all that we can to get people back into work as quickly as possible. Jobcentre Plus, our rapid response scheme, can play a key part in that, by intervening when there is a problem. The regional development agencies can help by encouraging new businesses into towns or regions that are affected by offshoring decisions. The learning and skills councils can help people to learn new skills and improve their employment prospects.

Mr. Clelland: What would be the point of Jobcentre Plus, the learning and skills councils or anyone else encouraging people to take up jobs in call centres, for instance, when the evidence shows that there is absolutely no security of employment?

Mr. Timms: I do not think that that is the position. As I have said, the number of people working in call centres in the UK continues to increase. We shall see what the study that we have commissioned says when it reports at the end of April, but we are determined to do what we can to work for the competitiveness of the UK call centre industry in the competitive conditions in which it operates. At the moment, around 60 per cent. of jobseeker's allowance claimants leave the register within three months of joining it and 80 per cent. leave within six months. We have the lowest levels of unemployment in the UK that we have seen for three decades or so.

The seminar's third key message, which reflects the growing consensus in business and trade unions, is, as my hon. Friend was right to emphasise, that recourse to protectionism is not the right way forward. We are a trading nation, and are heavily dependent on open markets throughout the world for our exports of goods and services. We are the second largest exporter of services in the world. We export more than £85 billion-worth of services, compared with imports of £70 billion, and simply cannot afford to close our markets to services provided from abroad, because we would lose far more employment than we could possibly gain. Closing our markets would also be inconsistent with our aim of helping developing countries out of poverty through trade. Indeed, it would be perverse to do so when countries such as India are growing through the sort of international trade that we in the United Kingdom have encouraged. Fortunately, no organisations on this side of the Atlantic are calling for protectionist responses, unlike organisations on the other side of the Atlantic, whose calls I noted when I was in Washington last week. Such steps would be profoundly mistaken and would severely damage the UK and our trading partners.

Offshoring is an innovative business process. It can drive down costs and drive up productivity, benefiting firms and consumers. For the UK economy as a whole, offshoring brings opportunities as well as challenges. That was well illustrated to me in a couple of discussions that I had when I was in India last month, in which we talked, among other things, about outsourcing and offshoring. The UK deputy high commissioner in Mumbai told me that a group from Germany had travelled to Mumbai just before Christmas with the brief of trying to persuade Indian companies to form exactly the sort of partnerships with German companies that they had formed with UK companies. The German group was there because it could see that the UK is developing a significant competitive edge and is attracting more inward investment into the UK because of the competitiveness benefit of such partnerships between UK and Indian companies.

I also had a discussion with Mahindra British Telecom, an enterprise that started as a straightforward offshoring of BT software development activities, but which has become an important supplier of software to the telecoms industry in its own right. It is now investing back in the UK, and has its European headquarters in Britain. It is employing people and creating new jobs in the UK, based on the success of its previous activities.

We need to bear in mind the full scope of what is happening and rise to the challenges that offshoring offers us.

It being twelve minutes to Five o'clock, the motion for the Adjournment of the sitting lapsed, without Question put.

Westminster Hall

Thursday 4 March 2004

[MR. EDWARD O'HARA *in the Chair*]

Public Transport (Overcrowding)

[Relevant documents: Seventh Report from the Transport Committee, Session 2002–03, HC 201-I, and the Government's response thereto, Cm 6072.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Joan Ryan.]*

2.30 pm

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Getting out of bed in the morning and facing the day is a task that is quite often governed by a number of necessities. Most of us do it for a lifetime because we have to earn cash, keep a roof over our heads, feed and clothe our family and get ourselves an acceptable standard of living. One thing that undoubtedly affects our feelings about our work, where we go, what we do and how long we have for our own pursuits after we have finished work is the quality of travel forced upon us by the need simply to get to our place of work.

Unfortunately, nowadays for many people in cities—and often for those in small towns—that simple journey to the shop, office, school or hospital is not simply an uncomfortable experience but an unpleasant one. Indeed, many people in this Palace will recognise that experience because they endure it every day. Those who want a much more sensible attitude to be taken towards living in towns and cities, and who want to be able to talk about the quality of people's lives, have a special responsibility to examine how those elements are made up and which of them is most important.

The Transport Committee decided that one essential part of the transport system is its response to customer needs, and overcrowding comes top of the list of irritations that the general public face every day. We looked in great detail and over a number of sessions at what happens to people when they travel by train or by bus in enormously pressured conditions, and at how that affects them at work. It was clear that many employers are aware that when people travel to work in cattle-truck conditions—however that is defined—they do not arrive full of good will, charm and the desire to love their fellow man and woman; they arrive stressed, irritated and extremely tired before they even start their working day. Frankly, that is not in anyone's interests.

The Select Committee therefore looked closely at what was happening and at the impact on our daily lives. First, there is the straightforward impact on business—not just on the staff but on the straightforward management of business problems. If people cannot say what time they will arrive for appointments because they have no idea whether they will be able to push themselves on to a crowded train, that must affect the way they work. If they are unable to say whether the bus that comes along will stick to a reasonable timetable and have room for them among the crowd who are already jammed in, that will affect what they do when they arrive at work.

Moreover, almost inevitably, overcrowding affects tourism and has a monetary cost in terms of the facilities offered to visitors to our capital city and other tourist spots. No one needs to be told that the average tourist will be influenced by the obvious aspects of travel in deciding where to go. They will want to be able to get about comfortably and safely and at a reasonable cost. They will not want to find an old, broken down and very stressed system that is unable to produce the level of comfort that they regard as essential for their holiday. Such considerations will affect their decision whether or not to come back. There is a real, economic cost in refusing to look at what is happening to the transport system.

What do we do about the situation? The Government appear to think that we should accept that there are problems with capacity, management and rolling stock, and that by using soft words it is possible to turneth away the wrath of the traveller. I am afraid that that is not how it works.

I give the Government full credit for being the first Government for many years to have proper plans for transport and a clear view of the amount of money needed to bring the transport system up to a level that is acceptable to us all. However, we must look beyond the overall measures and the careful structure that the Government have put in place, and see how those measures are affecting the transport system, whether it is working and whether we should do anything to improve it. That is the position from which the Committee started, but that is not to say that we were not delighted with what the Government had done up to that point, or that we did not support the commitment to investing very large sums not only outside London, but inside the capital. However, we wanted to see whether the money was being spent in the right way and whether even more aspects of the system needed to be improved.

We considered buses, for example. Whether one approves or disapproves of the congestion charge, it is clear that it has markedly improved the management of London. There are many aspects of the charge that my Committee would like to discuss in detail at another time, but the reality is that unless there is proper enforcement of the rules that enable buses to move easily along crowded streets, we shall not gain the full benefit of the sums that taxpayers are paying. We want to encourage people to get out of their cars and on to buses and trains, but they will do so only if they find that a pleasant and acceptable experience.

We should consider carefully whether we are enabling buses to use the aspects of street planning that local authorities and the Government have put in place. That means that we must be sure that bus lanes are kept clear and that those who contravene the rules are suitably punished. We must also be sufficiently flexible to realise that the creation of a bus lane along very crowded roads will, in itself, sometimes have a knock-on effect on other aspects of street life.

I was saddened recently when my excellent milkman—I want him to continue to deliver liquid milk to my London flat—told me that he has to cross bus lanes or park on pavements, which is even worse, and that the fines that he faces for delivering milk in London amount to more money than he earns in a week. That is

[Mrs. Gwyneth Dunwoody]

not a constructive way of ensuring that we retain milk delivery in our inner cities. This issue needs to be considered.

That is not the real problem, however. The point is that we could easily end up reversing the effects of the increases in investment in public transport that we have seen in recent years if the systems do not have the necessary capacity to handle the increases in passenger numbers. Whether we are talking about buses or the rail system, capacity is one of the fundamental difficulties.

The Committee was very concerned at the way in which capacity was estimated. We tried hard to understand precisely what forms of calculation were used, and it seemed to us that, far from having a formula that considered real conditions, a formula had been worked out that allocated so many inches—I suppose that one should talk about metres and centimetres in this instance—and so many agreed measurements of space to so many people, irrespective of whether that allowed people to travel comfortably, or even of whether seats were available in those conditions.

That simply will not do, and one has only to look at the trains in the south-east, which come into stations packed to the doors with passengers, to know that. One has only to look at the famous bendy buses that trundle round the streets of London to know that capacity should not simply be a question of the number of people who can be jammed into a vehicle; capacity should take account of the number of people who can be carried safely and comfortably. So far, we are not convinced that the Government have a proper formula that they have thought about in sufficient depth, or that they have produced a realistic response to the difficulties.

My Committee will look into the question of rolling stock in the rail industry in considerable detail; in fact, it has produced a report on the rail industry that will be published soon. It is clear that rolling stock is an issue of grave concern. For example, we were astonished to discover that, so far as we know, the people who ordered the rolling stock for one important scheme had not considered the fact that they could not run it because they had insufficient electricity. I am sure that one of my colleagues will explore this issue in greater depth. Those who bought and who delivered the rolling stock had not worked out that it could not be used, and the company involved were astonished suddenly to discover, while devising its plan for bringing the rolling stock on-stream, that insufficient power was available to make it usable.

My Committee found that situation a little astonishing—I hesitate to say laughable—partly because if most of us in our daily lives were commissioning something very expensive, particularly something as substantial as rolling stock, we would think carefully about what we wanted to use it for and where it would work. That did not seem to happen in this case. We found that astonishing, and we found the Strategic Rail Authority's attitude to the problems associated with rolling stock rather complex.

It is true that the botched privatisation allowed rolling stock companies to escape supervision, and that they are not controlled in the same way as other parts of the rail industry. All travellers pay a high price for that. However, it is also true that unless rolling stock companies comply with a strategy that meets the need for proper carriages and passenger comfort, we shall never get out of this absurd situation.

We think it important that the SRA, on behalf of the Government, consider carefully the capacity of the network. In this case, we are thinking of the rail network, but one could extend the argument to road use. Unless the Government have a clear plan and an understanding of what franchise-holders will do in relation to their customers' needs, we shall continue to have unacceptable conditions for a long time.

Individual companies must not use the argument of health and safety work to run a sub-acceptable service. It is no excuse to say that the rolling stock must be safe; that should be a given for anyone in the transport industry. Companies should start from that point and ensure that that is how they think in their future planning.

There is a great deal more in our report, but I have only a couple of things to say in answer to the Government's response. I think that we all found it disappointing, at the very least. Our constituents expect from us an involvement in their lives that reflects a real care for their future. Their conditions of travel to work are so fundamental that they affect them every single day of their lives. The Government say that chronic overcrowding

"is not an acceptable face of modern travelling".

We could not agree more strongly. Of course, chronic overcrowding is not acceptable and we must not accept it. That means dealing with the travel industry's capacity to cope with travellers' needs; rolling stock companies having to think seriously about the supply that they offer to companies, and which they know can be usefully used; and, above all, ensuring that the House says to all transport companies, "You are now receiving very large amounts of money from the taxpayer."

I read only today of enormous profits being returned by bus companies, which some of us feel are still not producing a sufficient level of care. Bus companies should have a right to receive a proper return on the money that they invest, but they cannot do so by continuing with a system of carrying passengers daily that is not of an acceptable standard. That applies to the companies that say on the one hand that they must manage demand and have control over their stations, and that that should not be the responsibility of individual rail workers, but which on the other hand seem to accept that the situation will continue for some time.

The Government have made a strong start in the field of transport. We expect them to continue not only to provide that level of care, but to take our views seriously. The report constitutes important work on an issue that affects many thousands of people every day, and they are crying out for our assistance.

2.46 pm

Mr. John Horam (Orpington) (Con): We owe a great debt to the Transport Committee and its Chairman, the hon. Member for Crewe and Nantwich (Mrs. Dunwoody), for the report. I commend the hon. Lady not only on what the report says, but on the conciseness with which it says it. As an ex-Chairman of a Select

Committee, I am in favour of producing short pithy reports that ram home a message, and this report does that well. The experience of travelling to work is fundamental to the lives of many of our constituents, and we have a duty of care to be involved in that experience.

The hon. Lady, the hon. Member for Eltham (Clive Efford), my hon. Friend the Member for Castle Point (Bob Spink) and the Minister all have experience of the chronic overcrowding—the "cattle-truck experience", as the hon. Lady put it—on London's commuter trains. That experience is totally unsatisfactory. I received an e-mail today from a constituent saying:

"I have been a commuter for over 20 years and am dismayed to witness the continued decline in punctuality, cleanliness and safety of our trains."

That constituent did not specifically mention overcrowding, but I have been told about it recently. Sadly, I have just come from the funeral of the former Member of Parliament for Orpington, Ivor Stanbrook, who died last week—some hon. Members may recall him. Many constituents as well as MPs were at the funeral, and one constituent told me that only this week he was on a train that was so overcrowded that it had to slow down, so it was not only overcrowded but late. He was not aware whether it had to slow down for safety reasons, but that shows the interconnection, to which the hon. Lady referred, between safety, overcrowding, punctuality and regularity.

Many constituents suffer daily from that matrix of issues, and I am afraid to say that things will get worse. Many trains being brought in for the commuter services in south-east England have smaller capacities than those that they are replacing, because they now have a crumple zone at each end of the coach and toilets for the disabled. Those are good modifications that are necessary for disabled people and to enhance safety, but the result is smaller capacity on the new coaches. In the immediate future, the situation will not continue as it is but will worsen.

The hon. Member for Crewe and Nantwich was right to home in on the subject of capacity; we must try to improve it, certainly on the rail service. The first capacity issue is the width of the track. There has been little addition to track space entering London from the south-east, and there are one or two bottlenecks. A classic one in my part of the world is the Borough Market junction. Anyone who is interested in transport will have been aware of that problem for years, and it is still unresolved. It will be interesting to see whether the Minister comments on where we have got to with it. As I understand it, the Deputy Prime Minister, whom I regard as a high priest of dither and disaster in that respect, is still examining it from a planning point of view. I recognise that there is a conflict, because an historic market directly abuts the railway interchange. None the less, clear-cut decisions have to be made. Otherwise, we will be stuck with that bottleneck, which prevents us from increasing the track capacity for that whole segment of south-east London, which is important to me and to other hon. Members.

The second aspect is that if the track cannot be augmented, maybe the length of the train can be increased to 12 coaches. I find it rather odd that, as I understand it, Her Majesty's inspectorate insists that if there are more than 10 coaches, there must be a conductor as well as a driver. I wonder why that figure is 10 rather than 12, because it means that train operators are reluctant to use 12-coach trains, which is the maximum length, rather than 10-coach trains. That is a pity.

There is also the issue of what happens with 12-coach trains at stations, and whether the passengers can get on and off in a satisfactory way. The problem is the length of the platforms. I was glad to hear at a recent Network Rail presentation that there is a plan to spend quite a lot of money on increasing the length of the platforms at about 35 stations in the London area.

Bob Spink (Castle Point) (Con): Does my hon. Friend not agree that one of the problems is the cost of extending those stations and the excessive regulation that must be observed when platforms are lengthened. I encourage the Minister to examine that issue and reduce the regulation so that stations can be more easily and cost-effectively extended to take 12 carriages.

Mr. Horam: My hon. Friend has raised an interesting point, which I asked the Secretary of State about at a recent Question Time. He said that the scales had fallen from the Department's eyes as regards the difficulty of lengthening station platforms. He led me to believe that the Department had long been told by the experts that it was a difficult and expensive thing to do, and that all sorts of other factors had to be changed. That is rubbish—the platform can be extended in a simple and cost-effective way. I gather that Ministers have finally tumbled to that fact, and a programme is under way. If that is the case, I am pleased to hear it.

Mr. Greg Knight (East Yorkshire) (Con): The most desirable option is to have platforms that are adequate for the length of the train, but does my hon. Friend not agree that, in this age of intercoms and locking doors, it ought to be possible, in many cases where there is overcrowding, to run trains longer than the existing platforms, to ease the problem?

Mr. Horam: I agree entirely; that is the common-sense view. However, I understand that there are severe technical problems. Many trains use a satellite system, for health and safety reasons, but it is not yet operative. That prevents them from adopting what used to be the usual approach, whereby the carriages are locked and unlocked and people are told that they can or cannot get on and off at particular stations. The operators are now obliged to use a satellite system, but it does not work yet. That is a problem that the Minister may understand better than I do.

Having examined the matter carefully, I find that there is often a difference of opinion between the train operating companies and Network Rail as to whether station platforms, particular those in some of the termini, such as Waterloo and Charing Cross, are long enough to accommodate a full 12-car train. That is another issue that must be examined in a practical way to find out whether the situation is satisfactory. There are clear differences of opinion on those issues. My constituents' hearts often sink when they see what should be an eight-coach train coming in, but it has been shortened because of mechanical failures on the line,

[Mr. Horam]

and only four or six coaches turn up. They are then crowded into a much shorter train than they had expected.

The hon. Member for Eltham may recall that he and I attended a presentation by Network Rail, at which the chief executive, Mr. Armitt, was present. The presentation was remarkably complacent and I was not impressed by the approach adopted by the people giving us information. They blithely said that the new trains would be more prone to mechanical failure than the old trains. The figures quoted were that 40,000 to 60,000 hours used to elapse between failures, but with the new trains that figure would probably be 25,000 hours, and could even be 6,000 hours.

A piece appeared in *The Times* about it, headed, "£4bn shambles of unreliable new trains". A report from the National Audit Office, which considered the issue, had said that

"20 per cent. of the new trains have experienced mechanical failure, more than 15 per cent. have had problems with on-board computer systems, more than 8 per cent. have had air conditioning failures and 4 per cent. have had power supply problems."

That is not a happy story.

Those problems could be worsening, which is very unsatisfactory for my constituents and many others. For reasons that the hon. Member for Crewe and Nantwich graphically pointed out, train travel is the beginning and the end of most people's day in the south-east of England. I hope that the Minister will not tell us all that rubbish about new trains being the new nirvana, when clearly they are not. My constituents do not want new trains per se; they want a decent service that is not overcrowded, and is punctual, clean and safe.

2.57 pm

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): All too many passengers are aware of overcrowding in public transport, yet the issue has received surprisingly little attention. I am pleased that the Select Committee decided to consider the matter, and I note that, following our inquiry and the Government's response, there has at least been some recognition of the problem and some small, if not sufficient, attempts to deal with it. Public transport should be comfortable and convenient. That is important if we are going to encourage its use and maximise its impact in helping to develop our local, regional and national economies. That means that for business passengers and tourists, it is essential that public transport is convenient and comfortable.

When we took our evidence, it came as a great surprise to the Select Committee that so little work had been done nationally on this issue. When we spoke to the Health and Safety Executive, we were surprised to find that—if I recall correctly— it had undertaken no work at all on the stress impact of overcrowding. There is a safety issue, but there is another issue of stress, to which very little attention has been given. When I recently asked my hon. Friend the Minister in a written question for his assessment of the impact of overcrowding, particularly on trains, he said that he could not give me an answer because he had not made any assessment of it, and the matter was the responsibility of the operators. I believe that overcrowding is an issue of sufficient importance for the Minister to take an interest, and accept some responsibility.

Since the Committee published its report, there has been some movement. The Strategic Rail Authority has announced that it is to instigate a study of the impact of overcrowding. The SRA's rolling stock strategy, published in December, accepted that the plans for growth in rolling stock had not recognised anticipated growth as well as the existing position. I assume that that means that in future, plans will take note of the need to anticipate passenger growth as well as to deal with the current situation. The National Audit Office report, published last month, confirmed that rolling stock had not kept up with passenger growth. One of the difficulties that we identified was that although rolling stock had been ordered, the rise in passenger numbers had not been anticipated. That is a grave failing.

Earlier this week, on 2 March, we were informed that the Rail Safety and Standards Board had decided to conduct research into overcrowding on trains and at stations, and that the Health and Safety Laboratory had been awarded the contract. Although that action is belated, I am pleased that note has been taken of this important issue.

Studies are important, but we have reached the time when we need action, not just studies that take us some time into the future. I am pleased to see the work that has come from the regions. National bodies have been very slow to act; they have not recognised the problem, and have been slow to react once they have been forced to recognise it.

I welcome the work that has been undertaken by the rail passengers committee for north-western England, which has carried out a survey into overcrowding on trains. That survey was undertaken in the autumn, and its four findings have not yet been published, but it raises several key points. First, it points to shortages in rolling stock—a key element in overcrowding. It clearly shows how rail orders have not anticipated passenger growth on specific lines. It poses the important and specific question of whether trains scheduled for 2008 for the trans-Pennine express will be able to meet new demands arising from passenger growth—and the answer to that is unclear. The route links York, Leeds, Manchester and Liverpool, and it is due to start in 2006. It is not clear at this point whether the rolling stock involved in that franchise will be able to meet passenger growth, or whether it can cope only with the current passenger numbers. That is a specific and practical question that we need to deal with, rather than waiting until problems arise.

The north-western passengers committee also points to problems on Virgin Cross Country trains—the Voyagers—which are too short for current passenger numbers. It specifically mentions the Manchester-Birmingham-Reading route, where there is already chronic overcrowding. The Voyager trains link major cities and areas, so it is important that that matter be considered.

I also asked the Minister a parliamentary question about the difference between the number of seats available on the new Pendolino trains operating between Liverpool and London, and the number that had been available before those trains were in operation.

I got an answer detailing the number of seats available now, but the comparison that I asked for was omitted from the answer. Perhaps that was just an error, and it will be corrected this afternoon.

The north-western rail passengers committee has done invaluable work in drawing attention to a number of other specific problems relating to overcrowding. It has looked into problems with transport to Blackpool, which is important not only for Blackpool but for the whole of the north-west. It has drawn attention to specific overcrowding problems on the Liverpool to Manchester line, and specifically to the 7.49 Liverpool to Norwich train, which goes through Manchester, where there is regularly chronic overcrowding. At times, people are left behind on the platforms.

The committee has also drawn attention to problems on other routes, such as between Liverpool and Manchester Piccadilly. Again, there is chronic overcrowding at key times. It also mentions problems on the 8.16 Warrington to Manchester route: people are regularly left behind at the station because they cannot get on the train. If we are to develop the north-west regional economy properly, and develop the links between Liverpool and Manchester, the two major cities there, the current problem of chronic overcrowding must be dealt with quickly.

Most of us are committed to developing a proper rail service. We see how important that is for individuals, business and tourists and we want some action. The north-western passenger committee has drawn attention to specific problems following on from the Transport Committee's report. We are looking for action. There has been very little action at national level, and even the information has come from the regions. I look forward to the time when a directly elected north-west regional assembly will be able to use power and influence to ensure that action is taken to improve the train service in the north-west.

The Select Committee considered the national situation. I hope that by drawing attention to the problem of overcrowding on public transport generally, and specifically on trains, which is a national and a regional problem, we will ensure that action is taken. I hope that action is taken nationally, and that the regional voices will continue to be heard, because we have allowed this situation to continue for far too long; we have acted as if the stress of overcrowding is acceptable, and we have ignored the economic impact of overcrowded, uncomfortable trains.

3.6 pm

Bob Spink (Castle Point) (Con): I am not a member of the Select Committee on Transport, but having heard this debate I wish I were. Perhaps I could be of more use to my constituents if I were a member. The report is excellent, and better for its brevity; I echo the comments of my hon. Friend the Member for Orpington (Mr. Horam).

I am a dilettante in the sense of being an amateur in this subject, but it is important to the quality of life of my constituents, which is why I am here. I congratulate the Select Committee, particularly the hon. Member for Crewe and Nantwich (Mrs. Dunwoody), on bringing these matters forward as they have done. I guess that the hon. Lady has forgotten more about public transport and the railways than I could ever know, even if I spent a lifetime studying them, and I bow to her knowledge in all such matters. I am pleased to contribute to the debate, and I was pleased to hear the contribution of my hon. Friend the Member for Orpington, because what he said was excellent. He is well informed and represents his constituents' interests well in this place, as hon. Members should on this subject—and on all others.

Mine is a dormitory constituency for London, in dormitory commuter land. It is like a ghost town at 8 am: it empties as thousands of my constituents come up to work in London. Most of them work in the City—although a number work in the Palace of Westminster—and they depend totally on the effectiveness of public transport, particularly rail.

In paragraph 7, the Select Committee rightly draws attention to the impact on business life of public transport that is not working as well as it might. That causes enormous stress to my constituents; some of them have lost their jobs in the end, in extreme circumstances, because of public transport failures, and people from my area sometimes wonder whether employers will offer them jobs when they find out where they come from, and which line they are going to use. Fortunately, the LTS—London, Tilbury and Southend—line has improved tremendously in recent years since privatisation, but it still has a long way to go. I congratulate c2c on what it has done so far, and there is more good work to come.

There is not just a problem at the beginning of the day, there is also a problem at the end of the day. My constituents sometimes arrive home very late and heavily stressed because of the unreliability of the rolling stock, and the overcrowding. I have been seriously told that the old LTS line led to a number of divorces and major domestic problems in my constituency. Members here may smile at that, but this is a really serious problem, not just in working life but in domestic life as well.

I congratulate the Southend-on-Sea railway travellers association on the work that it does to represent my constituents who travel on the LTS line. My constituents must of course join the train at Benfleet station, the busiest station on the line in terms of the number of passengers getting on and off the train. The problem is that by the time my constituents get on the train, they discover that rather than a 12-carriage train, a four or eight-carriage train arrives. The train has come though several stations and is already full, so either they are left behind on the station, looking at each other exasperatedly—I am often left there with them—or we have to stand on the train all the way to Fenchurch Street, make our way to the underground station near the Tower of London, and then we have to stand on the underground as well. It is frightful, and if the Government can do anything at all to resolve this issue, that would be a great service to my constituents. I again congratulate the Transport Committee on bringing this subject to the attention of the House.

As my hon. Friend the Member for Orpington said, capacity, which is covered in chapter 3 in the report, is at the heart of the matter. He explained about the 12-coach issue, so I will not repeat all that he said, but I agree with him entirely. Paragraph 16 says:

> "Public transport will only be attractive if it meets people's real needs. That means that there must be adequate capacity at peak periods."

[Bob Spink]

The way in which capacity and overcrowding are measured is important and germane, and I am delighted that the report draws attention to that, but we must also have more carriages and more reliability. New trains should be more reliable than the trains that they replace, and that is not always the case. I know that the hon. Member for Crewe and Nantwich has got her teeth into the power supply issue as well, and she will not let that go, because she has the needs of the travelling public and commuters at heart.

It would be good if somewhere in the country there were a track dedicated to testing new trains, so that they could be run in before being delivered. I am not an expert, so perhaps that matter is in hand; perhaps such a track already exists, and I am just out of date, but I seem to recall that testing trains before delivery was a problem.

One way to get capacity up would be to create new stations on the LTS line. About 3,000 constituents from Canvey Island alone travel on that line. They have to travel off the island to get to their train, either on public transport or in a car that they have to park, and then they often find the train is already full when they try and get on it. At night they have to get back to the island. All that causes enormous road transport difficulties on the island in the morning and evening.

Perhaps a terminus line could run down on to Canvey from Pitsea, the station before Benfleet, so that four or six trains an hour during peak times, and perhaps one or two trains an hour off-peak, could be run from a new terminus station on the island. There is plenty of space around the Waterside Farm area for parking to be provided. Increasing the capacity of the LTS line would enable the Government to meet the target that they set the Strategic Rail Authority of a 50 per cent. increase in passenger numbers over the next 10 years. I keep pressing this idea, because not only would it help commuters on Canvey Island, who are my constituents, but it would help to put Canvey Island on the map—and I am always trying to do that, as hon. Members will know.

One way of getting more passengers on the line, and so of meeting the Government's target of increasing real passenger numbers over the next 10 years, would be to reduce ticket prices. I was shocked to hear that the price of a ticket from Southend to London went up in January by £17 a month—an astounding increase. That is the way to reduce, not increase, passenger numbers on the line. If we really are to save our environment and stop global warning—that issue is germane to my constituents on Canvey, some of whom live as much as 6 ft below sea level—we must tackle environmental issues and get more people off the roads and on to rail. That is a real issue.

I welcome the Committee's conclusions on the railways in paragraph 32 of the report, which says:

"The measure should be of real overcrowding on real routes."

That is better than making measures and monitoring "average" overcrowding in a way that clouds the issue and prevents service providers from focusing their attention on the real issues that concern my constituents.

I have already mentioned the electric power supply. On the subject of "How trains are purchased"—that is the subtitle above paragraph 42—I wonder whether members of the Transport Committee saw "Bremner, Bird and Fortune" on television on Sunday night. If not, I recommend that they watch the programme. It went into that very issue. It was a bit of a spoof, the issue was hyped up, and all kinds of hyperbole were use, but it drew attention to subjects that I have heard the hon. Member for Crewe and Nantwich raise on Radio 4, such as how much money goes into the provision of new rolling stock, who gets the money, and how much of it filters down to provide real new rolling stock for my constituents and hers, who deserve that money to be spent on them.

One thing that I recall from that comedy sketch is the fact that a return on investment would be secured within three or four years, and that that return would continue for 30 years, or possibly even 50, if people got lucky. Financing the provision of new rolling stock is a good business to be in—much better than Tesco, or manufacturing industry, where profit levels are much lower. I am sure that the Committee will look into that carefully, and will get the Government to do so, too.

I am a bit confused about where we are going with the Strategic Rail Authority. What is really needed is some clarity—for me, for the industry, and for my constituents—about who will run the railways in future, who will regulate them, and who will make decisions about new infrastructure, rolling stock and other important issues. I hope that the Minister will address that subject. I welcome what the Committee said about the London underground, which is also a problem for my constituents. I hope and trust that something can be done to improve it and reduce overcrowding at key times.

I welcome the report; it is very good. The Government's response to it has been a little complacent, and is certainly disappointing. I do not want to be too harsh on the Government, because successive Governments have under-invested in public transport, particularly the rail service, for many years. I accept that part of the responsibility for that lies with the Conservatives; I do not seek to score party political points. However, I think that the Government could and should have been more accepting of the Committee's valid criticisms and of the recommendations in the report. It is fair to say that the report raises more questions than it answers. In that sense, it is not the end of a journey, but the start of very long one. With cross-party support, I hope that we can look at tackling the real issues and finding a solution, for the benefit of my long-suffering constituents.

3.21 pm

Mr. Brian H. Donohoe (Cunninghame, South) (Lab): I, too, am grateful for the report's publication and for the fact that we are able to debate it this afternoon with the Minister. I have personal experience of travelling regularly for many years on trains and the underground, and I have faced overcrowding almost daily. This debate is long overdue and the Minister should address this issue in far more detail than the Government's response has done.

There is no doubt that the industry is a victim of its own success. It has developed to such an extent that the number of people using trains and the underground has

grown enormously, particularly during the past five years. However, the Government have to accept the consequent effect on commuters, who face a daily battle and are left to stand on trains and on the underground for hours on end as a result of the number of people now travelling.

I want to concentrate on the Government's response to how we measure overcrowding on trains. I was flabbergasted to find that there was no real formula—other than a very strange one—for measuring overcrowding on trains and on the underground. The Government's response to conclusions nine and 10 was completely inadequate. I would like the Minister to address the issue in a different way, and to say whether the Government have considered quantifying overcrowding in the manner adopted elsewhere.

If I drove a car containing 10 people, I would be prosecuted, and rightly so. If I drove a bus containing 100 people, I would be prosecuted, as would the driver of any such bus. Yet I can get on a train that is carrying 2,000 passengers when it should carry only 1,000. I do not know why that should be allowed in this day and age.

As my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) said in her opening remarks, there are times when it is not just inconvenient to travel on trains, but a nightmare. I say that as somebody who is six feet tall and who can look after himself. I look around a train and I see inconvenience and a complete nightmare, and people having to put up with that. I wonder when and whether it will be possible for the Government to do more about that than they have done in their response to our paper.

I also want to concentrate on the problems that have arisen as a result of the Government's success in increasing the number of people using trains. There is no doubt that the stations are inadequate for a modern network. In my own area, there are stations at which trains cannot unload if they are 12 carriages long. That is wrong, and there must be investment to remedy that situation.

I do not know what we can do to address the next issue that I shall raise, but it is essential that we do so if we are to develop an integrated transport system. As a result of our success in encouraging people to use public transport, train stations do not have adequate car parks. In my constituency, people come from as far away as Kilmarnock, which is 10 miles away, to use the train to Glasgow, but they are not able to park close to the station. There is insufficient investment in the station and its infrastructure to allow the necessary extension to take place.

The Government argue that we should be looking at ways of getting people out of their cars, but it seems almost irrational that the public do not have the opportunity to park close to stations. I have argued extensively about that problem and I have challenged the rail authorities to overcome it. I have been campaigning for some 30 months in my constituency without achieving much movement from Network Rail management or from the Strategic Rail Authority; moreover, the operating companies wash their hands of the matter. They could do much to improve that situation, thereby encouraging more people to use the railways, but they are not. I find that unbelievable.

Another problem that I have identified is loss of revenue. Over the past five years, there has been a great increase in the number of people using trains in my area, which has partly been encouraged by offering concessions such as those given to senior citizens. That is admirable and to be applauded, but it has led to trains becoming so busy that the guards cannot get through them, and, therefore, to more and more people travelling without paying their fare. The operating companies must do something about that, but it is clear that they are not. The Minister need not consider that issue today, but it seems a tremendous waste for trains to be running with people not paying their fares. It also adds to the problem of overcrowding.

A few weeks ago, I travelled in the south-west on a train of a type that I thought was no longer running. I thought that the trains in Scotland were bad, but I found it almost surreal to be travelling in a slam-door train in 2004, given that they were designed some 50 or 60 years ago. When one considers the amount of money that has been spent on the railways recently, such a situation is unreal. I do not know what the Government can do about that, but the Department for Transport should act to ensure that such rolling stock is no longer on the rails. Dates should be given by which it will be removed; at the moment, that seems not to be happening.

We should also consider other parts of the integrated transport system. I know of a number of examples of the rail network's being shut down—on a Sunday, for instance—and passengers being transferred to buses. Buses are adequate alternatives in certain circumstances, but they do not offer the same level of speed and comfort as trains. Although buses are far more passenger-friendly than they were 20 years ago, they are not an adequate substitute for trains. When such situations arise, they cause inconvenience to passengers. That issue should be examined.

The Government are spending more money on the railways than any previous Government have spent. We are talking about some £2.1 billion per annum, which, if my calculations are right—normally, they are not that bad—works out at approximately £6 per family per week. If we budget for 2005 and estimate the likely expenditure, that figure rises to some £12.50 per week. Given that expenditure and the circumstances, I thought that the Government would insist on eradicating overcrowding, so that the travelling public in the London area and across the central belts of England and Scotland would not have to face that problem daily. The Government should be addressing this issue in a far more serious way than their response to the document suggests.

3.31 pm

Clive Efford (Eltham) (Lab): There is no denying that there are a wide range of problems with our transport system, which are easy to identify. Many of the solutions that have been proposed are far more expensive and commit more resources than the Government would like. The Government's simplest, most well meaning statement of intent can be leapt on and used against them in future if they fail to deliver. However, they have a tendency to make very safe statements about transport, and with due respect to the Minister, the response to the report is just that—a safe set of statements.

[Clive Efford]

I draw hon. Members' attention to the fact that when the report refers to the rail services, virtually every paragraph starts, "The SRA", which highlights one of the problems of dealing with the transport system: there are so many players in the network, with so many different responsibilities, that at times even the Government forget their role in the system. The response on the rail network should have come from the Government standpoint rather than their stating what the Strategic Rail Authority intends to do. That shows the Government's dilemma in coming to terms with problems throughout the transport system.

Overcrowding affects many different daily routines—going to work, going on holiday, going out for a day with the family, and so on. Problems in the rail and bus network can have a debilitating effect on a people's ability to go about their daily lives, and when there are delays on the railways, it can be catastrophic. For example, I was once stuck on a train just outside London Bridge station—only half the train was alongside the platform. The driver was very good: he kept us well informed, and radioed back to tell us that he was in a dilemma. He could not move the train or open only the rear carriage doors so that we could walk down the train and get off, because that technology is not available.

I was stuck on that train for 45 minutes. All around me, a range of life experiences were unfolding before my eyes. A young woman with an Apex card was going out for the day and had another train to catch. She was ringing the rail network to ask what she should do. She said, "I'm stuck here because of your train services and I can't get the other train I need to catch." The young woman next to me was almost in tears. She was ringing her boss, who was clearly not accepting that yet again she would be late for work because of the train service. Not only that, but it was not possible for her to get off the train and call a cab to reach work quickly, because the train was halfway out of the station. People were on their mobile phones rearranging meetings. I was travelling here to attend a meeting, which I missed. Overcrowding and an unreliable service have a damaging effect on people's lives.

We must measure such problems from the perspective of the passenger. We have failed to do that. Let us consider the formulae that have been applied by train operating companies and the Strategic Rail Authority. They take a basket of services into consideration, not an actual route and a certain service from the sharp end—from an individual passenger's experience. They do not say that a service on a particular line is absolutely appalling, and the day-to-day experience of the passengers is not acceptable, and up with that we will not put. Examining a basket of services clouds our vision of the services that are underperforming significantly, as a result of which they are not being dealt with. The Government need to tell the SRA to measure overcrowding, delays or whatever from the passengers' experience of the service.

Such matters are inseparable from other issues that we all want dealt with. How do we deal with congestion on the roads? Can we encourage people to travel on overcrowded buses or trains? If we really want to deal with congestion, we must deal with capacity and overcrowding on all our public transport networks. The congestion charge in London has just celebrated its first birthday. I have not seen any figures for a modal shift from the road to public transport in London, but that must have happened to some extent. What are our plans for the increased number of people who travel on public transport following the introduction of the congestion charge? We all know that other cities are looking at what has happened in London to determine whether they will introduce a similar scheme. What are their plans for increased capacity on the public transport network if such a scheme were introduced?

If we do not increase capacity, we are simply imposing a tax on the motorists. We are charging them for using the roads. Some may say that that is fine and agree that that is what should be done, but if we are not planning for, and investing in, increased capacity on public transport, we are imposing a tax on the road, because there is no transportation system for people to switch to other than a severely overcrowded network.

We tend to concentrate on trains when we discuss overcrowding. If we are to deal with a modal shift and encourage people to use public transport, the bus network is crucial. The hon. Member for Orpington (Mr. Horam) will probably bear me out when I say that several significant improvements are taking place in London along the Thames gateway and to Crossrail and the Docklands light railway that we would both support. The key issue is how we shift our constituents to link in with those new valuable infrastructure improvements, so that they, too, can benefit from the new improvements in the network. Buses are the key. We already have overcrowded bus networks or insufficient networks with new modal links. We must plan ahead and deal with such issues so that the wider community, not only those close to the new stations, can benefit.

The Minister will correct me if I am understating the case, but I believe that each year 73 per cent. of all train journeys take place on what was Network SouthEast. In the south-east of the network—north Kent and south-east London—there is a heavy reliance on trains because we do not have direct access to the London underground. That leads to an enormous amount of overcrowding on that part of the network.

In addition, we are seeing the development of the Thames gateway area along the north of the river from the docklands out to the estuary in Essex and along the south of the river from Greenwich, through the peninsula by the dome, past Dartford and Ebbsfleet and out to the estuary. That is an enormous regeneration area—I think the biggest in Europe—and many thousands of jobs will be created and homes built along that corridor. That itself will create demand for additional capacity on our rail network.

The extension of the Jubilee line to north Greenwich was a welcome development for the south-east Thames area, and it brought the line to the London borough of Greenwich for the first time. However, four years after it opened, it is still easier for my constituents and me to get to central London than to get from the south of Greenwich to North Greenwich Jubilee line station. It might as well be in Newham or Islington for all it counts to the people who live in my part of the London borough of Greenwich.

That example points to the fact that when we introduce major infrastructure developments, we do not consider the wider aspects of connecting the local communities so that they can benefit from them. If there had been a wider set of options in our local transport provision, it would have assisted in reducing the demand for capacity on the heavy Network SouthEast lines and in opening up opportunities for people to benefit from the regeneration in the Thames gateway and the jobs that are being created with it.

Crossrail is essential if we are to tackle congestion on the network in central London, but it also essential that it is provided in the east Thames area if we are to meet the additional demand that will be generated as a result of the area's redevelopment. I want to take this opportunity to highlight the fact that, even now, a major south-east London hub at Woolwich is being ignored by Crossrail, which does not intend to site a station there. From Custom House on the Isle of Dogs, Crossrail intends to bypass Woolwich and go straight to Abbey Wood. That route misses the opportunity to provide a major transport hub in that part of London, play a vital role in the regeneration of the Royal Arsenal area and link up with an already extensive bus network that goes into the town centre.

That highlights how, when we plan, we are failing to consider the wider issues of how we can access major transport infrastructure developments. To bypass a major hub of existing bus and rail networks at Woolwich is a planning failure, and we should address the issue. If we want to tackle the problem of overcrowding and plan for future additional capacity, we need to take those points on board.

There is also our growing inability to run 12-car trains on the network around north Kent and south-east London. I have raised that question on several occasions as the Member of Parliament for Eltham. I have a set of answers that I received from the Department for Transport, Local Government and the Regions in November 2001. It is all about the need for 12-car trains. We have been addressing that issue: platforms have been lengthened, and there have been Thameslink plans for many years. In one of the responses, the Minister said that I was the only person who has ever raised this matter. I find that astonishing. He also informed me that:

"Railtrack is undertaking a review of Power Supply capability for the Southern Region and is in discussions with the Strategic Rail Authority to address the issue in relation to Mark 1 replacement."—[*Official Report*, 14 November 2001; Vol. 374, c. 732W.]

When the Transport Committee questioned the SRA, the rolling stock companies and everybody else about the rail network, it was astonished to discover that a set of trains had been purchased that could not run on the network because the electricity supply was not sufficient. I have answers dating from almost two and a half years ago in which it is pointed out that people are aware of problems such as the need to increase the electricity supply and to lengthen some platforms. It appears that there is no joined-up thinking.

Is the SRA to blame, or are the Government, or are the ROSCOs? Who is responsible for not even taking note of a few simple parliamentary answers and thereby identifying that there is a problem with the electricity supply and that it might be necessary to work out whether it is possible to run the new trains? People must have felt as sick as someone who buys a flash new car and then gets home and finds the garage is too small to park it in. This highlights the problem with our rail network. There are too many players, and no clearly defined responsibilities. The situation becomes more murky when we ask who is culpable.

Paragraph 49 of the Select Committee report refers to the upgrade of the electricity supply on the network. The Government's response refers to the £1 billion that is being spent on the upgrade and the fact that that will allow £2 billion of new rolling stock to be introduced. Those figures sound impressive, but they would be even more so if they were accompanied by a strategic plan that took into account all the new regeneration that is taking place in the Thames gateway area and the existing problems with the capacity that is already on that network. People in my area were amused to learn that passengers in excess of capacity are called "PIXCs". They were not surprised because they knew that the timetable was away with the fairies; they were sure that pixies would appear on the line at some time in the future.

We need a strategic plan that goes alongside the huge sums that the Government are spending to ensure that we are doing enough. A few weeks ago, I attended a consultation about the channel tunnel rail link services and the new combined franchise. I asked about the electricity supply and 12-car trains, which are essential if we are to deal with capacity in that area. I was told that even though we are upgrading the electricity supply, that will still not allow us to run 12-car trains across all that part of the rail network. I was astonished to hear that. The electricity supply that we are spending money on already has built-in obsolescence.

I have a request for the Minister. I do not expect him to be able to respond to it fully today. I want him to ask the SRA and Network Rail, "What on earth are you doing?" An enormous amount of development is taking place in the south-east, which is one of the hubs of the country's economy, and we have spoken at length about the impact of delays and not being able to rely on the public transport network. More than 90 per cent. of the people who go to work in the City of London go by public transport. That is an impressive figure, but it also highlights how essential it is to have an efficient public transport network. If, in a major investment to improve the quality of the network, there is already a problem with the amount of increased capacity that we can introduce being limited and we are prevented from running 12-car trains on the network, we are making a big mistake. I exhort the Minister to take up that issue with some urgency.

The Government are investing enormous sums in the rail network. We are spending three times as much as we were spending on British Rail, in real terms, when it was brought to an end. We applaud the Government for that, but we also need to ensure that we get a big bang for our bucks and that we are targeting the resources in the right way. I am concerned that what we are doing is firefighting—that we are rushing into the network and trying to solve the problems without having enough of an overview of the system. We must ensure that, where problems may occur in future and where demand is increasing, we are targeting the resources in the right way.

[Clive Efford]

I am also concerned that we do not consider all modes of transport when planning our networks. Examples are the Jubilee line and the planned failure of Crossrail to provide a station at the major transport hub of Woolwich. We must ensure that planning takes such issues into consideration if we are to deal with capacity and overcrowding.

3.52 pm

Mr. Paul Marsden (Shrewsbury and Atcham) (LD): Overcrowding on our public transport systems is a serious problem, so the report is very welcome, and I congratulate my Chairman and the rest of the team on producing it. Just the fact that they produced it means that they are highlighting an issue that does not always seem to be much of a priority but most certainly is a priority for the travelling public.

I give credit to the hon. Members for Orpington (Mr. Horam) and for Castle Point (Bob Spink) for their contributions, and in particular for the points that they made about quality of life and the constituency issues that they are concerned about. However, at a time when the Conservatives are saying that any future transport budget would have to be reduced massively under a Conservative Administration, I have to ask those on the Tory Front Bench—obviously, I will listen with great interest to what they have to say—how on earth they will improve the situation. It was a little disconcerting that the Conservative leader was already saying on 25 February that he would like to see a spreading of and an increase in car use.

If we are to entice people into continuing to use public transport and to use more of it, we must have investment. Whatever my criticisms of the Minister and the Government, there can be no doubt that massive sums are going into our public transport system, like never before. The question is whether we are getting value for money. When, for instance, we see consultants' fees massively increasing and not delivering what we want to see on the ground, there is something seriously wrong. I am minded to return to the fact that chickens have more protection from overcrowding when they are transported on trains than we passengers do. There is something seriously wrong when that is the case. As the hon. Member for Eltham (Clive Efford) said, there is a certain amount of playing safe by the Government, a certain complacency. Although we acknowledge the progress that has been made, clearly it is not enough.

Some 18 months ago outside Shrewsbury railway station, I and some of my helpers quizzed 200 rail commuters to find out what they thought about the rail service: 90 per cent. thought that it had got worse under the Government. Judging by my current postbag, things are not getting better.

I am one of those unlucky passengers who travel from Shrewsbury to Birmingham New Street. I have watched in dread as two carriages arrived—God forbid there should be 10 or 12—when we clearly needed four or six. I will not blow it out of all proportion; that does not happen all the time, but surely it cannot be beyond the wit of Ministers and the rail industry to be able to provide more carriages and therefore the necessary extra capacity.

I have witnessed occasions—it would never happen in Shropshire or Shrewsbury, because we are extremely polite and well-mannered there—when disabled, elderly and vulnerable passengers have been unable to compete in the race down the platform to get on the train and find a seat. Those vulnerable people are the ones who lose out most.

From the Committee's report, there can be no doubt that demand has increased above the level of 1997. It is gratifying to find out from the Corporation of London, for instance, that 91 per cent. of London's population use public transport. There are massive regional differences—further afield the figure is only 18 per cent—but the overall demand has been at least 14 per cent. since 1992.

The same is true of passenger journeys. In 1997, there were more than 800 million passenger journeys; the latest figures for 2002–03 show that there were 976 million. That is a 22 per cent. increase. The only problem is that passengers have had to pay for that. The money has not come only from the Government; fares have increased by 42 per cent. during that time, which is more than double the increase in passenger journeys.

I was worried to read in *Metro* on 9 February that

"The Rail Safety and Standards Board has banned the term 'overcrowding'."

Will the Minister enlighten us on whether that is true? It would appear that the board only wants the term "crowded" to be used. Being wedged shoulder to shoulder—sometimes literally cheek to cheek, or armpit to armpit—is not a pleasant experience, and we should be more honest about how bad things can be.

From the figures provided in the Strategic Rail Authority's regular "On Track" reports, it would appear that 1 million rail journeys every day are overcrowded. That is simply unsatisfactory. Roughly 41 per cent. of people are unsatisfied with the number of seats and standing spaces. It takes about four hours to get from the House to Shrewsbury, and travelling from Birmingham to Wolverhampton, the train picks up those lovely Wolverhampton Wanderers supporters after they have had a beverage or two after the football. It is always a delight to share their company back to Shrewsbury when there is nowhere to sit down.

Mrs. Dunwoody: You should go via Crewe.

Mr. Marsden: Perhaps I shall take up my Chairman's suggestion.

There is no official monitoring of overcrowding across the rail network, and that must be addressed. As I mentioned earlier, chickens receive more protection than people. That is because, under the Welfare of Animals (Transport) Order 1997, animals, including cattle, pigs, sheep and chickens, cannot exceed a maximum stocking density, but there are no meaningful regulations for people. As the hon. Member for Cunninghame, South (Mr. Donohoe) said, people can be packed on to a train and there is virtually no protection or comeback for those individuals.

There is not much good news in the passenger survey either. Overall, one in four people are dissatisfied with overcrowding. People are deeply unhappy with the current situation. I shall name and shame certain rail

companies: the figure is more than one in three for Silverlink, one in three for Thameslink, almost one in three for Connex South East, and almost 30 per cent. for South Central, South West Trains, WAGN and others.

There has been some slow progress. I cannot disagree with the amount of investment, but I hope that the Minister will address the issue of capacity, and not simply the newness and shininess of new carriages. The figures published in table 25 of "A Bulletin of Public Transport Statistics: Great Britain: 2003 edition" show that the number of carriages on the national rail network has fallen from 10,600 to just over 10,000. That reminds me a little of the argument about hospital beds. Although we all welcome brand new hospitals, if bed capacity is reduced, patients will not be particularly pleased if they have to travel further to or stay less time in hospital. We must expand capacity, and I urge the Government to review how it can be increased.

On safety, the hon. Member for Liverpool, Riverside (Mrs. Ellman) mentioned stress. It is a good point. A recent presentation by John Cartledge, the RPC's safety policy adviser, concluded that the issue is not so much the danger of overcrowding. I agree with him: accidents are rare, although in the last three years, about 29 passengers have been injured alighting from trains where the platforms do not meet the carriages. That is not necessarily as serious an issue as the fact that, day after day, people have to suffer discomfort and confinement, and are not even able to sit down. For certain services, although not all, hot spots of trouble must be tackled, and the Government could do something about them.

Improvements in bus design are to be welcomed, particularly for less mobile and disabled passengers. However, the Government's target is still only about 50 per cent. of buses to be accessible to those minority groups by 2010. That is another six years away, just for half of all buses to be able to help those people. The overall capacity of buses does seem to have increased, perhaps by some 2,200, but it is worrying that the numbers of single-deck 17 to 35-seaters and double-decker buses have been reduced. I am sure that some anorak in Whitehall came up with this statistic, but the number of vehicle kilometres run by local bus services in England has fallen by 0.9 per cent. since 1996–97. That is bad news—although sometimes I should appreciate an explanation in plain English of why one cannot always sit down on buses.

In summary, there have been modest improvements: there is no doubt that more money is being invested, but we are not achieving the value for money that we need. We must urgently address the problem, specifically the hot spots. Another accident or tragedy that could have been avoided is entirely conceivable. I welcome the new research into health and safety aspects, and congratulate the Transport Committee—of which I was not a member at the time—on having pushed for and obtained a result. Without its report, I doubt whether this debate would have taken place. We must encourage people to use alternatives, including leaving their cars behind, at least some of the time. There must be real choice, especially in rural areas. The state of buses and trains there can sometimes be quite appalling. Based on the fact that we are making chickens more comfortable, pigs are more protected, cattle are not as cramped and sheep seem to have more space when they have to travel on trains, is it not time that people enjoyed the comfort and relaxation of a seat on every tube, train, tram and bus journey?

4.5 pm

Mr. Greg Knight (East Yorkshire) (Con): I join those who have thanked the Transport Committee for looking into this important area. It is right that this subject is debated. Although we do not have a full Hall today—partly because the business in the House is subject to a one-line Whip, and partly due to the desire of many hon. Members to get home in non-rush hour trains that are not overcrowded—we have had a quality, good-natured debate and a number of valid points have been raised. I hope that the Minister will respond to those points and take them on board when deciding what further action needs to be taken.

I am aware that it is difficult being a Transport Minister. The Conservative, Paul Channon, used to say when he had that responsibility that it is the only job in the world where you have to apologise to people when they arrive late for your meetings. I know that the Minister has problems, but I hope that he will consider some of the serious issues raised this afternoon. Overcrowding on public transport is a real problem. Hundreds of thousands of passengers—mainly, but not exclusively, on our railways—face the daily trauma of gross overcrowding. I accept that a certain level of overcrowding can be regarded as a sign of success, because people are using that form of transport. However, it is a question of degree. The Transport Committee has rightly identified current levels of overcrowding on public transport in many parts of the country as chronic and unacceptable. That problem must be addressed.

The hon. Member for Crewe and Nantwich (Mrs. Dunwoody), in a wide-ranging opening speech, was right to say that there are knock-on effects. If people travel on an overcrowded, delayed train, employers are faced with staff who are tired, stressed and uncomfortable when they finally arrive at work Although the personal effects of overcrowding can be seen, the knock-on economic consequences are harder to identify. Estimates of the cost vary. I noticed in the report that one estimate put the cost to the City of London alone at about £230 million a year. The economic costs are substantial.

There are safety aspects, too, as some hon. Members have said, but it is right to put those aspects in context, because rail is still a safe way to travel and poses a much lower safety risk than other forms of transport. Of course, that should not be used as an excuse for failing to deal with or reduce the serious effects of overcrowding. The Transport Committee was right to say that the current methods for monitoring overcrowding are not reliable and should therefore not be considered acceptable. The Government have accepted that criticism, for which I think all hon. Members present are grateful. The Government must, however, ensure that changes take place as soon as possible and effective collation of reliable information is introduced.

I should like to comment on the problems faced by different types of transport. The hon. Member for Shrewsbury and Atcham (Mr. Marsden) said that buses

[Mr. Greg Knight]

are widely regarded as not having the same overcrowding problem as trains. That is right, but improvements can and should be made. The design of buses is important. It is amazing that all buses are not fitted with a drop step, so that elderly passengers and those who suffer from arthritis can get on and off much more easily. I have a classic 1972 BMC workbus. Even that has a drop step at the back to enable people to get on it more easily. It is amazing that bus designers have not found a simple and cost-effective way of having a lower step that is capable of use by disabled passengers. Having said that, I welcome the bus industry's target to make 50 per cent. of the full-sized fleet accessible to mobility-impaired passengers by 2010.

The report also welcomes new initiatives in London for the new articulated buses—or, as the hon. Member for Crewe and Nantwich called them, bendy buses. One of the benefits of those buses is the introduction of the new cashless system where passengers prepay. We should examine places outside the capital without pay-before-you-go systems. It was not that long ago—perhaps a decade or 15 years—when most buses had a conductor. A person got on the bus, which immediately left the bus stop, and the fare was collected while the vehicle was in motion. The advent of one-man-operated buses has made buses less attractive to the public, because it has lengthened journey times, and in some cases has meant that people have to queue in the rain waiting to get on while those ahead in the queue pay their fares. We should consider encouraging the introduction of prepayment systems throughout the country.

More can be done with the bus network, especially in London. Buses in the capital operate under an incredibly complex contracting system, which is expensive and offers no incentive for bus operators to provide anything other than a basic service. I would like to see that system replaced with a net cost system, under which bus operators would receive all or some of the percentage of the income that they generate. They would then have a real incentive to improve service and make their buses more attractive.

As has been said by every contributor to the debate, the problem of overcrowding is most acute on our railways, and although it is most serious in the London area, it is clearly not restricted to the capital alone and affects many other areas. The hon. Member for Liverpool, Riverside (Mrs. Ellman) identified some of the problems in her part of the world.

A difficult balance must be struck between reducing overcrowding on trains and the desire of commuters for a reliable and regular service. As a passenger, I am prepared to accept some overcrowding on a short journey. The Committee rightly identified the problem. If I am undertaking a train journey that I know will not take more than 15 or 20 minutes, I do not mind having to stand. What matters to me is that the train will arrive, the journey speed will not be unduly slow and I will arrive when I expect to. I therefore disagree with the hon. Member for Shrewsbury and Atcham, who called for a seat for every passenger. We need not go that far. Those passengers taking short journeys do not necessarily demand a seat; they want to know that the train will get them to their destination on time.

The Committee also echoed the view of the Rail Passengers Council that the monitoring regime is flawed. I hope that the Minister will reflect on that when he responds.

Several hon. Members asked about the lengthening of trains. I regularly used trains not only to go to school but during the early part of my student days. In those days, the train was regularly longer than the platforms of many of the stations, and an announcement was made: "Those passengers who wish to alight at the next station, please make your way towards the front of the train." It beggars belief that we are being told that the trains cannot be lengthened because of the absence or inadequacy of satellite systems. It ought to be perfectly possible for train operators to put on two or three extra coaches when required, even if the platforms are not long enough to accommodate the length of the train. That used to be done many years ago without, as far as I am aware, any undue difficulty. These days, given that the driver or someone else on the train has the ability to lock doors, we should be able to have a fairly simple system whereby some doors can be identified as having to be kept locked at certain stations without our having to get into satellite technology, as my hon. Friend the Member for Orpington (Mr. Horam) mentioned.

While I am on the subject of overcrowding, I should put in a plea for those members of the public who are of a larger stature—and I should perhaps declare an interest. I find it irritating when I travel on a train that, in many of the new carriages, there is inadequate legroom, and my legs touch the seat in front. I accept that I am unusually tall, but it is surely not beyond the wit of those who design and build rolling stock to put in at least a couple of seats with more legroom, and perhaps even a greater seat width, at the front or back of each carriage, to accommodate those members of the public who are larger than the norm. They, too, ought to be encouraged to use public transport.

We also need to look into how new rolling stock is bought or leased, particularly in light of guidelines regarding the length of franchises. If we are to have more shorter franchises, surely train operating companies will be unlikely to take the same level of risk on rolling stock. The Government should investigate that.

The hon. Member for Crewe and Nantwich and others have highlighted procurement problems, such as the confusion that occurred when South West Trains and South Central both ordered new stock to replace the Mark 1 rolling stock. Also, we have heard that the trains could not be put into service because the power supply needs to be upgraded. There are also issues of rolling stock compatibility. There ought to be a more effective mechanism in place to ensure not only that rolling stock that can be used straight away is ordered, but that stock ordered by different companies is compatible.

Some of the very worst examples of overcrowding are seen on the London underground. As the report explains, there is difficulty in expanding the infrastructure. I think that we can accept that that is a particularly difficult problem to solve. Crossrail and Thameslink are solutions to some extent. Estimates suggest that Crossrail would probably mean a transfer of 7 per cent. of tube passengers from existing lines, and would help to reduce levels of overcrowding on all London underground lines. Clearly, that is of benefit.

I do not understand why operating companies on the underground do not run seatless carriages. When I use the underground, 90 per cent. of the time my journey lasts less than 15 minutes and involves travelling only three or four stations. Why can companies not put on a carriage with no seating, with straps along the length of the carriage, to accommodate more passengers? I understand that one problem with some of the rolling stock is that the wheel arches are concealed under the seats, so if one took the seats away, there would not be a straight floor area. However, that is not the design of all underground trains.

My idea seems a perfectly acceptable solution. Before someone asks, "What about the disabled?" let me say that the disabled would not seek to use that carriage. I would expect able-bodied people to use it, freeing up more seats for the old and the disabled. I hope that that can be looked into. I would be interested to know, if it is not feasible or viable, why that is so.

The only area where I part company with the view of the Committee is on bus overcrowding, where it refers to

"proper enforcement of bus priority measures."

I agree that such enforcement is desirable, but I also think we should look at this issue rather more widely than the Committee appears to have done. What I find offensive is going through a city with a 24-hour bus lane when there are not 24-hour buses. Local authorities ought to be required to ensure that bus lanes that are not part of a contraflow operate only when the buses themselves are operating.

Why are we not more imaginative? The Chairman of the Committee mentioned that in some areas it is difficult to have a bus lane because of the congested carriageways. The Minister has heard me say this before, but why do we not operate a system that encourages car sharing? If two mothers get together and decide to share a car instead of both going in their individual cars to pick their children up from school, they should be allowed to use the bus lane. America has a similar system on certain freeways, with some lanes that one can use only if one is sharing one's car with others. We should look at some of these ideas to help reduce congestion, and to encourage people to share their vehicles.

I know the Minister will not be able to deal with all the points that have been raised today, but I hope he is prepared to look at this issue seriously. A number of points have been raised in this debate that I feel cannot be dismissed or ignored. It is time we saw a programme of action from the Government on this serious issue of overcrowding.

4.22 pm

The Parliamentary Under-Secretary of State for Transport (Mr. Tony McNulty): I want to start by echoing what others have said about this having been a very useful debate. The report is excellent, and we accept the importance of the subject matter. I want to come on to some details in a moment, but as a Transport Minister, I think that we too infrequently have properly focused and reflective debates on various aspects of transport that take account of where we are and where we seek to go. On the whole, we have had some very intelligent and practical suggestions—of course, there are some exceptions, which I shall come to—and it is appropriate that we discuss these matters in some detail.

I would like to start by regaling the House with some comments about my week, which has been a fairly mixed one in terms of travel. I started by going from Liverpool Street to Purfleet on Tuesday on nice upgraded c2c rolling stock, which was all very pleasant. I returned to Liverpool Street from Southend that day on slightly less nice rolling stock, but it was a pleasant enough journey none the less. I had a seat both ways because I was travelling outside peak hours, so that was fine, and it was quite a reasonable journey in both directions.

Someone referred to South West Trains. Yesterday I went on one of its old slam-door trains down to Woking, and then to Guildford and back to London. Again, that was huge fun. As I said to people yesterday, I guarantee when the last of that rolling stock comes off the railway lines there will be a slam-door heritage society saying "Save our slam-doors, we want them back, and we do not like the new stuff at all"—assuming that such a society is not in existence already.

The issue is all about balance. I am stupid enough to smoke, so for all the rather decaying elegance of the slam-door rolling stock, I could not care less because there was a smoking carriage and that was all I wanted, as it was only an hour-long journey. The service was reliable, and I arrived at my destination on time and in good order, albeit having knocked 10 minutes off my life by smoking the couple of cigarettes that I had en route.

This morning, I had the great pleasure of going down to Portsmouth on the same South West Trains rolling stock, which again delivered me on time and in comfort. Clearly I got back in time, because I am present in this debate. Most interestingly—I do not say this as a profound point on behalf of the Government—I took the 8.38 train, and although I know that there were plenty of people on it to begin with who probably alighted at Woking or Guildford, I think that only six of them got off at Portsmouth. I did not count, but it was at least a 10-carriage train, if not a 12-carriage one. It was absolutely empty, although I make those remarks by the by.

On the subjects that the report feels will help in responding to overcrowding, I thought that it dismissed rather too abruptly the notion of flexible work modes and flexible travel times. In respect of what hon. Members have said about the London context—the commuter network and London underground—those notions will not solve every problem, but the greater the number of people who can be shipped outside those peak hours, the less overcrowding there will be. Let me say that I am not arguing that that is a panacea by any means, before hon. Members suggest that that is what I am saying. We recognise that there is a problem, and with all the honesty that I can muster, I must say that there will always be overcrowding difficulties.

As hon. Members have suggested, to some degree that issue is a question of balance. There are public policy options, some of which are realistic and some of which are not, that we could put forward now, weighing all those elements into the balance. We could quite easily get rid of overcrowding tomorrow by tripling fares in peak hours and keeping them relatively low outside those times. It would take a fairly brave and courageous Government to do that, even though it would work as a public policy instrument. We could work to get more peak and off-peak capacity in the London network by eradicating freight, at least in peak hours. That has not

[Mr. Tony McNulty]

happened entirely, but on some lines it has had to happen. We could say that there should be no freight anywhere on the London network between 9 am and 5 pm. Again, in terms of the competing public policy concerns, that is not a terribly useful policy option because of what we say about getting more freight on to rail, but it would free up significant elements of the network for commuters. The matter is therefore one of balance, as the report rightly says.

I also fully endorse the comments made by my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) about the impact of overcrowding not only on business, but on tourism and on people's quality of life in the broader sense. I would again add the small caveat mentioned by the right hon. Member for East Yorkshire (Mr. Knight) about the length of the journey. If one is making a 15 or 20-minute journey, those quality-of-life aspects are clearly less important—although the situation may not be acceptable—than if one is stuck on the same commuter run for an hour and a half every day and arrives in a less than polished fashion.

I can imagine that it is not terribly nice, not least in the height of summer, for somebody to set out for work fresh, full of confidence and ready to greet the day only to find that by the time that they arrive at their destination, the first thing that they want to do is to turn around and go home or to have another shower. I accept that that is an unpleasant journey for many people, and we need to respond to that. I also accept that capacity management, rolling stock and the issues raised by the Committee are the sorts of areas that we need to examine, and I will return to them in a moment.

I am enormously grateful that the report at least touches on the issue of buses, not least as I am the Minister with responsibility for them. They are an important mode of transport. There is less overcrowding on buses and in some areas they can be a useful and flexible alternative to rail. In an increasing number of cases, operators and local authorities, with or without the Government's assistance, are doing more to emphasise that flexibility and to compete with rail where they can.

I endorse the comments made by my hon. Friend about bus priority measures above and beyond bus lanes, guided bus routes—particularly with fixed lights for buses—and all the other elements that assist the efficiency of the bus network, not least in peak hours. Such measures, albeit to a different degree, address essentially the same problem—space and capacity. In terms of bus operations and bus priority measures, there is a question about how full buses, with 50 or 60 people on board, as opposed to cars containing one person, can share and sometimes be a priority in the limited space on the road network. As we have said, that is to some extent the case for the rail network.

I agree with the report that the use of capacity is fundamental. The issue is not only about a panacea of huge new swathes or tranches of additional capacity, but about whether we are best using the existing capacity in all circumstances.

To return to the tale of my travels, I forgot to mention South East Trains, which I used to go to Gillingham last night. I wondered what was going on when I was sitting in a carriage at the front of the train, and all of a sudden people poured into it from the back. I thought that something was going on, but that I was not being told. However, there was announcement as I got off at Rainham—in Kent, not Essex—that the train was too long for the platform and that people getting off at that small station should do so from the front two carriages. The train was modern, new rolling stock.

I will explore what people say about satellites not working and so on, because it is fairly troublesome. The 10 or 12-carriage trains that I took yesterday and the day before stopped once or twice. I guess that they would stop far more readily during peak hours at stations whose platforms are far too short to accommodate 10 or 12-carriage trains. However, the announcement was made, and people were clearly anticipating it. I will take the point more seriously than we may have done until now.

The issue is about balance. The Committee made some intelligent, good points about the balance among rolling stock, new stock, new capacity and all those dimensions. Underlying those issues, as Members have said, is the internal governance of the industry, its assorted levels and the question of who is talking to whom. My hon. Friend the Member for Eltham (Clive Efford) mentioned the issue of the SRA versus the Government and all the other layers.

Members will know that we are in the midst of a rail review that is considering that matter, and I ask for the indulgence of the House, because I will not say too much about it in order to avoid pre-empting or prejudicing the review. My right hon. Friend the Secretary of State has said that we want to make that as quick a piece of work as possible and we will look to reporting by the summer. Again, the points made in recommendations 13 to 17 on rolling stock and other matters are equally important.

Mr. Greg Knight: We also look forward to the publication of the rail review report. The Minister mentioned that he expects it to be published in the summer. Will he give an assurance that it will be published before the House rises for the summer recess?

Mr. McNulty: I happily give that assurance. I spent virtually every day after I started in this post—on Friday 13, as Members may know—saying that we promised faithfully to publish the aviation White Paper by the end of the year. By God, we did it—with two days to spare before the Christmas recess; it was published on 16 December. In referring to the summer, I am talking about parliamentary time rather than mid-August. As I may have said previously, I was all for saying, "Throw the aviation White Paper on the website on 24 December and we will go on holiday for a couple of months to let the pressures die down." However, we did not do that; we did it the right way.

I will look into the point made by the hon. Member for Orpington (Mr. Horam) about Borough Market and other pinch points. The issue has been around for ever, as my hon. Friend the Member for Crewe and Nantwich said, but I am not sure where we are with the Office of the Deputy Prime Minister and the planning dimension, for which I am happily no longer responsible. However, I will explore that matter and get back to hon. Members.

Many of the points made by the hon. Member for Orpington echoed what my hon. Friend the Member for Crewe and Nantwich said. Travel to work is

fundamental and will not go away. I feel sorry for the constituent mentioned by the hon. Gentleman, who had been commuting for 20 years and said that the appalling conditions continue. I suspect that at least part of that view reflects how he or she feels today in looking back to the past 20 years, rather than a complete lack of any incremental improvements. I am sure that some things must have improved, one way or the other. As the hon. Gentleman said, it is about a trade-off.

The points about power supply in south London were well made. More and more new rolling stock is finally getting through. However, because of new designs, compliance with the Disability Discrimination Act 1995, comfort and other safety aspects, the stock has a smaller capacity. Again, there is a balance to be struck. Do we simply keep and constantly refurbish the old carriages with their slam doors and large capacity or do we accept that the trade-off in respect of new rolling stock is less seating and standing capacity? Of course we do. That is fine if one still seeks to optimise the capacity in other areas, and I accept that point, which was made by more than one hon. Member. The hon. Member for Orpington was right that, in response to a question that he asked—I do not know whether it was in the last Question Time or the previous one—my right hon. Friend the Secretary of State expressed exasperation about what appeared to be the simple process involving Network Rail, the local planning authority and others in getting consideration of a platform extension proposal, let alone the next stage of getting such an extension built.

In my role as Minister with responsibility for transport liaison with other bodies in London, I have had meetings with the SRA, Network Rail and others to express the importance of some of the apparently cosmetic, small and trivial elements such as platform extensions, which are more desirable than making everyone shift up to the front of trains with six carriages. That must be done through a streamlined process. We are looking at ways in which that process can be uncoupled from the huge bureaucratic rigmarole that we constantly have to go through. If all the suggested extensions to capacity in London, such as the East London line, Thameslink 2000 and Crossrail are factored in, none of them will happen in an immediate hurry to solve the difficulty over the next couple of years. Therefore, we must try to obtain the most effective use of current capacity. If that cannot happen because of an unmitigated bureaucracy in relation to network and platform extension and so on, the points that were made by the Committee must be considered.

Happily, just because I do not think that it is funny anymore, I did not see "Bremner, Bird and Fortune". I get rather exasperated when I get to five to nine and I have not laughed much. That is the case not because of the content or the supposed satire against the Government, but because the programme is just not funny. I accept that Bird and Fortune are the best bit, rather than the Bremner bit, so it is a shame that I missed that part.

I am terribly saddened that my hon. Friend the Member for Crewe and Nantwich is disappointed by the Government's response, which needs to be seen in the wider context of all our work. We need to start talking on a cross-party basis about the big questions such as sharing and using the capacity on our roads and rail as best we can.

I do not think that we are served by hyperbole. My hon. Friend the Member for Cunninghame, South (Mr. Donohoe) will be hard pushed to find a train on which there were 2,000 people when only 1,000 could fit. Poetic licence is one thing, but we should not take it too far. I am grateful that hon. Members have occasionally reminded themselves and qualified the notion of when during the day overcrowding occurs in London or elsewhere. It does not occur on every single train on every single day, and I am grateful to the Committee for pointing that out.

I accept what my hon. Friend the Member for Cunninghame, South says about some stations having insufficient car parking space. When we deal with integration, we must reach a stage at which there are feeder park-and-ride schemes and significant car park provision, especially in outlying stations, so that people can be encouraged to board a train, if only for that last short hop into town.

On a tangential point, I recently launched a huge park-and-ride scheme with some 400 parking spaces at Selly Oak in Birmingham. It is excellently designed, with a real concern for safety, and it is only about 10 to 15 minutes from the centre of town. It has been built on land that would never have been used for anything else, because it was up against a railway line. A decision was made to transform it into a huge park-and-ride scheme for precisely the purpose that I described.

From what I gather, the scheme has worked effectively, although it did not do so at the launch. The selling point was that there were trains every 10 minutes and that they took 10 minutes to get to Birmingham New Street station. However, after having a cup of tea and doing some radio interviews, we turned to get the train and it was cancelled. What should have been a good news story for Birmingham and the Government turned into "Minister Stranded as Trains Cancelled". Happily, the trains leave every 10 minutes, so I got the next one.

The car park has 400 spaces and it is close to the town centre. The scheme does not use land that could be exploited for housing or employment opportunities, and it has been working well. We need to work with local authorities through local transport plans and bring the rail network more into the notion of integrated local and regional planning than it has been until now.

Mr. Horam: Will the Minister speak to the Mayor of London about integrating car parking with local stations? He is putting a strict limit on the amount of parking available, and in some instances that is clearly a mistake.

Mr. McNulty: We shall not bandy words about our respective views of the Mayor of London, although he will be more than happy to converse about such proposals in relation to stations in outlying areas. London is a bit different from Birmingham, and the Mayor has a problem with stations that are very close to the city centre. However, the south London overland infrastructure of stations and associated car parks has been wilfully neglected for a long time. It is in a far worse state than in other areas, as I have noticed in the past few days while making the train journeys that I have mentioned. I frequently speak to the Mayor, who is nowadays a good friend and comrade, so I am happy to have a word about the car parks.

[Mr. McNulty]

I agree with my hon. Friend the Member for Eltham that there is no denying that there is a wide range of problems. In the context of limited resources, we have to strike a balance and trade off the various aspects. He made a point about having too many players, and I have said that we are considering that point in the context of the rail review. I would not condemn Crossrail as a project, first, before it is even off the ground; secondly, before we have considered the report; and thirdly, before any final proposal is agreed or otherwise. To start railing because there is no station at Woolwich is a little premature, and the case still needs to be argued. I was happy to announce recently that, as he said, the docklands light railway is now extending to Woolwich to bring the town more into what is happening in the gateway north of the river. We should be pleased about that.

As the Government said in our response, we need to consider how we monitor overcrowding and how frequently we do so. The point about PIXCs and being away with the fairies was well crafted if not necessarily true. To return to choices, we cannot have 12-car trains across the entire network. I do not agree with the suggestion that we are firefighting. In a strategic sense, we are scrambling towards making best use of our railway network, while, as we have always said, playing catch-up in the investment that we are making.

I have deliberately focused on the points in the report rather than simply giving a litany about investment levels. Hon. Members have referred to those levels, and they are significant, but there are other problems. None the less, I am not going to go down the road of attacking the Conservative Front Benchers for their public expenditure pronouncements over the last couple of months, which showed that the fellow from Bournemouth has not changed his spots.

Clive Efford: Before my hon. Friend moves on, will he comment on the upgrading of the electricity supply and say whether it will be sufficient for 12-car trains? Earlier, he mentioned the need to make the best of our network. Are we confident that the upgrade of the electricity supply will achieve that?

Mr. McNulty: I am not being flippant, but clearly in one sense the upgrade of the supply will allow us to use capacity far more readily than would be the case if the upgrade did not occur. Whether that is sufficient at particular peak hours throughout the whole network to run 12-car trains, or at what level it can run such trains, I will explore further, because it is not a matter with which I am familiar. I shall get back not only to my hon. Friend, but to all those hon. Members who have attended the debate.

I am not about to attack the Tories, and I mean that. I wish to say to the Liberal Democrats, however, that making nice noises—as ever—is all very fine, but I should love to see their costed plans for everyone having a seat on a train. I suspect that they might run to a few billion pounds. I read with interest and relish alleged Liberal Democrat shadow Budgets when they are produced. I think of them with affection, but I did not find anything about the expansion of transport expenditure in their last three shadow Budgets. I appreciate, however, that that was before the hon. Member for Shrewsbury and Atcham (Mr. Marsden) was a member of the party.

Mr. Marsden: The Minister has already agreed that we need to increase capacity. The fact is that we do not have enough Network Rail carriages. What will he do about that? The fact that he has already dismissed such matters and said that there will always be overcrowding will be bitterly disappointing for ordinary rail commuters who will continue to suffer day after day.

Mr. McNulty: With the best will in the world, the hon. Gentleman is talking through his backside.

Mr. Deputy Speaker (Mr. Edward O'Hara): Order. Will the Minister withdraw that statement?

Mr. McNulty: Of course, Mr. Deputy Speaker. I withdraw it.

Given our network, its throughput and the hours in the day, there will always be overcrowding especially on the London commuter network.

Mr. Donohoe: Will the Minister give way?

Mr. McNulty: No, I will not. I am not being complacent. We are not washing our hands of the matter. What I said is a fact. I defy anyone, even those hon. Members who represent the commuter belt or those from the minor, third party to tell me how, in terms of resources, rolling stock or any other capacity, matters will change. While we continue to have an on-off, walk-on service and do not limit the number of people on our trains—I have not heard of such a policy—we shall not have anything other than overcrowding in the peak hours.

Bob Spink: As the Minister asked me to do so, I shall tell him what I think should be done. We must put more rolling stock on the lines, so that the 12-car trains can be up and running on the London, Tilbury and Southend line during rush hour and have an additional station on Canvey Island. That will increase the capacity of the line and allow people to travel in safety and without overcrowding. Will he now stop waffling and tell the Chamber what he will specifically do to resolve the problem for my constituents?

Mr. McNulty: Again, with the best will in the world, the hon. Gentleman has offered one solution to increase capacity and another to increase the passenger throughput on that capacity. He cannot have both. He wants more trains on the LTS line and another station, so that even more people can get on an already crowded LTS line. That is not a conceivable way in which to ensure that the LTS line never has capacity problems and overcrowding. It reinforces my point. I am not being complacent. I recognise the limitations on the capacity that we already have in London and commuter land, and that our plans—even the three that I mentioned—although they will add to capacity, but not significantly, as the hon. Gentleman suggested, will not overcome overcrowding at peak hours, which is simply a fact of life. We can ameliorate and mitigate it and try

to lengthen the peak hours so that there is only a degree of discomfort, and not the nasty overcrowding there is at some times.

However, neither the hon. Gentleman nor any party would be able to find the necessary resources or be able to do the other things that would have to be done to eradicate crowding and overcrowding on London commuter lines. To suggest otherwise is to be away with the fairies, or is for minor third parties that do not have a hope in hell of securing power.

Mr. Donohoe: I wish to return to my point about having a definition that is understandable. There are maximum levels of occupancy for car and bus travel. Will overcrowding on trains be defined?

Mr. McNulty: That touches in part on the fatuous suggestion of the hon. Member for Shrewsbury and Atcham about chickens and pigs. Do we wish to start from the premise that we no longer want a walk-on service anywhere on our rail network? Do we want to say, "304, 305, 306—that's your lot, you can all clear off and wait for the next one?" I have not heard any party proposing that policy. We must address extra rolling stock in peak hours, extensions to platforms and the many other ways in which the problem in London and the south-east can be ameliorated. I apologise for dwelling on that region, but 70 per cent. of passenger journeys take place there.

If there is a walk-on service, the key question is what to do to ameliorate overcrowding in peak hours.

Mrs. Ellman: Will the Minister give way?

Mr. McNulty: No, because I am about to finish so that my hon. Friend the Member for Crewe and Nantwich, the Committee Chairman, can have some time.

I am not suggesting that there are no problems in other areas. That is why I have apologised for dwelling on London and the south-east. No one is suggesting that walk-on services should not prevail.

Mr. Deputy Speaker: Order. I remind the Minister that we have until 5.30 pm.

Mr. McNulty: Do we? In that case, I will give way.

Mrs. Ellman: My hon. Friend the Minister stated that 70 per cent. of passenger journeys took place in the south-east and he gave the unfortunate impression that he did not have equal concern for passengers in the regions. Would he like to rectify that?

Mr. McNulty: I did not give that impression, and it is obtuse to think that I did. I was simply apologising for dwelling on London and the south-east where the majority of journeys take place, and where there is most of the overcrowding.

The report accepts that we should work on the premise that there will be walk-on services and we will not restrict the number of people on our trains. Many reasons for overcrowding have been described in the report and by hon. Members. It is a cause of concern and discomfort but in most regards it is not a health and safety issue. That is stated clearly in the report and the response. However, if we are to maintain walk-on services, we will not get to a stage where how many square feet each commuter should have will be defined. That would be inappropriate.

With regard to the other end of the scale, fair points have been made about whether the definition and measurement of the performance of the train operating companies in achieving anything less than overcrowding should be looked at again. In that sense, PIXCs and fairies are entirely reasonable. Should the TOCs look again at how they measure overcrowding? There is always scope to revisit how things are measured. Should they measure their performance on that more often than once a year? Of course they should. The Government's response states that there should be more than an annual snapshot of overcrowding.

I happily accept the points that have been made on this, but we are not going to get to a stage where there is anything other than a walk-on service. If we were, everything from franchising to rolling stock would need to be reconfigured. We are trying to make the best of what we have. The SRA is looking at its overall network utilisation strategy. That will raise further dilemmas and public policy choices if people are serious about taking this as other than either a narrow parochial issue or a partisan one. There are serious issues throughout the network, not only in the areas in which there is overcrowding, about what we do with various types and levels of services. Serious questions need to be asked about utilisation and capacity in our core urban areas—in London and beyond—in the areas surrounding and linked to our urban areas and in the interconnections between urban areas. Posing and answering those questions may go some way to relieving the issue of overcrowding that the report has raised.

As has already been said, there will also be a rolling-stock strategy. In both general and specific terms, there are great concerns in some of the franchise arrangements about how overcrowding should be tackled. I fully accept what the report says about safety not being used by the TOCs as some sort of umbrella excuse or alibi for not making service improvements. That point was well made. We need to reach the stage at which we are affording our people the railway network that they deserve.

There has been a significant level of investment, which has been sustained and planned for the first time in a long while. I say that as a reproach to previous Governments of both persuasions. Such a major infrastructure needs constant care and attention in terms of maintenance, and that has not been forthcoming. We are therefore, in some respects, still playing catch-up.

As one hon. Member said—I apologise that I cannot remember who—the report deals admirably with the vexed question of overcrowding, but raises as many further questions after study as it gives answers. In addition to the immediate response that we gave to the report, we will deal with those questions in a serious fashion. Moreover, given that my hon. Friend the Chairman of the Committee has expressed such disappointment at the Government's response, I will also take that back to the Department. We will take the report, its contents and how we build on it to allay

[Mr. McNulty]

people's concerns about overcrowding very seriously indeed. I will also respond to hon. Members on the matters about which I said that I would do so.

I conclude by thanking the Committee for its report. As with a range of its reports, it is exact, to the point and commendably concise, but it is none the less substantive, reflective and thought-provoking for all that. Hon. Members should be assured that we will take the findings extremely seriously. I do not doubt that this issue will continue to vex hon. Members, and that we will return to it regularly.

I repeat, because it is only fair to be as honest and responsible as one can in these positions, that a magic wand will not be waved over the next five, 10 or 15 years by whatever party is in power, to eradicate completely any hint of overcrowding in the UK—certainly not on the London and south-east network—unless we were to go down the PIXC route. That idea was suggested not by my hon. Friend the Member for Crewe and Nantwich but by the hon. Member for Shrewsbury and Atcham, who argued that everyone should buy a seat and people should not stand on a train at all, which is absolutely in the land of the fairies.

4.58 pm

Mrs. Dunwoody: I am grateful to have the opportunity to speak for a second or two at the end of the debate. It is fashionable to accuse the House of Commons of being out of touch with the interests of constituents, but for those of us who are involved in transport it is clear that one of the most important things that affects people's lives is their day-to-day contact with transport—movement between their homes and their jobs and their jobs and their social life. That is why the report is important. Although it is short, it lays out some very important issues.

The debate today has been fascinating because it has shown the interest that individual Members can demonstrate from their own areas. It is important that we understand that the problem affects not just one area but the whole of the UK. It is also true that in transport the changes that are introduced are frequently incremental—large sums may be spent, but the traveller does not always see the immediate and direct effect. However, without proper planning and incremental improvement, there will never be a change in the situation of those who are subjected to intolerable conditions daily on their way to work—I use the word "intolerable" deliberately. Every day in this capital city, staff have to close stations so that they can assess the number of people on the platforms because it has reached a dangerous level. In our other cities, people push and shove on to trains every day, to get to work in conditions that should not be acceptable in any civilised society.

Our report addresses specifically not only what the problem is, but what ought to be done about it. I will not repeat all the suggestions, and I am grateful to the Minister for his kind words. However, the House of Commons works best when we realise that we have a duty to those who elect us to ensure that we understand the conditions of their lives. Those conditions are affected by the decisions that we take. Transport is one of the basic and important subjects on which we make decisions, and we must not lose our appreciation of its importance in the lives of our constituents.

The debate has been useful. I should give the Minister notice that I do not intend to keep coming back and talking about the same subjects for the next five or 10 years; I may haunt him, but I will not keep asking the same questions. However, I expect, and demand, changes, and my Committee will ensure that those changes are made.

Question put and agreed to.

Adjourned accordingly at one minute past Five o'clock.

Westminster Hall

Tuesday 9 March 2004

[MR. FRANK COOK *in the Chair*]

International Role of Women

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Kemp.]*

9.30 am

Helen Jackson (Sheffield, Hillsborough) (Lab): It gives me great pleasure to have secured the debate for international women's week. I attended last night's international women's day celebration in Congress house—the TUC headquarters. Of the messages that we received from other trade unions throughout the world, the one from Georgia really hit home: "I hope that your day will be as bright as a spring morning."

It struck me that there are two ways of looking at the world. History has been written through the eyes of men, and is about wars, power struggles and politics. However, there has always been the other story on which history concentrates less—the story of families, mothers and children, and sad stories of violence and the struggle against male prejudice and wife beating. The Amnesty International report, published last week, reminded us that 70 per cent. of female murder victims are killed by their partners. There is also female genital mutilation. The other week, I saw the play "The Crucible" at the Crucible theatre in Sheffield, and remembered how it used to be the wise and undeferential women who were dubbed witches.

There are also stories of community, showing how we survive if we work together and share, and how people in communities often understand that they have a common interest in preventing conflict. There is also the story of work—usually unpaid—growing crops in the fields for survival and to sell at the local market, and caring for the young, the sick and the old. It is the story of the world told through women's eyes and women's experience. One of the greatest stories of the last century may be the start of the awareness of the economic and political liberation of women who have done most of the world's work for generations. They will no longer do so without financial reward, and they will take their proper place in society.

The purpose of the debate is to focus on the international aspect of gender policy. The poignancy of the message lies with the developing world, and I am delighted that it is an International Development Minister who will respond to the debate today. However, I remind hon. Members that I originally asked for a cross-cutting debate in Westminster Hall, because this issue demands awareness across Departments, including that of the Minister for Women, the Department for Education and Skills, the Department of Trade and Industry, the Foreign and Commonwealth Office, the Home Office with its refugees policy, the Treasury with its influence in the World Bank, and the Department for Constitutional Affairs.

There is always a connection between how we work to change the culture in the United Kingdom, our commitment to girls' education and women's policies, and how effectively we deliver our development policies overseas. I hope that through the Minister and his Department we can encourage the entire Government to take a more concerted approach. Education is the starting point. The United Nations led this debate when they held the Beijing conference in 1995. It was interesting to see that the delegates were unanimous in putting the education of girls and women at the forefront of the work to make a difference to development throughout the world. The millennium development goals have followed up that important UN leadership. That is important. The third millennium goal is to

"promote gender equality and the empowerment of women"

and to eliminate gender disparity in primary and secondary education by 2005—preferably—and at all levels by 2015. Even if we do not meet those targets, many countries in the developing world will be well on the way to meeting them, and certainly to an awareness that free education is necessary to achieve them.

It is still true that two thirds of the world's illiterate are women. We cannot ignore the interrelationship between education and other development goals. When there is little food available, the women in a family often eat last and least. If that happens during pregnancy, it can have disastrous consequences such as maternal mortality and low birth weight. The Global Campaign for Education, which has done some superb work, showed that in Bangladesh, for example, women who have even a fifth grade of education are more likely to eat more. I know that that sounds ridiculous, but simply having that education makes them realise that they must eat. That puts them in a better position to take decisions in their families and communities, and has a knock-on effect on their health, on the health of the community, and on how they take their places in society. The contribution that education can make is as clear as that.

When I visited Malawi, I saw that there is a huge uptake when primary education is free. However, there are insufficient buildings and teachers to accommodate that, so a key strategy that we in the developed world must adopt to achieve the millennium development goal is to help provide those resources in developing countries that accept the need for free education to make that equality happen. I pay tribute to the work of our Departments and bodies such as the Open university, which is trying to make its input into teacher training a priority, as it has crucial access to radio across the world.

We must recognise the link between education and health, and focus on women there. The differential levels of mortality in the world should be a source of shame. Here, where we have a life expectancy of 80 years, we express policy worries that life expectancy may rise, and ask what we will do with all those old people who remain healthy for longer. In Zambia and so many other countries, the life expectancy is half that in this country: the differential is huge. That is not just because of HIV/AIDS, but other causes including malaria, child diseases such as measles, water-borne diseases and maternal mortality—all of which are easily preventable. However, for the purposes of the debate, I will focus on HIV/AIDS and how women are the key to fighting that

[Helen Jackson]

threat. More than 60 per cent. of those infected with HIV in sub-Saharan Africa are women. The problem is not just that statistic, but the stigma that goes along with it. In many countries, women risk violence if they press their partner to use a condom. They cannot do anything about it, even with education, because of the pressures of violence in their communities.

I was impressed by the conference that was held by the Association of West European Parliamentarians for Southern Africa, AWEPA, in Botswana last year, where we enabled African parliamentarians, men and women, to address the issue of HIV/AIDS. I was also impressed by the intensity with which that debate is starting to happen among those parliamentarians.

I pay tribute to the work of my hon. Friend the Member for City of York (Hugh Bayley) and his all-party Africa group, which is undertaking its own study on AIDS in Africa. At the hearing last week, we heard from Asunta Wagura of the Kenya Network of Women with AIDS. That network began with just three or four women trying to pool resources to help one another, but it now has members in their thousands and is making a difference. This health issue is one example of how we can make progress if we work through women.

As HIV/AIDS is addressed by the developed world through increased resources for treatment, we have to be clear that the treatment goes not only to the wealthy men and those people with a bit of power who can take it up, but to the women in their communities, where it will not only make a difference to them but have an impact on stigma and on the whole community.

Joan Ruddock (Lewisham, Deptford) (Lab): I am extremely grateful to my hon. Friend for giving way, not least because she knows that I cannot stay for the whole debate. I want to bring to her attention the position of women in Afghanistan. The maternal mortality rate is 1,600 women for every 100,000 live births—a shocking statistic. Women are particularly prone to malaria and they represent 70 per cent. of tuberculosis cases in that country. We now know those statistics for the first time. It is important to note that steps have been taken by the transitional authority, and particularly by the United Nations and others, with the safe motherhood initiative, seeking to resolve the problems for all the reasons that my hon. Friend has stated.

Helen Jackson: I am most grateful to my hon. Friend. I was going to go on to pay tribute to her work with women in Afghanistan. She has shown how focusing on the need for women to be at the forefront of rebuilding their community is not merely an option but is absolutely crucial to bringing that country out of the horrors of the wars of the past decades into a more secure future.

It is often said that, although education and health matter, economic development and financial necessity will drive forward success in development work. It is worth recognising that even in that field women play a crucial part.

We often hear that there is a major problem with governance and the culture of corruption. On a visit to Sierra Leone last year by the Commonwealth Parliamentary Association, of which I was a member, we were fascinated to see how the country's Administration had decided in their programme of micro-finance and micro-credit initiatives to give 97 per cent. of all those resources to projects led or run by women. They were perfectly open about their reasons. We know that those are the projects where the money will be used for the stated purpose. They will have a better awareness that the money is a loan; they will develop a business plan to pay it back and it will therefore be recycled. That is a small way to address the culture of corruption, but I believe that working in such a way, through small-scale initiatives and letting women lead, is the only way of building a change in that culture in those countries that are emerging from great poverty and, in Sierra Leone's case, a nasty civil war.

I am also reminded of South African women's day last year, when we heard from Nomsa Nhlebeya, a wonderful woman farmer. She was a sugar cane farmer who started by being given a few fields in Mpumalanga when her former husband died. She now employs 35 workers, including her current husband, and owns one of the leading small businesses in the sugar industry. She spoke with authority about what needed to be done on fair trade.

My views on all those issues were sharpened in the five years in which I worked in Northern Ireland, where I was given a role that involved listening and talking to women. I am now moving on from economic development to mention the impact that war and conflict have on the work of the Department for International Development and the tragedy that they cause in so many countries that are poor already.

It was clear to me over those years that it was partly the vision of Mo Mowlam, the then Secretary of State for Northern Ireland, that started to make a difference. According to her vision, we must listen to the voices of women in Northern Ireland to get the wholehearted agreement that there should be a peaceful way forward. I pay tribute to the contribution made by Senator Hillary Clinton, then First Lady of the United States, who promoted a "vital voices" campaign across a range of countries, where she raised the issue of putting women at the forefront of small business development and education, to raise their self-awareness and self-expectation, and to make it clear that they had a role to play in public life and politics.

My hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) has been working in respect of Afghanistan, and my hon. Friend the Member for Cynon Valley (Ann Clwyd), for example, is working in Iraq to build the need for women into the post-conflict reconstruction. I am delighted that the new constitution established a 25 per cent. quota, and I was interested to read last week that Senator Hillary Clinton also raised the issue in a speech to the Senate in Washington. In such a way, international networks are brought together and, because of the pressure that they bring to bear, are effective as time goes on.

Mrs. Betty Williams (Conwy) (Lab): Does my hon. Friend agree that confidence building is key, whether we are discussing women in this country, the middle east, Afghanistan or wherever, because women have felt undervalued for many years? I am interested to hear what my hon. Friend the Minister will say. I have

personal experience of the issue. I remember fighting an election when my second child was due within three weeks. Some of the electorate—sadly, some of them women—thought, "How dare she stand for the council in that state," not thinking that my condition was temporary, the baby would be born one day and I would be active again. The miners' strike was a prime example of women feeling that they were needed, and they had the confidence to get involved in active politics. Does my hon. Friend agree that confidence building is terribly important wherever we live?

Helen Jackson: I am grateful to my hon. Friend and I acknowledge that point. Most women who have struggled to get into public life and move into politics will recognise it from their own experience, in a way that only they can express. I shall come on to how to pull that into the central area of politics, decision making and public life.

In Africa, I heard some of the experiences and struggles of female African parliamentarians. When I mentioned the subject of family, a typical response was, "Yes, well I have 10 children and I have the constituency to look after. It is difficult to get the family fed and to get the money together." There are difficulties and pressures on such women, and they naturally wonder whether it is their role to make a difference in public life and policy making, or whether they should stay with their families.

We are making the transition to recognising the crucial contribution that women's experiences in life make to their opinions and wider decision making in public life. The most important overall lesson is to share what we have learned across the world, and to learn from others, about how to bring more women into politics and public life, because that goes hand in hand with improving democracy.

We are not perfect: we are still only 50th in the table of the percentage of women in Parliament, and many developing countries are ahead of us. In that context, we must pay tribute to the ANC. Its struggles in South Africa led it to decide to use a quota system when the democratic process started. That has been a beacon for many other developing countries, because it had the courage to do it at a provincial as well as a national level, and we must not forget that.

I want to pay tribute to the British Council. Through its programme of interaction it makes a huge difference. I know that other colleagues in the Chamber have been part of its programme of twinning female parliamentarians in this country with those in central and eastern Africa. It decided to undertake the programme following research, entitled "Just big cars and leaking roofs?", which showed that public perception of politicians in those African countries was low, but that the public perception of female politicians was higher. There was a feeling among the electorate that female politicians would pay less attention to big cars, and more attention to the leaking roofs and rotten roads in their constituencies. There was growing recognition that a vote for a woman would make more difference. The British Council picked up on that research and worked out ways to promote it. Part of its work in Africa, which I totally support, is to emphasise the link between women in positions in civil society and those in politics.

I was twinned with the hon. Martha Nasho, the Member of Parliament for Ntcheu, South in Malawi. During my week in Malawi, I attended two seminars that were held by the Young Women Leaders network and sponsored by the British Council. They brought together bright, up and coming young women who were making their way in the media, business, the legal profession, teaching and non-governmental organisations with women parliamentarians, who were often older and who make up only 9 per cent. of Members of Parliament. It was impressive to see those women parliamentarians starting to recognise that they could make a bigger impact in their struggle, which we discussed a moment ago, by using those bright young women to put together business plans for their constituency projects, to help with legal issues and to help raise their media profiles. At the same time, the civil society people started to recognise that not all politicians were a waste of time or corrupt and that it was worth working with them. The work done at those seminars was very important, and we came across something similar, but less developed, on last year's CPA visit to Sierra Leone. I pay tribute to those involved, and I know that the Government value their work highly.

I also pay tribute to AWEPA, which I mentioned. The organisation brings European parliamentarians together with African parliamentarians. Sometimes, we as parliamentarians underrate our relevance to such issues. I know that we are not Ministers, but the links between parliamentarians are often those that matter when it comes to developing a concept of democracy and the international context.

I have given a flavour of the issues involved. They include education, health, economic development, conflict resolution and a bigger part for women in public life, and they stretch across Government. To conclude, however, I want to suggest how we might strengthen our approach to such issues.

Much is going on, and achieving our goals will make a tremendous difference to societies around the world. With more co-ordination, we can be more effective. That is true not only of this Government's activities but of activities across Governments. There is a wealth of good will in the Government, NGOs, Europe, the United Nations, the World Bank and other international bodies. Will the Minister and other colleagues therefore consider setting up an interdepartmental committee to bring together know-how and policy across all the relevant Departments? It would have the time-limited task of pulling together a report setting out Government guidelines on international gender policy and taking the issue into every area of discussion.

When I read the Prime Minister's very welcome announcement that he was going to set up a Commission for Africa, I felt that we had an opportunity to do something. When I read the names of the commission's 10 members, however, I found that there was only one woman and that there was nothing about gender in the terms of reference. We have a job to do to ensure that such guidelines become part of every initiative. We could also do more to inject a gender dimension into the NEPAD—New Partnership for Africa's Development—initiative.

[Helen Jackson]

The joint committee should have careful, limited terms of reference, particular tasks and a time within which to work. It should focus strongly on education; it should garner examples of good practice from within Government, outside organisations and the developing world; and it should, I suggest, involve parliamentarians as well as officials. The Minister may wonder whether we need another all-party parliamentary group, but the argument is undeniable: we should press Government to undertake such projects, and to strengthen the focus as we move into the presidency of the G8 and the European Community.

There is urgency to this matter, because the public and the Government want delivery. The debate is not simply a matter of international women's week at the beginning of March; it is taking place because tackling development through the empowerment of women is what works.

10.1 am

Valerie Davey (Bristol, West) (Lab): I am delighted to follow the significant contribution by my hon. Friend the Member for Sheffield, Hillsborough (Helen Jackson) and endorse the excellent idea that she put to the Minister.

In Bristol yesterday we began our celebration of international women's day by unveiling a plaque on the house where Emmeline Pethick-Lawrence was born in 1867. She was one of the leading suffragettes and was particularly known for co-editing "Votes for Women". That influential publication was published initially on behalf of the Women's Social and Political Union and later independently of that group. She was a remarkable woman, and not just in her leading role as a suffragette. Before that time, she had spoken out against the Boer war and organised a women's co-operative dressmaking group in London and children's holidays in Littlehampton. In later life she worked actively for peace.

As I left the ceremony and walked down the road to where women were gathering for a discussion, I wondered why more people were not aware of her individual contribution, the work of the suffragette movement generally, and the international links that so many of the women involved in it had. I immediately found myself involved in a discussion with Bristol women whose project for the coming year is the publication of a manifesto for women's health. Instinctively and immediately, as they had begun to talk about improving the health of women in Bristol, they talked about international matters—their concern about HIV/AIDS and female genital mutilation. They wondered what contribution they could make in those contexts.

I left that meeting reflecting on the courage, determination and sheer hard work that women have demonstrated over the decades in this country. I reflected, too, on the international link between women, which they instinctively express and work for while calling for urgent action in this country. It was salutary to be reminded that it is only 75 years since all women in this country have had the vote, and of the importance of that in underpinning everything that women want to do.

As has been mentioned, the interim governing group in Iraq yesterday announced that there will be 25 per cent. women's representation in the new constitution. That is welcome news. Obviously we want things to develop further, but when we reflect on the situation in this country, we realise what an enormous step forward it is. We trust—indeed, we know—that it will be hugely beneficial for the people of Iraq.

Another area that concerns me, and for which I have been holding my breath, is the island of Cyprus, which is not too far from Iraq. I hope that eventually that divided island will be brought together on entry to the EU. I have been thinking about what led to the new situation there and of the bi-communal vision held by so many for so long, in particular by those who have crossed the divide, either by e-mail, as it developed as a useful connection for people north and south, or by meeting out of the country. The women have taken the lead in that bi-communal vision. Of course there have been business people, ecologists and trade unionists as well, but right from the start the women have been a strong group.

Those women have, I think, called themselves "women across the divide", but I have not been able to confirm that. That is appropriate because those women in the Turkish and the Greek Cypriot groups have kept up their links, have worked with the women of Northern Ireland and the women of Palestine and Israel, and have sought a way forward to heal divides. It is rather invidious to name people, but I shall mention Katie Clerides, for her bold steps as an elected Member to break the conformity, which women have so often done, and reach out a hand of friendship across that divide to her Turkish Cypriot sisters. We hope and trust that the foundation that those women have laid and the work that they have implanted to bring about understanding will come to fruition in the near future.

I should like to take the opportunity to pay tribute to a Ugandan woman, Angelina Acheng Atyam. I met her for the first time only last month, when she came with a delegation from northern Uganda. I find it hard to believe that a conflict has been taking place in northern Uganda over the past 17 to 18 years which is essentially a war against children. It is a conflict in which the Lord's Resistance Army has abducted and used children as either child fighters or sex slaves. In that time, it is estimated that between 20,000 and 22,000 children have been abducted and used in that way. It is estimated that at least 75 per cent. of the Lord's Resistance Army are 11 to 15-year-olds. Until recently, when I looked into the matter more clearly in preparation for another Adjournment debate in this Chamber, I had not realised that children who are abducted from a community in that way and used on the front line of battles are fighting their own people, while those attacking them back, when the battle ensues, are killing their own children. That is the most horrific war situation that I have come across.

Angelina was part of a delegation of community leaders and church leaders. She came because she was a co-founder of the Concerned Parents Association, of which she is now chairperson. There are 5,000 parents in that organisation, working to secure and release their sons and daughters. Angelina lost her daughter, who was abducted in 1996 and remains in captivity. I cannot begin to imagine the pain and horror that those parents

suffer. However, Angelina presented herself here with the great dignity, patience and forbearing of that delegation. I looked into her eyes and I saw a woman of great courage, bravery and determination. Those are exactly the qualities of the suffragette movement that I have talked about. Those qualities are to be found in all the references that my hon. Friend made to women struggling for justice for women, children and families. Those families in northern Uganda have been torn apart. The children are often made to kill their own family members before being taken away.

The healing that is needed in that community will depend on people such as Angelina. She deserves our utmost support. She is asking for a peaceful resolution and says that additional conflict and war will never bring that about. She is asking for our help, the Government's help and the United Nations' help to initiate further discussions among her Government, our Government, the United Nations and even those people—although she says it reluctantly—who are responsible for the horror in her community. I ask for support for Angelina and the Concerned Parents Association. That is my special plea today.

I cannot finish, however, without also referring to the British Council and the work that it does to bring more women in central and east Africa into roles of responsibility and effective leadership in local and national communities, and to my political twin in Tanzania, Ruth Msafiri of Muleba North. She is working in that same tradition by prioritising education, in particular by trying to gain more secondary schools in her constituency, and by setting up a credit union for women's groups. I honour her for the energy that she puts into her role as a Member of Parliament in Tanzania.

This week, we pay tribute to and celebrate what women have done, but we also ponder how best we can promote those qualities of concern, commitment and hard work. In particular, I urge the Commission for Africa to take on more women members and to take more seriously the role that women play, and should be encouraged to play, in Africa.

10.11 am

Ms Dari Taylor (Stockton, South) (Lab): I congratulate my hon. Friend the Member for Sheffield, Hillsborough (Helen Jackson) on securing the debate. I am always pleased to have the opportunity to speak about the many roles that women play in our national and international communities.

Some women, such as my mother, define themselves as very ordinary, but are actually extraordinary. I always thought that it was near miraculous that my mother, with great fortitude and energy, managed to organise our family and keep us going on almost no money, so that we all achieved a place at university and did things that she did not have the chance to do.

However, we celebrate not just the many ordinary women such as my mother—who are not ordinary at all—but the women who, against all odds, achieve the opportunity to represent their communities in Parliament. For example, I should like to talk about the Delhi Chief Minister, Sheila Dikshit, who is an extraordinary woman with amazing grace and a delightful, quiet personality, but a sheer tenacity that would make her capable of organising the Welsh rugby team—who perhaps need a bit of help in that quarter. However, I also wish to talk about the many women who, from small beginnings in Gujarat, set up the Self Employed Women's Association and have given women, families and the community a belief that they have a positive future.

Recently, I had the privilege of leading a group of 10 elected Labour women parliamentarians on a visit to India. That was a pleasure, but also a privilege, because of the way in which we were greeted, spoken with and involved in the communities that we visited. We met Sonia Gandhi, the Leader of the Opposition; Dr. Purnima Advani, the president of the National Commission for Women; Ms Mehbooba Mufti, the president of the People's Democratic Party in Jammu and Kashmir; and Sheila Dikshit, the Chief Minister of Delhi. It was a serious pleasure to meet those women, many of whom had startling levels of responsibility, but who had an enormous focus on what they wanted to achieve for their communities.

While in Calcutta, we visited a DFID project—what a serious pleasure that was, too. I am not talking about the enthusiasm that many people, including my community in Stockton, feel when a Minister or someone from outside visits them. The sheer enthusiasm of the people we visited went further than that. The children did not want us to go. They wanted to shake all our hands and tell us what had gone on in their community. We could not speak their language and they could not understand ours, but a big smile and a shake of the hand do not half cross the barriers effortlessly.

That project spent £3 million. That is not big money in anyone else's budget, but to those people it meant a transformation of their slum dwellings. We sank drains—actually, we provided the money and they sank drains. They created concrete pathways between the houses, so that when the rains came they would not be sliding around on mud. It is a considerable settlement of 3,000 people. They decided where the taps and lavatories should go and how all the other workings should be, and we provided the money. The strength that one could see in that community because it was given that opportunity was profoundly valuable.

Again, I have to say that, on the whole, it was men in DFID who held the purse strings. They were there dealing with the money, but it was the women who spoke to the people, pulled them all together and got them to map out their community, so that they knew where the community centres, taps and so on should be. It was the women who said that if the people of the community took possession of the project, they would feel that it was what they wanted, secure the results permanently and respect it. I was so pleased.

There is so much to say about that small community. It was very important to see the difference that paths and sunk drains meant for one small home. The woman in that home now has a sewing machine. She now reads, as do her children—they have to learn to read so that they can use the equipment to its fullest extent. What a pleasure it was to see that. It was even more of a pleasure for me because, as is the case for many women, one of my jobs in life is to keep my family going and to cook, and the women in India seem to be the only cooks—

[Ms Dari Taylor]

except, of course, in the fancy hotels, where, somewhere along the line, women are not quite seen as competent enough to be chefs. I totally deprecate that.

One young woman was thrilled to show me her home in that small settlement outside Calcutta. There she was on her haunches before an open fire, cooking. She wanted me to see that a chimney had been put in, which was taking away the smoke from the fire. She told me in her own way that her children's chests had improved, their breathing was infinitely better, the house did not smell of smoke, and they felt that that was such an achievement. When I went away from there, I was so thrilled that she was thrilled, but I was so depressed that, in the 21st century, we are still seeing people celebrate the fact that a chimney has been put into their home to take out the smoke.

I say with great warmth to my hon. Friend the Minister that we need many more practical women to define and operationalise the way in which DFID should deliver its projects. In the 21st century, we should not be organising where taps and chimneys should go. Most of us would have thought that that happened without the need for much consideration. For the moment, however, let us go on, because the visit was positive and Calcutta was positive.

Speaking with the National Commission for Women was, again, an important moment for all the women in the delegation, because there was a commonality of hope and of problems. As people spoke around the table, we heard about how we can deliver within homes the opportunity to maximise a family's income and the achievements that flow from that. Once again, however, it left a feeling of disappointment, although we knew that it was going to happen.

Every time I speak with women in different groups, I have the same conversations again and again, including one about women confidently challenging domestic violence. The marker was that it was not just men who were abusing women and their families, but that mothers-in-law were supporting it because they were supporting their sons. There is a nasty sense of lack of control. I believe that with twinning and support from British women, and women of other nationalities, Indian women will become as confident as ours are about challenging it. Inevitably, we had a discussion about the glass ceiling, with so many women of quality and serious talent finding it impossibly difficult to move up the greasy pole.

In Jammu and Kashmir, discussion centred more on migrant groups. The war between Pakistan and India has cost ordinary folks very dearly, as war always does throughout the world. We spoke to a community of 300,000 displaced people, who had moved out of the valley of Kashmir, away from their farms and homes, who were too frightened to return. It is sometimes difficult in debates to get the balance right, but my balance now has to be to say it as it is. Within that community, everyone who spoke formally to our delegation was a man; everyone who was delivering, whether in education or looking after the elderly, was a woman. We must recognise that wherever we are, women find it so much more difficult to achieve positions that they deserve. Their skills in schooling and supporting the rest of the community were very evident. The depression, the sense of absolute concern, the feeling of anger and the desire not to be displaced were so evident, to put it mildly. They want, as anyone would, to go home and to believe that the peace between Indian and Pakistan is now set on course. I ask the Minister to ensure that our contribution to the discussion on India and Pakistan refers to that community's need to maintain the peace.

I should like to make, quickly but importantly, a brief comment about the Chief Minister of Delhi. As I said earlier, Sheila Dikshit was quiet and gently spoken; one could have believed that she was a woman who would have been pushed around, but one would have been totally wrong. She was a very focused and tough female. We spoke about water, space and people living on the streets. She carefully told us, "I am organising the water companies, because they do not manage water. I am speaking to the state Government to ensure that the management of what we have can actually ensure sufficient water for this community There isn't a problem about amount. There is a problem about the way that it is used." She cited the management of a number of areas. We spoke about people on the streets: it is quite the most unpalatable sight to see communities living under a tarpaulin, or less, on the streets. She told me that she was speaking with the Governments of surrounding states because the migrant population coming into Delhi is enormous, with more than a million people moving in every year. It is impossible to handle in terms of housing. She said that employment opportunities in rural communities must be built up, so that people do not feel that they have to move to Delhi. They can live where they were born, as most of them want. Over her six years, to great acclaim, she has seen the amount of green space in Delhi available for public access increase significantly, such that everybody wanted to claim it.

I want to end not on Sheila Dikshit, who is a robust woman with a total command of the situation and total determination to achieve, but on Gujarat. I did not visit Gujarat this time; I went there on my previous visit to India. When I was there, I saw many different Government offices, but the one group that stood out was the Self Employed Women's Association. SEWA is a group of women who have put practical projects together and used the skills of their community to maximum effect. They have ensured that the needlework or soft-furnishing competence of an Indian community translates to a retail business, and the community is benefiting enormously.

The group has ensured that, because people want to eat, the women have become farmers. They manage the land with great care, and they have a retail outlet so that they can sell what they grow. They set themselves up with a small grant from the Government, which they have paid back, because—this is the dignity of SEWA—they set up a credit union bank. The group is exclusively for women, and ordinary women who may have only 10 rupees can save them secure in the knowledge that the money will be used only for their benefit and that of their families and community. The group's work is astounding. It is creative and practical, and it has changed the sense of what future can be available for the ordinary people of Gujarat.

My final point is something that all my sisters—hon. Members of this Parliament—have spoken about. Indian political parties made a commitment to ensuring

that 33 per cent. of their Parliament will be made up of women, but that policy has been shamefully shelved. We spoke to all the chief Ministers, from Sonia Gandhi to anyone else we could, to find out the details of the policy. All the political parties agreed it, but not one Government have been prepared to put it into practice. We must persuade them that capturing the quality of mind, tenacity and energy of women in the political world ensures unquantifiable benefits.

The Confederation of Indian Industry, the high commission in London and many other generous bodies from the Indian community sponsored the visit that the 10 Labour parliamentarians took to India. I thank them publicly. As has been said, the more we speak, network and twin with each other, the more we benefit. Women's lives are creative and a focus in all our communities; they should always be a focus in our political community.

10.29 am

Sandra Gidley (Romsey) (LD): I begin by congratulating the hon. Member for Sheffield, Hillsborough (Helen Jackson) on securing the debate. I do not want to be too churlish, but it is a shame that in the debates last Friday and today, only women have taken part. My party is as guilty in that as any. *[Interruption.]* I apologise, as the Minister is clearly not a woman. However, he has to be here—he is not here from choice.

Last week's debate focused on the post-conflict work in Iraq and Afghanistan, and I will not rehearse it today. However, I was pleased that the hon. Member for Sheffield, Hillsborough raised that vital subject. At some stage in the future, I would like us to debate what women are doing in that regard. I have submitted many requests for a debate on United Nations Security Council resolution 1325, and other hon. Members would be welcome to join me. As women, we should be particularly interested in the issue. Today, however, I shall focus on two issues: HIV/AIDS and the Amnesty International report "It's in our hands", which is part of a campaign to stop violence against women.

I make no apology for talking about a subject as specific as HIV/AIDS. It is one of the biggest problems facing women today, although it is not recognised as a women's issue. Some people take an interest in that aspect of HIV/AIDS, but much of the general public still regard it as something that affects only gay men. That is clearly not the case. Since HIV/AIDS was first discovered 20 years ago, more people have died from it than died of the black death in the middle ages. In sub-Saharan Africa, an estimated 12.2 million women and 10.1 million men carry the virus, so its prevalence seems to be greater in the female population.

In South Africa, one in 10 people are HIV-positive. The country has been described as the rape capital of the world, and violence is fuelling the epidemic. In such an atmosphere, people feel that no one is safe and that no one can be trusted. Speaking to the *New Internationalist* in 2002—I suspect that the same comments could still be made today—a 30-year old Johannesburg activist described how she was infected:

"I was walking home from work when he drove up to me. He was dressed as a priest, soft-spoken and sweet. There was even a bible on the seat of his car. I said: 'Father, how can I help you?' He asked directions to a church. It was close to my place. I thought to myself, why shouldn't I help this priest, only to find later, he was going to be my rapist."

Everyone has mentioned women they have met who have had an impact on them. I met Princess Zulu—she is not a real princess—who came to talk to DFID about securing more money for children, who are, so to speak, the second-hand victims of HIV/AIDS. She was very healthy and very attractive, and she had developed the rather bizarre practice of waving down lorry drivers, jumping into their cabs, pretending to offer sex and then saying, "Well, actually, I am HIV-positive." They are all shocked because she looks so healthy and normal. That is one of the issues with AIDS. In the past, there were lots of pictures of people who had clearly been ravaged by some sort of disease. Increasingly, however, those with access to anti-retroviral therapy do not look ill.

Someone said that marriage was the answer, but it is not, because many women contract the virus from their husbands, who may have multiple partners. It is difficult for a woman to insist that her husband should wear a condom, because he will assume that she is sleeping around, and the issue of violence is also intertwined with that. He will think that she does not trust him. We have all heard of such cases.

When a woman contracts AIDS or dies from it, the consequences for her children can be stark. In many cases, they may no longer be able to access education. The hon. Member for Sheffield, Hillsborough spoke movingly about the need for education and about some of its unforeseen benefits. If young women have no education or skills, however, they may be forced to go to the cities or elsewhere and become sex workers, and so the cycle continues. We must find a way of breaking that cycle.

Much work is being done to develop vaccines and microbicides. For those who do not know what microbicides are, they are an exciting development. A woman can protect herself from HIV by using one, and the man does not have to know that she has used it. She can protect herself without risking his anger. Much work has also been done to promote awareness programmes, the most common of which is the ABC programme—"Abstain, be faithful, use a condom". They are not, however, the complete answer. A similar campaign that was introduced in Cambodia managed to reduce quite significantly the number of HIV-positive women who attended the local hospital to have their babies. It sometimes seems as if all these efforts are a drop in the ocean, but it is well worth making them.

Sadly, a large part of the problem is still gender equality. The good news, however, is that there is a growing number of programmes that focus on the empowerment of women—I hate the word "empowerment", but I cannot think of another one—human rights education and raising self-esteem. Poverty does not cause HIV/AIDS, but it is the ideal incubator. Gender and poverty are inextricably linked. Some 70 per cent. of the world's poor are women, and poor women are the most susceptible to HIV/AIDS. I could talk about that all day. I pay tribute to the latest Amnesty International campaign. What is great about it is that Amnesty International is not a feminist organisation, which is almost a first. I hope that the campaign will be supported equally by men and by women.

[Sandra Gidley]

Amnesty International has some horrifying statistics on violence. One out of every three women has been beaten, coerced into sex or otherwise abused in her lifetime, usually by someone known to her. The Council of Europe stated that domestic violence is the major cause of death and disability among women aged 16 to 44, and accounts for more death and ill health than cancer or traffic accidents. Why on earth are we not doing more about it? By asking that question, I am not dismissing what the Government are doing to tackle the problem by introducing the Domestic Violence, Crime and Victims Bill.

It is also estimated that more than 60 million women are missing from the world as a result of sex-selective abortions and female infanticide. The Amnesty International campaign deals with many of the key areas that, sadly, I do not have time to discuss. I was particularly struck by a small section of the campaign literature on the Dalit community of untouchables—the lowest caste—in India. Dalit women are treated worse than animals, and are made to do menial jobs such as removing night soil. Their poverty, although caste-based, is forced on them. It struck me that this is not a women's issue, because women from the higher castes do not do anything to help them. We must try to get the message across that it is not right to discriminate against people in this way. The talk of sisterhood in Westminster last Thursday does not work everywhere; it is more of a dream than a reality.

I end by paying tribute to the British Council. I have been taking part in this year's scheme and hope to visit my counterpart. Ultimately, however, we must get men more involved if these issues are to be taken more seriously.

10.39 am

Mrs. Caroline Spelman (Meriden) (Con): I, too, congratulate the hon. Member for Sheffield, Hillsborough (Helen Jackson) on securing the debate. We had a debate on women in Government time in the House, and I chose to focus on domestic issues and the pay gap suffered by women in this country, because we already knew that the hon. Lady had secured today's debate. This allows us two bites of the cherry.

There have been many events relating to international women's day yesterday, and it is right to record the women's world day of prayer last Friday. We have an opportunity to discuss domestic and international issues. What saddens me is that, in both those contexts, the focus has returned to violence against women. Hon. Members may know that 25 November is the international day against violence against women. However, it is hard to get away from the fact that when considering the issues facing women around the world and in this country, violence remains one of the main problems. I support Amnesty International's campaign against violence against women. The hon. Member for Romsey (Sandra Gidley) made the valid point that Amnesty International is not specifically a women's organisation, so it is good that it has taken up the cause on domestic violence.

I recently saw shocking figures—official Russian Government figures—that claim that 14,000 women a year are killed by their partners or relatives in Russia. However, the Russian Government acknowledge that no legislation is in place to prevent such appalling acts. The sheer numbers are horrifying. In this country, two women and two children die each week as a result of domestic violence. No one could argue that the problem is not serious. Together with the oppression and denial of equal rights in scores of countries around the globe, it is clear that the international role of women is in desperate need of affirmative action.

I want to focus on two countries in particular, about which I denied myself the opportunity to speak last Thursday. I shall talk about women in Afghanistan, as have other hon. Members, including the hon. Member for Lewisham, Deptford (Joan Ruddock), and women in Iraq. Both countries present a test case for the future of women's rights. As a nation, we are part of an occupying force in one of those countries and a multinational peacekeeping force in the other, so we have a role to play.

Despite the relatively enlightened historical position of women in Iraq compared with those in neighbouring countries, I am concerned about whether women's representation and their position in Iraqi society will advance or regress. There is no room for complacency. I am delighted that the Governing Council has set a quota that a quarter of National Assembly members should be female, but culturally that has encountered stiff resistance. Despite the coalition's moves to bring democracy to the country, the influence of hard-line leaders presents a serious obstacle to securing equal treatment in the institutions of the newly liberated Iraq. It would be wrong to skate over that reality. The importance of setting a precedent in such a formative period in the country's history is paramount if the long-term future of women in Iraq is to be secured.

In Afghanistan, where the electoral process is more advanced, similar difficulties are being encountered in the registration of women for the June elections. Aside from the general problems of preparing for the poll, registration of women is standing at about 2 per cent. of the eligible electorate, which is well below even the 10 per cent. figure of the total eligible population. When I was in Afghanistan in August 2003, I met the UN representative responsible for enfranchising those women and making it possible for them to vote, and I realised how practical the problems of achieving that are. For a start, the country is still insecure. A military cordon is provided by, among others, our soldiers to keep the peace, but even within the cordon the situation cannot be described as entirely secure. Beyond it, the country is highly insecure. That makes seeking out the women whom the UN representatives want to register to vote a particularly difficult task. There is also the problem of identification in a country where female modesty is taken to lengths that are quite hard for us to imagine. There is a practical problem, which is that it is difficult for a woman under the burqa to be positively identified. The cultural issues attached to that are again not to be underestimated.

Given our role in the country, it is important that hon. Members should not miss the irony that Afghanistan is a deeply traditional country. In enfranchising the women, there is a considerable chance that some of those deeply conservative attitudes will become further entrenched. The women are not used to exercising their views free from their husbands. Enfranchising them may

lead to a more conservative election result than otherwise. I had not spotted that irony until I went there and talked to the women and the UN representatives who are enfranchising them. It is important to bear that in mind. There is work to be done not only in enfranchising women but in educating them about empowerment and their freedom to think and do as they please. We seem to take those freedoms entirely for granted in our countries; indeed, some even choose not to vote.

There is one another thing about which I should like to speak, again because there is an opportunity to do something about it in the legislation that is completing its course in another place and will shortly come to our House. The topic is also not unrelated to international development. The position on the legal status of women asylum seekers who are subject to domestic violence has been opaque, and at worst discriminatory. Many women who come to this country to join their partners or spouses or who are resident here are subjected to violence before they are granted citizenship or leave to remain. At present they face the choice of either staying in that violent relationship or pulling out and risking being forced to return to the country from which they came. The latter is not an easy option, with the loss of face involved in retreating from a relationship that the family back home might have thought to be a way up for the individual concerned.

The Government's concession on domestic violence in 1999 went some way to addressing that concern. A probationary period was to be granted to allow victims to apply for indefinite leave to stay in the UK if clear evidence of violence could be shown. However, that still left significant gaps, leading to the perpetrators of violence going unpunished and failing to provide the victims with the necessary support that they rightfully deserve. I invite hon. Members to think about the difficulty for a woman in that position who may not speak English, may be frightened and will perhaps be behind closed doors when the violence is inflicted. It is difficult for us to conceive how hard it must be to surmount that obstacle, to leave the home where the violence is occurring, to know where to turn and to find someone who understands the problem. Those who work with women in that position advise me that it remains a significant problem.

To many of us, domestic violence is one of the unseen tragedies of this country. A quarter of the female population experience it at some time in their lives. We welcome the Domestic Violence, Crime and Victims Bill and shall support the Government by seeking to refine it and make it the best possible piece of legislation to tackle the problem. However, I am anxious that we should not overlook the plight of female asylum seekers who experience domestic violence. With the backing of Southall Black Sisters, an organisation working to highlight the problems of violence against female immigrants and minorities, Baroness Anelay, Baroness Walmsley and Lord Dubs moved an amendment in the Lords to extend the provisions of the 1999 legislation to include all victims of domestic violence and, most importantly, to allow them access to public funds to help them with their problems. The persistence of such problems indicates that even within the supposedly civilised western world the unequal treatment of women is real and current. It is an issue for every Government, not least our own.

10.50 am

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): I, too, congratulate my hon. Friend the Member for Sheffield, Hillsborough (Helen Jackson) on securing the debate. We have had an excellent debate with strong contributions from Opposition Members and from my Back-Bench colleagues as well.

Almost three decades have passed since 1975, when the UN General Assembly confirmed international women's year. During that period, considerable progress has been made in understanding the nature of gender inequality. It is recognised now that not only do women and girls bear the brunt of poverty, but that the empowerment of women is an essential precondition for eliminating poverty more generally and for upholding human rights.

In Africa, we know that for a whole series of cultural, social, economic and political reasons women do not enjoy anything like equal access to opportunity in terms of ownership of assets or access to education, health care and financial services. Indeed, in many African countries they are still considered legally to be minors. Against such a backdrop, the under-representation of women in Government structures locally, regionally and nationally is hardly surprising.

Similar problems are faced in Asia, too. In south and south-east Asia, women account for some 60 per cent. of young people infected with HIV/AIDS and the sexual exploitation of women, as a number of contributions emphasised, is widespread. My hon. Friend made a point about education. In Asia, we know that the highest number of girls are out of school.

My hon. Friend touched on issues of governance and was supported in that by a number of other speakers. There has been positive progress in many parts of Africa. The Southern African Development Community has sought to ensure a minimum of 30 per cent. representation in member states' national Parliaments by 2005. That has been achieved in South Africa and Mozambique. To be blunt, we know that it is not likely to be achieved across the rest of the SADC member states, but it has sparked off a debate across the region, which has been productive.

Helen Jackson: Does my hon. Friend agree that the SADC region has made more progress in a decade in establishing that aspect of democracy than we have managed in several hundred years?

Mr. Thomas: Yes, the statistics can only bring out the accuracy of my hon. Friend's comment. One other example that will give encouragement in terms of the progress that has been made in the institutions that serve the needs of Africa is that the African Union has ensured that half its Commissioners are women. That is a first for what is a new, Africa-wide organisation and it can only help to tackle some issues that hon. Members have referred to.

We heard yesterday that the Bangladeshi Government have committed to appoint a series of new women MPs to the Parliament. In Afghanistan and Iraq—the hon. Member for Meriden (Mrs. Spelman) and my hon. Friends the Members for Lewisham, Deptford (Joan Ruddock) and for Sheffield,

[Mr. Thomas]

Hillsborough alluded to this—the progress that has been made on the constitutional position of women is clearly extremely welcome.

The hon. Member for Meriden was absolutely right to warn us that we cannot sit back and assume that simply because quotas have been set and progress has been made on the constitutions of Afghanistan and Iraq the education and empowerment issues beneath the question of constitutional parlance have been resolved. I hope that she and others will welcome the fact that my Department has contributed some £500,000 to support UNIFEM's work in Iraq—supporting the development of women's groups at Government level and working with the governing council more generally to take proper account of the needs of women. I accept absolutely that more needs to be done in that area.

My hon. Friends the Members for Sheffield, Hillsborough and for Bristol, West (Valerie Davey) made their representations about the Commission for Africa at an opportune moment. One woman commissioner has been confirmed, as they acknowledged. Full membership in general has not yet been confirmed and we are still seeking other possible women commissioners.

Similarly, with respect to the terms of reference, we hope to ensure that gender will continue to be a major focus in the work of the Commission for Africa. There will be an opportunity for women Members of Parliament to contribute. Indeed, we want to ensure that parliamentarians can contribute to the work of the commission generally. I look forward to the day when my hon. Friends are perhaps among those who lead on such contributions, and other women Members of the House might do so as well.

My hon. Friend the Member for Sheffield, Hillsborough mentioned NEPAD, and she will know that several eminent African women parliamentarians, such as Graca Machel, will be involved in the peer review mechanism, for example, as part of that work. I shall reflect further on my hon. Friend's comments on the Commission for Africa and the need for more work in this area.

Another matter rightly highlighted by my hon. Friend is the importance of education and the work of the Global Campaign for Education to highlight the fact that two thirds of the world's illiterate are women. That issue is considerably important to the work of my Department. We are, internationally, planning to increase our investment in education by up to £1 billion over the next five years. An example of that investment is the £2.2 million being given to UNICEF in support of its accelerated girls' education strategy, which is aimed at ending gender disparities in 25 of the countries that have the poorest access to education for girls.

Mrs. Williams: Will my hon. Friend join us in paying tribute to Soroptimist International and Business and Professional Women, which have worked tirelessly on the issues that he is raising?

Gareth Thomas: I of course join my hon. Friend in paying tribute to those organisations. Indeed, I pay tribute to her for continuing to support and advocate their work.

We have just announced an extra £100 million over seven years for a programme of improvement in education in Bangladesh. I think that my hon. Friend the Member for Sheffield, Hillsborough mentioned Bangladesh, where the overall literacy rate is just 43 per cent., whereas for women it is 26 per cent. That shows the scale of the challenge that remains.

My hon. Friend the Member for Sheffield, Hillsborough and the hon. Member for Romsey (Sandra Gidley) flagged up the importance of progress on HIV/AIDS. I am sure that they will welcome the fact that UNAIDS has initiated a global coalition on women and AIDS. It seeks, first, to prevent new HIV infections among women and girls and, secondly, to ensure equal access to HIV care and treatment. That is particularly important in the context of the World Health Organisation's three-by-five initiative. We are committed, along with the WHO, to ensuring that that leads to equal access to treatment for women as well as for men, and we have just announced a contribution of £3 million to its work.

The coalition aims, thirdly, to accelerate research into microbicides. Yesterday, I was delighted to attend St. Mary's hospital to see some clinical trials, which we are funding, involving microbicides. Fourthly, the protection of women's inheritance and property rights is a relevant issue.

Violence against women has also been highlighted as an issue of particular importance. A day has been earmarked for debating that issue, and that will offer a welcome opportunity to return to it. I add my praise to that which has been given to Amnesty. It does important work in challenging us to go further as parliamentarians and as Ministers in our work in this area. Internationally, our work on it is done with the United Nations Development Fund for Women, the WHO and the International Labour Organisation. We also fund work bilaterally.

I recognise that I have probably not been able to do justice to the quality of the contributions from all Members, but I will reflect further on them and write to those Members whose points I have not replied to.

Rossgate School

11 am

Mr. Tony McWalter (Hemel Hempstead) (Lab/Co-op): I am going to go at a gallop, as I have a lot to say. I am pleased to have been given the opportunity to raise the matter.

It was 22 September 2003. The man who had the reputation as the best head teacher in Hemel Hempstead, Mr. Chris Pratt, was welcoming a team from Ofsted led by Mrs. Sue Walker. The school was Rossgate school in Hemel Hempstead, a town just designated by the Halifax building society as the place in which those wishing to get on the housing ladder have the most difficult task in the country. Wages are so much on the low side, and house prices so much on the high side, that one would need 11.6 times the average wage in the area to purchase a starter home. The next town in the Halifax survey was a considerable distance behind.

Rossgate school in Gadebridge is in an area in which many of those who will never be able to afford to buy a house live. They are often in accommodation from which they would like to escape. Single parents live in second-floor flats and would love their children to have access to a garden. There are elderly pensioners in council houses who are desperately worried about the imminent closure of the local post office and how much it will cost them out of their minimal income just to collect their entitlement. The school faces many challenges, but it has historically transcended them, taking in children at four who often have considerable problems with socialisation and language, and turning them out at age 11 with achievements at and above the national average. The school has, and deserves, a high reputation in the local and education community.

The school was to be inspected in a new way. As a school that was doing well, it was to be subjected to a "light-touch" Ofsted inspection, called at short notice and with a brief visit. I want to make it clear that that idea has my full support. If a school is doing well, it is not necessary constantly to subject it to full, rigorous and critical inspection. A light-touch Ofsted inspection could be a touch on the tiller—a check on something that has been going well to see whether it is still going well. However, those who are asked to carry out such an inspection have to leave behind them their normal views of what they are doing in an inspection. They need to be trained to carry out that new task in the same way as we now ask our police to deal not only with criminal behaviour but with antisocial behaviour. A change of role needs a change of attitude.

Rossgate was not subjected to a light-touch inspection in the way that I have described. Within three and a half days, the team led by Mrs. Walker claimed that those at the school and in the wider education and social community were subject to some sort of self-delusion. On the basis of the most fleeting observations, the inspection team used the full weight of its powers to bring about the resignation of the head teacher and to designate this successful school as having serious weaknesses.

I ask the Minster today to embrace one key idea. I suggest that if there is a light-touch inspection, there should be a restriction on the decisions that can be made as a result of it. In particular, if a team decides that a school that is doing well enough to have a light-touch inspection is in fact not doing well, its powers should be limited to ordering that the school be subject to a full inspection. A team should not be allowed to make claims that can be justified only when a full inspection has been carried out.

In my experience, inspectors such as those on the Walker team carry out a light-touch inspection in the same way as they would a full Ofsted inspection, with one difference. The brevity of the process curtails the right of staff to present counter-arguments to suggestions that certain things are going wrong when they think that the inspectors are in error. The brevity also means that assumptions made by inspectors, which might be erroneous, as was the case for Rossgate, about what might count as "a similar school"—a phrase repeated several times in the report—cannot be challenged or corrected.

One specific assumption made by the inspectors in Rossgate was that Hemel Hempstead is a leafy Hertfordshire town that should have high levels of attainment. There are constant references in the inspectors' report to "a similar school", when it was not at all clear that they would know what a similar school was. They did not know my area the way I do. There is a high level of rented property in my area, from which families have no prospect of improvement. There are many single-parent families, and housing circumstances generate a poor level of social skills much of the time. There is a strong need to develop pupils' attention span. Most new towns have a relatively poorly developed set of cultural amenities, such as, for example, an abysmal library in Hemel Hempstead and no cultural amenities in the town centre.

It is agreed by everyone in the community that I represent that Rossgate school's achievements were extraordinarily good, given that background. The head was thought of as of the highest calibre by other head teachers in the area, to the point that he was regarded as a sort of super-head, who could be called in to help failing schools to overcome those deficiencies that a full Ofsted inspection had rightly identified. He did that at Leverstock Green school in my constituency, which has never looked back from the tremendous contribution made by Chris Pratt, whom the inspectors thought lacked leadership and vision.

A second assumption made was that the inspectors thought that the children in the nursery class that they saw were beginners, when in fact most of them had been in school some considerable time—six months or so. That caused the inspectors to think that the children had a higher level of attainment when entering the school, and it served to mask the fact that many of the children had and have great difficulties with concentration and self-discipline. Negative judgments were made about the nursery because it was thought of as not doing enough for children who already had considerable social skills, when in fact their attainment of those skills was a tribute to the work done in the nursery, which again many schools in Hemel Hempstead deemed a beacon of its type.

The general tenor of the inspectors' report was that the school was coasting, and that its management failed to give it a sense of direction, or a vision. In fact, the report itself is radically inconsistent, claiming for instance that classes in years 5 and 1 were unsatisfactory

[Mr. Tony McWalter]

when not a single unsatisfactory class in those years was witnessed. There was a distinct air of Alice's White Rabbit about the inspection: everywhere one looks in the report, the inspectors had too little time to get more than a most fleeting impression of the work of Rossgate school.

In their subsequent report, the governors complained that the inspectors broke the code of conduct that should have governed their behaviour. I would submit that in some ways it was impossible for them to have conformed to their code of conduct. They visited a school with an extraordinarily high reputation, and decided that there was some sort of self-delusion on the part of the staff, and in particular its head, but they had no time to obtain the evidence that might have led them to correct that initial judgment. They found that, of the 41 classes that they visited, four were unsatisfactory. Their judgments throughout were delivered in a confrontational and unco-operative way. For instance, a teacher who had a "very good" rating for a class, and who asked what could be done to achieve an "excellent" rating, was told by an inspector:

"The hairs did not stand up on the back of my neck."

Such a way of dealing with that question demonstrates incompetence of the worst sort. That judgment is ultra-subjective and offers no guidance or suggestion for improvement. In another case, a teacher was told that a class was "good", but that it could not be given a "very good" because the inspector had not been able to attend the whole of the class. The shortage of time did not prevent the inspection team from producing the most damning judgments on the school's character, but such a White Rabbit syndrome was invoked to avoid praising them.

There were four "unsatisfactory" classes out of 41. What of them? Two of the classes were taught by newly qualified teachers who were new to their posts when they were assessed—at the beginning of the autumn term, which is right at the beginning of the academic year. It is hardly managerial weakness not to have turned NQTs into perfect specimens of the didactic profession within three weeks. Two of the unsatisfactory classes were in the nursery.

One aspect of the inspection that I wish to highlight is the gross insensitivity of the inspection team. They arrived at the school on the next working day after the funeral of the much-loved head of the nursery, Rebecca Dickenson, who died of motor neurone disease at the age of 53. She was typical of the teachers at the school, and is one of the people who make me glad that I joined the Labour party. She was a Labour councillor who displayed the kind of love and considerateness for her fellow human beings that it is the greatest of joys to encounter. She was my friend. Her loss was a terrible blow, and the light that she spread around the school has been for ever extinguished.

Chris Pratt knew exactly how to handle that terrible event, but the inspection team, who decided entirely to overlook those circumstances, castigated him for his lack of leadership at the very time at which he displayed a quality of leadership that all who knew Rebecca and Chris would regard as typical of the man. He has resigned since those events because, I suspect, he thought that the judgments of the inspection team were inconsistent, woolly, ill-informed, repetitively erroneous, entirely without a spark of the co-operative spirit that is so vital to the educational enterprise and, as a result, unimplementable. As a former teacher of logic, I must say that the "improvements" suggested by the inspection team appear to be incapable of being made, because they refer to "weaknesses" that were mostly of the team's invention.

Following those events, Chris Pratt was hospitalised for six days because he suffered from heart palpitations. Those who are devoted to children and schooling take it badly when, in three days, a team of people who seem to be careless of how hard it is to build a successful school in a difficult area such as Gadebridge can utter judgments that have no right of appeal or scope to be countermanded. Of course, the governors tried to remedy the situation: they pointed to what they said were 92 errors of fact made by the inspection team. However, those who are unaccountable need not address their limitations.

Rossgate was not coasting. It had a vision: to do its best for children, many of whom must do a great deal to reach a point at which they are willing to engage in the educational process. Rossgate was not stagnating. It was providing a secure, stable learning environment, while embracing the changes faced by all education. For example, its information and communications technology suite was a mere 12 months old, but instead of praising the suite and the work that had gone into it, the inspection team chose to focus on the general disruption caused by the new suite: the fact that the school had not yet sorted out what to do with the computers that remained in the classrooms. A problem that was caused by dynamism was considered by the inspectors to be evidence of stagnation.

There appears to be no proper right of appeal for a school that is deemed to have serious weaknesses—except, perhaps, to this place. Such a judgment seems not to be changeable. The inspectors received the governors' objections and, it seems, were charged with responding to them. I believe that to be wrong for both light-touch Ofsted reports and full inspections. Usually, if a school is deemed to have a problem, that judgment is accepted and the school gets on with addressing the issue. Like most MPs, I have seen several schools get results from inspections that are negative but helpful, and education of the children has been improved once the recommendations have been implemented. However, the Rossgate inspection was not like that. I am astonished that a school that is located in a difficult area but achieves results that are above the national average at the end of year six, could be treated so brusquely and contemptuously. The children and parents of Rossgate school feel devastated by the outcome. Moreover, every school head in my constituency has said to me, "If that can happen to Chris Pratt, it can happen to me."

Ofsted has spread the fear of arbitrary judgment throughout my constituency. No one who has seen what the inspectors say about the school recognises it as accurate. Mr. Pratt, a man who is regarded as a super-head, is now a data entry clerk on the local industrial estate. If teachers are treated like that, it is hardly surprising that we find it difficult to motivate people to join the profession.

I seek structural change as the outcome of this debate. As a supporter and advocate of light-touch Ofsted inspections, I did not think that they would be implemented in such a clumsy and irreversible way. If a school is deemed to be doing well, the effect of a light-touch inspection should be either to commend it further, or to judge that it is continuing to make good use of taxpayers' money. If a school seems to be slipping, it should be given guidance about what needs correction, and if it seems to be slipping badly, it should be subjected again to the full weight of a full Ofsted inspection.

I also seek an apology for Chris Pratt. He has been a distinguished head teacher for 17 years, but was judged a failure in three days. The supporting argument for the negative remarks about management at Rossgate School is weak in the extreme, but based on the judgment of those inspectors, Mr. Pratt was removed from doing what everyone in the community that I represent wants to see him doing—helping children to learn.

It is clear that such problems are not unique to Hemel Hempstead. *The Times Educational Supplement* of 13 February dealt with a similar problem at Seaford Head community college in East Sussex. The head teacher in that case was a sort of head teachers' expert, who answered questions in the *TES* about being a head. He resigned after the inspection, and was reported as being deeply critical of the harshness of the new inspections framework.

I hope that the Minister will be able to assure me that she will give serious attention to the matters that I have raised, and that any structural weaknesses will be addressed and instructions to inspection teams revised as appropriate.

11.18 am

The Minister for Children (Margaret Hodge): I start by congratulating my hon. Friend the Member for Hemel Hempstead (Mr. McWalter) on securing the debate. In his speech he demonstrated his close personal interest in the issue and his concern to represent the interests of his constituents.

All of us in the education team value and recognise the importance of the contribution that teachers make to raising standards and thereby improving the achievements of all our children. I hope that my hon. Friend accepts that the focus of everything that we do must be to ensure better outcomes for our children—that that must be our starting point. We must consider the job that Ofsted does in that context.

Ofsted has a critical job to do in inspecting, reporting and providing expert advice, underpinned by the evidence of its inspections. High standards are expected of Ofsted, as they are of teachers in our schools. I am therefore always concerned when teachers or others feel that the inspection system has let them down.

My hon. Friend expressed concerns about the inspection process at Rossgate school and about Mr. Pratt's subsequent decision to resign. As regulator of the contracted-out school inspection system, Ofsted is responsible for assuring the quality of inspections, and for investigating complaints when they arise. As part of that quality assurance process Her Majesty's inspectorate visits a sample of inspections and reviews reports and inspection evidence. In fact, Rossgate's inspection was subject to such a monitoring visit.

While the outcomes of those visits are confidential, I thought that it would be helpful to share with my hon. Friend, as the lead inspector has enabled me to do, the fact that the inspection met Ofsted's requirements. A quality assurance process has therefore been put in place through Ofsted itself. It is also worth putting this into perspective, and I hope that my hon. Friend accepts that Ofsted monitors how its customers view its processes. Nine out of 10 schools are satisfied with the quality of their inspection report. There is also a pretty thorough complaints procedure, with which I am sure my hon. Friend is familiar.

In the 2002–03 school year, the last year for which we have figures, Ofsted dealt with only 48 formal complaints about school inspections. Nearly 4,000 inspections were conducted, so that is about 5 per cent, which seems indicative of a relatively high satisfaction rate in a pretty contentious area where people are being held to account for their performance in their professional job.

Ofsted has, I understand, received eight letters of complaint about the inspection of Rossgate School. Of those, five came from parents, one from a former teacher at the school, one from a learning assistant at the school and one from a governor at another school. The letters have been referred to the inspection contractor for investigation, in line with Ofsted's procedures. However, no formal complaint has been received by Ofsted about the inspection at this stage, and no letter of any kind has been received from Mr. Pratt. My hon. Friend may want to consider pursuing that legitimate role, perhaps with others in his constituency.

There is however, no formal appeals mechanism against inspection judgments, nor are there any plans to introduce one. I hope that my hon. Friend understands the reasons why. Such a system could have a detrimental effect on the process, encouraging challenges that would divert time and energy away from the priority of developing and implementing post-inspection action plans. The Education and Employment Committee considered this issue in its detailed examination of the work of Ofsted in 1999, and decided that it would be wrong to reopen those inspection conclusions on anything other than questions of fact.

I turn now to the specific inspection findings at Rossgate school. First, there is no such thing as a light-touch inspection. There may be some misunderstanding and my hon. Friend may wish to talk to Ofsted in a general way about these issues. The inspections take place under the new framework of inspection that was established last year.

Secondly, my hon. Friend understands that the school was not compared with like schools. My understanding, which I can confirm in writing as well if that would help him, was that it was compared with similar schools. That is based on a whole range of data, including prior attainment, so it is possible to look at the school's value-added measure.

Rossgate school, as we have heard, was found to have serious weaknesses. Such a judgment is not taken lightly. It is arrived at, as a corporate decision, following comprehensive examination of evidence gathered both

[Margaret Hodge]

before and during the inspection, from a variety of sources, including discussions with the head teacher, staff, pupils and governors. My hon. Friend talked about this being a surprise to everyone, so let me share with him the briefing that I have received.

In April 2001, concerns were expressed about the school development plan and the strategic direction of the school. In November 2002, issues were raised about the target-setting process. The assessment data were not used successfully. Governors' knowledge and understanding was also identified as an area of concern. In September 2003, the local education authority raised concerns about the quality of teaching at the school. Concerns have been raised about the very high level of staff turnover in recent years at the school. That was evidenced by the fact that my hon. Friend talked about two newly qualified teachers being there.

A programme of support had been put in place by the local education authority, although I understand that the head at the time was reluctant to accept that. It is worth sharing the LEA's view that there was complacency at the school and that it was coasting. This was not an in-out inspection that came out of nowhere. From what my hon. Friend said, it struck me that that was his perception. However, that is not confirmed by the reports that I have read or by the evidence that was around at the time.

Let us look at the positive side, however, because the inspectors did find some strengths at the school. They praised the head for the pastoral care that he gave pupils and staff, to which my hon. Friend drew attention. They found that final-year pupils attained high standards in science, and that pupils had made good progress in ICT. They also praised special educational needs provision, which my hon. Friend mentioned, and personal social and health education.

There were, however, some important weaknesses. Significant among them were the standards achieved in the core subjects of English, maths and science during much of the pupils' time at the school. The standards reached by pupils at the end of year six compared favourably with those at other schools, but they were achieved only after considerable effort by teachers and pupils in the pupils' final year. Years five and six apart, the inspectors thought that the quality of the teaching was, overall, unsatisfactory.

The inspectors also found that teachers' aspirations for their pupils were too low and that their behaviour management was sometimes unsatisfactory. Standards at the end of key stage 1, as measured against national standards, were found to have fallen since the last inspection. It is worth quoting the report to highlight some of those points:

"Teachers do not have high enough expectations of what pupils should do and do not manage behaviour well enough in some classes so that pupils can learn. Too many worksheets are used . . . Basic skills are not taught well enough and pupils are not given enough opportunities to practise and consolidate the things they have learnt in English, mathematics, science and other subjects."

The inspectors also criticised the school's leadership and management. They felt that the school lacked a clear vision for the future and that there were significant weaknesses in its planning and monitoring.

Mr. McWalter: I am sorry to interrupt my right hon. Friend, but if she looks at page 10 of the report, she will see that the average results for year two in all the subjects that she mentioned went up, not down.

Margaret Hodge: The new framework—I hope that my hon. Friend will accept this, too—is intended to challenge schools to improve and achieve high standards rather than to coast. If he looks more generally at the report by Her Majesty's inspectorate, he will see that more schools are being found not to provide a satisfactory education for their pupils. I hope that he accepts that we should take up that challenge to the system in our desire to raise standards.

The inspectors talked about complacency at the school, saying:

"the headteacher and senior staff are complacent about standards achieved . . . and do not try hard enough to raise pupils' achievement as they move through the school."

We are particularly keen to tackle that issue within the inspection framework.

My hon. Friend suggested that the inspection's findings came as a surprise, but I should emphasise that I am advised that that is not the case. Hertfordshire LEA not only supports the findings as an accurate reflection of the school's performance but had identified the issues raised as concerns and communicated them to Mr. Pratt on many occasions. Indeed, it had put in place a programme of support for the school before the inspection.

The framework has been revised twice since 1998—once in 2000 and again in 2003. On both occasions, we tried to realign our understanding of what is and is not acceptable in the context of rising educational standards. Again, I hope that my hon. Friend will accept that.

My hon. Friend might find it useful to have a general discussion with Ofsted about the way in which it approaches inspections. If he has concerns about the school's inspection, he should pursue the formal complaints procedure to assure himself that everything was done in the proper and appropriate manner and that any decisions were properly taken.

To conclude, decisive progress in educational standards occurs where every child matters, and inspection is, above all else, about helping schools to improve children's education.

11.30 am

Sitting suspended until Two o'clock.

Zimbabwe

2 pm

Mr. Hugo Swire (East Devon) (Con): I am grateful to you, Mr. Deputy Speaker, for making time this afternoon for this important debate.

The last time I spoke in a debate on Zimbabwe was on 15 July 2003. That was the day on which the all-party group on Zimbabwe was founded, and I congratulate the hon. Members for Sittingbourne and Sheppey (Mr. Wyatt) and for Vauxhall (Kate Hoey) on setting it up, attracting interesting speakers and keeping the situation of Zimbabwe alive. In a small commercial plug for the group, I will say that at its meeting tomorrow, "Playing with Fire", a report from the Zimbabwe Institute—a South Africa-based think-tank—will be discussed. The report, which appeared in some of this morning's newspapers, reveals that Zimbabwe's Opposition MPs are among the most persecuted legislators in any so-called democracy in the world.

In July I said:

"However, while we debate the issue, the situation in Zimbabwe worsens by the day and by the hour. I wonder, somewhat sadly and forlornly, whether we will be here again in weeks and months to come to debate the matter for the fourteenth time and to repeat the same impassioned, frustrated and desperate pleas, as we watch what was once the grain basket of Africa rapidly become its basket case."—[*Official Report, Westminster Hall*, 15 July 2003; Vol. 409, c. 9WH.]

Well, here we are again. This is the fifteenth time that we have held such a debate in Westminster Hall. Despite promises to the contrary, we are still waiting for the Government to initiate a debate in Government time on the Floor of the House to address the Zimbabwe question. Perhaps the Minister will be able to give us a definite date for that debate.

Government policy over the past two weeks or so has been to brand everything that the official Opposition do as opportunistic. However, the Minister cannot level that accusation on this occasion because it is the Conservative party that has spoken up time and again for the ordinary citizens of Zimbabwe, who continue to suffer at the hands of the despotic tyrant Mugabe. Indeed, the last time that Zimbabwe was debated on the Floor of the House was as part of an Opposition day debate on 25 June 2002, which was opened by my right hon. and learned Friend the Member for Devizes (Mr. Ancram), the shadow Foreign Secretary. It is perhaps worth remembering the motion, which was

"That this House deplores the deteriorating political, economic and humanitarian situation in Zimbabwe; condemns the continuing violations of basic human rights committed by the Mugabe regime; reaffirms the view that following the rigged presidential election in March the current Zimbabwean government lacks legitimacy; regrets the failure of Her Majesty's Government and the EU to implement sanctions and exert effective pressure on the Mugabe regime to hold new free and independently monitored presidential elections; recognises the growing politically-induced humanitarian suffering in Zimbabwe, and its effects on her neighbours; and calls on Her Majesty's Government to take effective action to build an international coalition to apply whatever pressure is necessary, in line with the Harare Declaration, to restore democracy in Zimbabwe through fresh Presidential elections."—[*Official Report*, 25 June 2002; Vol. 387, c. 803.]

Unfortunately, it would be possible to propose almost the same motion more than 20 months later.

I want to be as brief as possible, as other hon. Members want to contribute to the debate. Equally, I hope that we will leave enough time for the Minister to answer some of the questions that we raise. I shall not go over old ground, but it is worth repeating that many constituents and other people to whom I speak simply cannot understand why, when we were so decisive and swift in acting to help the people of Kosovo, our only response to some 6.5 million Zimbabweans facing starvation is a fierce condemnation of Mugabe and his regime, and the promise to exert international pressure on him. Do we honestly believe that Mugabe cares that we do not like him—that he will be brought to his knees by empty rhetoric? The Government continue to stand steadfastly by that approach. Meanwhile, the situation deteriorates.

Replying to my right hon. and learned Friend the Member for Devizes in a similar Westminster Hall debate on 17 December 2002, the Minister for Trade and Investment, the hon. Member for North Warwickshire (Mr. O'Brien), who was then the Under-Secretary of State for Foreign and Commonwealth Affairs, claimed that such comparisons between the situations in Zimbabwe and Kosovo demonstrated "a loss of perspective". That raises the question whether one group of people is more important than others. Our moral conscience led us to intervene in Kosovo and to remove the Saddam Hussein regime in Iraq, yet when it comes to Zimbabwe we appear lacklustre. Where is the consistency in the Government's so-called ethical foreign policy?

The then Under-Secretary also stated that

"Zimbabwe's regime needs to accept responsibility for its actions"—[*Official Report, Westminster Hall*, 17 December 2002; Vol. 396, c. 188WH.]

Should we infer from that that the Government believe that Robert Mugabe is likely to have an attack of conscience in the not-too-distant future? He is, after all, the same man who in March last year proudly proclaimed,

"I am still the Hitler of the time."

South Africa's quiet diplomacy, originally through the Southern African Development Community, has not worked. It is worth remembering the history of it. Following the collapse of the Abuja agreement in September 2001 the South African rand fell by 40 per cent. In all fairness there was then a hardening of the position against Zimbabwe in Government circles in South Africa. At an international investors fund meeting, a gathering of leading business figures and politicians spoke plainly of the damage that the situation in Zimbabwe was doing to the South African economy. However, one problem was that South African leverage over the Zimbabwean energy sector was thwarted by a $360 million deal between Colonel Gaddafi and Mugabe, over fuel.

It would be interesting, and would contribute much to the debate, if the Minister could tell us whether, in the recent discussions with Libya, and in the context of its rehabilitation into the civilised world, he or his colleagues have had any discussions about Colonel Gaddafi's relations with the Mugabe regime.

Following the Zimbabwe election results, a senior British official said that the Prime Minister was sympathetic to NEPAD—the New Partnership for

[Mr. Hugo Swire]

Africa's Development. However, if Mbeki rolls over on Zimbabwe, British domestic opinion may leave little room for manoeuvre. It was left to America to be firmer, with its Assistant Secretary for African Affairs stating that without South African condemnation of the election,

"NEPAD would be a dead animal".

Finally, as we all know, events led to the suspension of Zimbabwe from the Commonwealth.

It was surely right to build a consensus against Mugabe and his regime, but, as far as many African nations are concerned, the approach of quiet diplomacy has clearly failed. We were told by the Nigerian high commissioner last year that the issue is an African problem that needs an African solution, while the ANC in South Africa believes that it owes a debt to ZANU-PF for its support against the apartheid regime.

Thabo Mbeki is culpable of appeasing Mugabe. Seeking his help is beginning to look fruitless. Referring to those countries that have openly advocated the continuing suspension of Zimbabwe from the councils of the Commonwealth, President Mbeki has said:

"For them, it was important that this objective should be achieved, to maintain their credibility especially with the media".

Yet his indifferent approach has been roundly condemned. On 24 February the *Kenya Times* editorial proclaimed its opposition to Robert Mugabe and exasperation at Thabo Mbeki:

"Supporting Mugabe is tantamount to betraying the interests of the region. What is asked of Mbeki is not much. He is not asked to send troops across the Limpopo. What people want is for him to express his and this country's displeasure at what is happening in Zimbabwe."

The South African Council of Churches has also sought to bring pressure to bear on President Mugabe. The SACC general secretary, Dr. Molefe Tsese, said in a statement:

"The people of Zimbabwe, especially the churches, have repeatedly told us that they are counting on us to assist them in finding a resolution to their acute economic and political crisis . . . We will be failing in our moral obligation to be with them in their hour of need."

The Democratic Alliance national chairman, Joe Seremane, stated that Mbeki's policy of "quiet diplomacy" on Zimbabwe had been exposed as an embarrassing and costly disaster.

The International Crisis Group report "Decision time in Zimbabwe", published on 8 July 2003, also recognised the importance of Mbeki if the crisis is to be resolved diplomatically. South Africa must be the primary foreign actor that sits down with the two sides, helps them find the necessary compromises and applies its considerable influence to get them to accept those compromises.

Job Sikhala, a Member of Parliament for the opposition Movement for Democratic Change, and a recent victim of torture by state police, is less diplomatic. He said:

"President Mbeki is a collaborator with Robert Mugabe in the crimes perpetrated against the people of this country. What 'quietness' are they talking about? When we supported the African National Congress in their fight against apartheid, it wasn't 'quiet diplomacy'. And we are fighting a worse system than the apartheid regime."

Quite apart from Mbeki's ineffective political strategy, his country is being financially damaged by events in Zimbabwe. He may fear total anarchy in Zimbabwe and an even worse effect on South Africa, were he to come out against Mugabe. Nevertheless, in a Zimbabwe research initiative published in May last year, it was estimated that a 9.9 per cent. decline in the rand over the past three years was directly attributable to Zimbabwe, and the economic impact has damaged economies across southern Africa, affecting interest rates, inflation, foreign direct investment and tourism. The Zimbabwe research initiative estimates the total cost to the combined Southern African Development Community countries to have been at least $1.88 billion by the end of 2002.

Mugabe's reaction to international pressure is worthy of Colonel Kurtz in "Apocalypse Now". Today, we read of suspected mercenaries landing in unmarked planes, armed with bolt cutters, a sledgehammer, army boots, sleeping bags and walkie-talkie radios, but no weapons or ammunition. The situation would be worthy of Evelyn Waugh if it were not so tragic.

In the meantime, Mugabe has set up secret camps aimed at brainwashing and training youths to undertake violence and administer torture techniques to enemies of the ZANU-PF party. The revelations about those camps following the screening of the BBC's "Panorama" programme on Sunday 29 February were extremely disturbing. The indoctrination and brutality in the camps is masked by the Government's propaganda machine. It is estimated that about 50,000 people have passed through the camps, but expansion programmes are planned and camp budgets have doubled so that all youths may eventually undertake the training.

Those young people are being mentally broken and forced to think like Mugabe—how to kill and how to apply the technology of pain. They are even made to undertake tests of dedication and loyalty by attacking and beating members of their own family. Not only is Mugabe violating human rights accords, but the future prospects for the country and its people are now even bleaker.

Sir Nicholas Winterton (Macclesfield) (Con): My hon. Friend is making an excellent case for further action against Mugabe in Zimbabwe. Is he aware that Archbishop Desmond Tutu, the Anglican archbishop of Cape Town, is in London now and that he participated in the Commonwealth observance service at Westminster Abbey only yesterday? I was there and heard him speak. Does my hon. Friend believe that approaching Desmond Tutu, who played a constructive part in bringing about changes in South Africa, might be an effective way of increasing efforts around the world to bring about the end of Mugabe's tyranny?

Mr. Swire: My hon. Friend makes an excellent point, and I would welcome the intervention of anyone of the standing of Archbishop Tutu or ex-President Mandela, who could raise awareness of the tragedy and bring people to their senses so that they sought a solution rather than waiting for something to happen.

Mugabe is violating human rights accords, and the prospects for the country and its people are now even bleaker. It is too serious a problem to ignore, because a

whole generation will grow up believing that inflicting rape and torture on their fellow citizens is not only acceptable but justified. As the documentary so aptly concluded, Mugabe is willing to convert a generation from innocence to evil.

I am grateful to the Secretary of State for International Development for letting me know last week that it is now possible legally to exchange money at a more realistic rate, following the implementation of an auction system in Zimbabwe. People should now be able to get about 6,500 Zimbabwe dollars to the pound, rather than the official rate of 1,500 Zimbabwe dollars. If the auction system works, it will be great news to constituents who have written to me about their wish to give money to charities in Zimbabwe but whose plans have been thwarted in the past.

On the subject of providing money to Zimbabwe, the Department for International Development has given the country £62 million in humanitarian assistance since the crisis began in 2001, and it provides further funds to help tackle HIV/AIDS. However, internal documents show that 89 per cent. of all EU aid to Zimbabwe disappears into the coffers of Mugabe's aides and his ruling ZANU-PF party. It is belated good news that the Secretary of State is to launch an investigation, as some of us have asked him to do for some time, but why is he doing so only now? What progress are he and his Department making in tracking down the misappropriated millions in aid that were given to Mugabe and his henchmen? What progress has the Secretary of State made on talks with the Governments of countries such as Malaysia? There is a strong feeling that much of the money might have gone to such countries to give Mugabe an escape route, should he need one.

We should welcome the imposition and, indeed, the widening of sanctions against the ZANU-PF leadership and the embargoes on the supply of arms and military equipment to Zimbabwe. We should also welcome the EU statement that Ministers

"deplored the degradation of the human rights situation in Zimbabwe and the failure on the part of the government . . . to engage in meaningful dialogue with the opposition and civil society".

Will the Minister follow the lead taken by the United States in imposing sanctions on designated Zimbabwean entities, as announced by the US Department of the Treasury? Each of the seven entities that it has targeted is controlled by one or more key members of the Mugabe regime. Such action is not only effective but sends a welcome message to those who attempt to break the sanctions. That includes criminal penalties of up to $500,000 for organisations that do business with any of those entities, and the threat of up 10 years' imprisonment for individuals who violate the sanctions.

How much more persuasion do the British Government need to do something? It is simply no good adopting the Herod approach of washing one's hands of the situation, or, indeed, wringing one's hands and saying, "Anything we, as the ex-colonial power, do will only exacerbate the situation." How, exactly, can the situation be exacerbated? Mugabe already accuses the MDC of being dictated to from abroad, and of being a front for the former colonial power, Britain, and for white farmers who oppose land reform. So what we have got to lose?

Mugabe may go to Malaysia sooner rather than later, but we simply do not know. Although we want him to go, I hope the Minister will confirm that we will not be part of any deal that exonerates him or his henchmen of the blame for his corruption and human rights abuses. The Government must realise that, by not dealing with the mounting crisis in Zimbabwe, they are being irresponsible, and thus are partly responsible for the tragic situation continuing.

2.20 pm

Mr. Andrew Mackay (Bracknell) (Con): I commend my hon. Friend the Member for East Devon (Mr. Swire), not only for initiating the debate, but for the quality of his contribution. I agreed with every word that he said, and he has added significantly to the wider debate.

Having said that, I put it gently to the Minister, for whom I have a very high regard and whom the whole House holds in affection because of his distinguished record on human rights, that it is a pity that we are having the debate in Westminster Hall, not on the Floor of the House. In fairness to the Leader of the House, I must point out that he indicated, in answer to a question from me following the business statement last Thursday, that he hoped that there could be a full-scale debate in Government time on the Floor of the House, and that he was in conversation with the Foreign Secretary accordingly. Perhaps this Minister will indicate when that debate will take place. It will send a clear message, not only to the people of Zimbabwe, but to others whom we want to hear it.

On 17 December 2002, I initiated a debate identical to that of my hon. Friend. The tragedy is that little has changed; indeed, nothing has changed for the better, but a lot has changed for the worse. I want to pick up on a couple of points from that debate. With your indulgence, Mr. Deputy Speaker, I shall quote quite extensively from one aspect of my speech, because it is so relevant to what my hon. Friend said. I said to the then Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for North Warwickshire (Mr. O'Brien), who is now the Minister for Trade and Investment:

"I call for an expansion of the list of those targeted to cover the commercial supporters of the regime in Zimbabwe, who so far seem to have got off completely—the bankers and those who front ZANU-PF's economic interests, including safari operators. Many of those people are white and they benefit hugely from the regime. I hope that when the sanctions are reviewed their travel will be restricted ... The sanctions should be further expanded to include another layer of politicians and civil servants, including ZANU-PF Members of Parliament and senior civil servants, who must be subject to the same restrictions as Ministers and Army leaders. I encourage the Minister also to ban their immediate families from travelling, including children and relatives who are being educated in the West. Some will say, 'Ah, if we educate these people they will see that western democracy works, so they should be excluded from such a ban,' but I do not believe that that will happen. I am convinced that money looted from Zimbabwe, which should go into state education in that country, is instead going into private education in the United Kingdom, America and elsewhere, and that is morally wrong. We should make it absolutely clear that no members of the family of anyone on the sanction list, including the commercial backers, will be allowed any form of education in this country."

[Mr. Andrew Mackay]

The Minister's response was interesting. He said:

"The right hon. Member for Bracknell expressed concern about extending the various bans. I will consider that, and will write to him on that point."

He never did. The Minister went on to say that I

"also said that we should consider the possibility of extending the bans to civil servants and some of their families, as well as to bankers. That is a useful point, and I will consider the feasibility of doing that and how it would work. Again, I will write to the right hon. Gentleman."—[*Official Report, Westminster Hall*, 17 December 2002; Vol. 396, c. 173-90WH.]

Again, he never did.

It is a great pity that sanctions have not been extended. Sharp sanctions work; mass sanctions affect only the ordinary people of Zimbabwe. I think that we all accept that—I see the Minister nodding. However, the extension of sharp sanctions, which I called for in some detail in the debate that I secured in December 2002, has not been followed through with the United Kingdom and its allies in Europe and America. I am convinced that such an extension would be effective. I ask the Minister to address that point in his summing up. An extension of sanctions is vital. It is one of the ways in which we can bring more pressure to bear on the Mugabe regime.

There is a second way, which my hon. Friend described effectively: putting more pressure on South Africa. Those of us who love South Africa and who believed that it had a great future under President Mandela and his successor, President Mbeki, are having second thoughts. One has to be a brave person to invest in South Africa today. Much of its falling reputation is due to the way in which the President has handled the AIDS problem—he has ignored it completely, which is a matter for another debate—and the way in which he has handled Zimbabwe.

South Africa is rightly the regional superpower, and it must take the lead. The lead cannot be taken by Botswana, Mozambique, or Namibia under its current President. Many of us also believe that President Mbeki's role has been entirely counter-productive. He urged our Commonwealth colleagues to allow Mugabe to go to the last conference in Nigeria. Mbeki seemed to be the odd man out in the council of the three wise men on the renewal of sanctions. He also urged us to be patient, and talked about "quiet diplomacy". That is fine, but how long do we wait for that quiet diplomacy to work?

Nothing positive has come out of anything that President Mbeki has done. The United States, the UK and our European Union partners must put much more pressure on South Africa. A long-term settlement is very much in South Africa's interests. It will give the region stability and investment and will improve South Africa's reputation.

My last point is that Zimbabwe sometimes falls off the international agenda. A debate on Iraq is currently being held in Plaid Cymru time on the Floor of the House. International terrorism, the middle east problem, and the invasion of Iraq by the United Kingdom and our allies, which I believe was right, occupy a great deal of time, but it would be disastrous if we did not push and prod and use sharp elbows to ensure that Zimbabwe is also at the top of the international agenda. I hope that the Minister will assure us that we are doing more to persuade our European partners to work together to increase sanctions, and that we are doing more to work closely with our American allies to the same end.

I should be fascinated to hear the Minister's answer to a point that my hon. Friend made about Libya, because the whole world has changed. One of the most exciting developments of recent times has been the transformation in Libya, for reasons that we well understand. Surely Zimbabwe is an important by-product of that transformation, because the evil Mugabe regime has survived largely as a result of the cheap, perhaps even free, oil that has come from President Gaddafi.

Much more can be done, and I look forward to the Minister's positive response, followed by what I hope will be equally fine action.

2.29 pm

Sir Nicholas Winterton (Macclesfield) (Con): I congratulate my hon. Friend the Member for East Devon (Mr. Swire) on raising the subject today, and my right hon. Friend the Member for Bracknell (Mr. Mackay) on his comments.

It is appropriate that there should be a debate about Zimbabwe in the House, albeit in Westminster Hall rather than in the main Chamber, during the fifty-third Commonwealth seminar, which is currently taking place here in London. I have had the privilege of participating in that seminar and of meeting and talking to many parliamentarians, including some Speakers, a number of whom came from Africa. They all, from their different positions, expressed deep concern about the deteriorating position in Zimbabwe. Although clearly many of them are discreet in the remarks they make, and correctly so, I have not yet met one who does not believe that the salvation of Zimbabwe can occur only when Robert Mugabe steps down, in whatever way he does so—whether to a bolthole in Malaysia or to any other country.

I am, however, distressed because our own country, the United Kingdom, played a part in putting Mr. Mugabe in power in Zimbabwe. I regret that what started as a country with huge good will—one might almost say that it started off with the good will that Nelson Mandela, as president of South Africa, engendered. It started off with forgiveness, reconciliation and all the peoples of Zimbabwe working together. We know what has happened since.

I appreciate that our country, our politicians and my hon. Friends who have spoken so powerfully in this debate must not endanger the fragile Opposition party, the Movement for Democratic Change, and its leader, Morgan Tsvangirai, who is facing treason charges in his country. It is rubbish to say that the leader of the MDC is guilty of treason. No one is more committed to aiding his country and his people than the leader of the MDC.

However, we need to be cautious in what we advocate and in what we say, so that we do not in any way prejudice his position.

I hope that what remains of the independent judiciary in Zimbabwe will give Mr. Tsvangirai a fair trial and that he will be acquitted of all charges, because I do not believe that anyone, other than perhaps Mr. Mugabe, believes that Mr. Tsvangirai is guilty of treason. He may have said a number of things about the current president but bearing in mind what occurred at the last presidential election, which in reality put Mr. Morgan Tsvangirai in the position of president, one can understand his frustration and concern about what is being done in the name of democracy.

I recently had a constructive and positive meeting with the Minister and I am grateful for the time he gave me and for his understanding of the serious problems of the country and of the sensitive nature of those problems. We need to look at new ways of bringing pressure to bear on Mr. Mugabe and the ZANU-PF Administration. How much longer can a country survive when half its population is on food aid? How long can it survive when inflation is raging at nearly 600 per cent? When will the basic stability of that country break down? Will it create civil war? Will the people lose their patience? There are many who hope that they will, because that is another way of toppling Mr. Mugabe.

As a friend of Zimbabwe, but no friend of Mr. Mugabe, as he will know, I say that we do not want that country to degenerate into chaos and disorder. We want it again to play a major role in the prosperity and economic growth of central southern Africa. Will the Minister respond to the questions from my hon. Friend the Member for East Devon? Is there a way of bringing greater pressure? Is it possible to extend the ban on travel? Is there any way in which to put pressure on the few wealthy business men who are bankrolling Mr. Mugabe, in order to limit their ability to assist him and his regime financially?

My right hon. and hon. Friends referred to the position of President Gaddafi of Libya. I do not know how much he is helping Mr. Mugabe and the ZANU-PF Administration, but he has provided them with energy assistance, which is clearly beneficial. If my memory serves me correctly, President Gaddafi recently wanted to come in from the cold and join the world nations that seek to be responsible. What pressure, therefore, are Governments putting on him to minimise, or even to cut off, his assistance to Robert Mugabe?

People are dying daily in Zimbabwe. I know that because I have friends who live there and who are involved in business there—yes, there is still business and people are still doing their best to ensure the survival of the country, but with increasing difficulty. I ask the Minister what more we can responsibly do without undermining the position of Opposition parties, particularly the Movement for Democratic Change, to show the people of Zimbabwe that we are concerned for them and that we accept that we are partly responsible for Mr. Mugabe being their president. How can we help them to save their country from the further destructive actions of a brutal man?

Mr. Mugabe is over 80 years old. He must be aware that his time is short—if not in this world, then certainly as the president of his country. In one respect I do not go along with my hon. Friend the Member for East Devon. If Mr. Mugabe could be persuaded to move elsewhere, I would neither stand in the way of that, nor suggest that we should seek to bring him before a criminal tribunal anywhere. My concern is for the people of Zimbabwe—a country that I have been visiting for over 30 years. My hon. Friend was right to say that it was the bread-basket of central southern Africa, as it used to supply many of its neighbouring countries with food. It had stability and an improving infrastructure, and its health and education were dramatically improving, thus providing increased quality of life. Let us say to the people of Zimbabwe, "We want to restore democracy to you. We want to help you. We will give you aid, but we can't give you aid under the tyrant that you currently have ruling in Harare."

I beg the Minister, when he responds to my hon. Friend the Member for East Devon, to indicate what further action can be taken, even if some of that action is ongoing, quiet diplomacy.

2.40 pm

Tom Brake (Carshalton and Wallington) (LD): I commend the hon. Member for East Devon (Mr. Swire) for securing the debate and congratulate right hon. and hon. Members with a long-standing interest in and commitment to Zimbabwe on their contributions. It is entirely appropriate that we should have an opportunity to return to such an important subject.

There are not opportunities enough, however, to condemn the Zimbabwean regime and the way it arrived in power through unfair and corrupt elections. Those elections have clearly had a heavy impact on the poorest and most vulnerable in Zimbabwe. If confirmation of that were needed, I received it yesterday in a telephone conversation with a Zimbabwean who is living in the UK but returns regularly and is in contact with friends and family. He said, for instance, that the inflation rate of over 600 per cent. means that a loaf of bread in Zimbabwe now costs the equivalent of 5p. That might not sound like very much to us, but for Zimbabweans it is extremely expensive. The view of the Zimbabwean with whom I spoke is that the issue now is not so much the availability of goods as their affordability for the poorest in society.

Hon. Members have mentioned Thabo Mbeki of South Africa, Zimbabwe's closest neighbour, and the quiet diplomacy on which South Africa has embarked. Unfortunately, for many people quiet diplomacy amounts to silent diplomacy or even silent inactivity. South Africa can enable positive change in Zimbabwe, but has so far used its clout insufficiently. The Mugabe regime has repeatedly stymied attempts at meaningful engagement and formal dialogue with the MDC. Like other hon. Members, I praise the president of the MDC, whose leaders continue to press for peaceful change, despite being put on trial for treason.

Shortly before the debate—literally, minutes before—I had a telephone conversation with the secretary-general of the MDC, Professor Ncube. I asked him what the Government could or should do to help the position in Zimbabwe. He made some comments to which I hope the Minister will respond.

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Chris Mullin): It may help the hon. Gentleman to know that the Foreign Secretary and I had a meeting with Professor Ncube this morning.

Tom Brake: I am aware of that. No doubt the Minister will be able to respond to Professor Ncube's four key points. First, the UK should exert all possible leverage against South Africa. Secondly, the UK should mobilise support for a human rights commissioner, which the EU backs, but which I understand South Africa has blocked in the past. Thirdly, the UK should support, as far as possible, civil society in Zimbabwe, especially Mugabe's victims. Fourthly, the UK should introduce sanctions against the entities that the US has identified as companies or farms with close links with ZANU-PF.

Professor Ncube did not call for general sanctions, but felt that sanctions against those companies could perform an important function. The US has designated seven farms or companies as specially designated nationals. Any US organisation or individual violating the ban on doing business with a Zimbabwean organisation on the proscribed list faces severe criminal penalties—not only fines of up to $500,000, but imprisonment. In other words, there are heavy sanctions against US companies or individuals dealing with those organisations.

As may be the case with other companies on the list, M&S Syndicate, which was the first ZANU-PF holding company, has a joint venture with the UK-based firm Unicorn Import-Export, called Zidco Holdings. Is the Minister happy with that arrangement? If the Government are considering taking action against the seven entities identified by the US, what sort of action, if any, might be taken against companies that, according to www.zimbabwesituation.com, have clear links with companies on the list?

Hon. Members are aware of the UK's heavy role in Zimbabwe. We are the second largest foreign investor in southern Africa. Although I accept that the current relationship between the two countries means that the UK's economic leverage is limited, there must be a way of using investment on that scale to support measures to improve human rights in Zimbabwe.

Will the Minister comment on whether there is a discrepancy between the promotion of human rights and the role of the Department of Trade and Industry and UK Trade and Investment? According to Zimbabwe's country profile on the Foreign and Commonwealth Office's website, there is a

"chronic shortage of foreign exchange, which has led to shortages of fuel and other key inputs including power."

The profile notes that

"Zimbabwe imports 35 per cent. of its electricity needs from Mozambique and South Africa",

and I know that many people advocate South Africa turning off the power supply. Will the Minister comment on that way of exerting pressure?

While the FCO sets out its concerns, the UK Trade and Investment website, which apparently has a policy of not promoting a particular export market, includes statements that, although not actively promoting trade, at least facilitate it in a way that the Minister may think inappropriate. Under the heading, "Key methods of doing business", the website suggests

"The best approach to doing business in Zimbabwe is by making a personal visit, either on a trade mission or attending a trade fair. It's not uncommon for correspondence particularly to Government Ministries or parastatals to go unanswered."

In other words, it is better to be there on the ground dealing with them.

The website points out that, although the prevailing political and economic climate has resulted in reduced volumes of trade between the UK and Zimbabwe,

"doing business is still relatively easy to do."

It continues:

"With the Government in Zimbabwe keen to empower the indigenous population, foreign companies who have established a presence here or who have engaged a local partner would probably have an edge especially when tendering for Government contracts."

It concludes:

"Advice on how to find an agent or details on how to set up a company in Zimbabwe is available on the Zimbabwe Gateway."

At the very least, such comments facilitate trade in a way that the Minister might consider inappropriate, for instance with Zimbabwean partners that may be listed by the Americans as entities with which they do not want their nationals to trade.

On repression against politicians, other hon. Members have referred to the Zimbabwe Institute report, published today, which found that 50 of the Movement for Democratic Change's 59 MPs, and 28 of its parliamentary candidates, had personally experienced human rights abuses. Politicians are clearly under very heavy pressure there. Has the Minister had time to consider that report? He clearly has a copy, so perhaps he could provide some immediate feedback on what, if anything, the UK government propose to do about it.

There is also the problem of the attacks on the media. *The Daily News* was shut down, and pressure is now being applied to the *Zimbabwe Independent*. It would be useful to know what representations the Minister has received on that issue, what contacts there are with journalists operating in Zimbabwe—if any—and whether the UK Government and media can play a part in helping them.

I have taken up with the non-governmental organisations active in Zimbabwe the important issue of political interference affecting food aid. Their view is that the food aid that they are delivering is reaching the right people. They have checks and balances in place. However, there may be a question mark about the food aid that is being distributed by the Zimbabwean Government. Will the Minister comment on that, and more alarmingly, on any assessment that has been made about whether the NGOs working there or the Zimbabwean Government will be able to deliver the much higher level of food aid that is required? A posting on the UN website, ReliefWeb, states that the number of people going hungry in Zimbabwe has outstripped earlier projections, with 7.5 million of the country's estimated 11.65 million expected to require food aid in the next few months. Is there any evidence that organisations are gearing up to deliver that additional food aid?

Finally, it is clear that the policy of quiet diplomacy, whether on the part of the South African or the British Government, is not working. We know that Thabo Mbeki protested last month that a decision to prolong Zimbabwe's suspension from the Commonwealth was undemocratic and unhelpful, while at the same time he brushed off concerns about human rights abuses there. It is instructive and heartening to note that that view is not held by Nelson Mandela, Bishop Tutu or the US Assistant Secretary of State for African Affairs, Charles Snyder, who said that the jury is out on whether South Africa has done enough to help to resolve the crisis. The Americans' view is that Thabo Mbeki could become the point man on Zimbabwe if there were a desire to do that.

The situation in Zimbabwe is extremely grim. As the secretary-general of the MDC said, the UK must use its leverage to pressure South Africa to take a stand against Zimbabwe's repressive regime. South Africa must not block plans to appoint a human rights commissioner for Zimbabwe, and the UK Government must increase support to civil society there, particularly for those who have suffered at the hands of Mugabe. The UK must also consider whether introducing sanctions against firms that have been identified by the US Government as having close links with Zimbabwe's top ZANU-PF officials would be appropriate. Zimbabwe's killing fields are unrolling in front of our eyes. We can either wait and, in years to come, express dismay at the uncovering of massive human rights abuses, or we can take action now. The Minister needs to set out which course of action he intends to pursue.

2.55 pm

Mr. Richard Spring (West Suffolk) (Con): I join in congratulating my hon. Friend the Member for East Devon (Mr. Swire) on his powerful and persuasive speech. It is not the first time that he has spoken so cogently on the subject of Zimbabwe. The speeches made by my right hon. Friend the Member for Bracknell (Mr. Mackay) and my hon. Friend the Member for Macclesfield (Sir Nicholas Winterton) were also of the highest quality. They have both consistently spoken about the unfolding tragedy in Zimbabwe. I pay particular tribute to my hon. Friend the Member for Macclesfield, who probably has more experience and understanding of Zimbabwe than any other hon. Member in the House. I also applaud the hon. Member for Carshalton and Wallington (Tom Brake) for his contribution to the debate.

Last December, in its annual report, the Foreign Affairs Committee stated that it believed that

"it is very important that Parliament remains fully focused on the latest developments, and that the profile of Zimbabwe in British political life remains high."

I entirely agree. But how can we in the House be fully focused on Zimbabwe if the Government have not, thus far, introduced a debate on the subject in the main Chamber? In the seven-year lifespan of this Government, we have had many debates on foreign affairs, but we have not had a debate on Zimbabwe in Government time. Even today, we are debating the matter because of the success of my hon. Friend the Member for East Devon in securing the debate.

The Minister knows of the real tragedy that is gripping Zimbabwe and of our links to that country, and has heard the powerful speeches today. I hope he will use his powers of persuasion, so that we can have a debate on Zimbabwe on the Floor of the House of Commons. Everyone will then know that Zimbabwe is a matter of great concern, and that that concern crosses the party political divide. Moreover, the public will know that we in the House of Commons want to debate the matter comprehensively.

The Foreign Affairs Committee was right. It is vital that we remain focused on developments in Zimbabwe, which inexorably and distressingly continues to sink ever deeper into chaos, violence, brutality and economic collapse because of the malevolent and brutal rule of Mugabe and ZANU-PF.

We heard this afternoon that the agricultural base of the country has been destroyed by the illegal land seizures. Many farm workers, and farmers themselves, have been left devoid of any means of support. Since 1998, more than 400,000 jobs have been lost. Of a population of 11.5 million, 7.5 million are, to varying degrees, in receipt of food aid, and the UN World Food Programme is having to increase its aid provision.

However, the Zimbabwean Government continue to maintain that the land seizures have worked—they were the original basis for the unravelling of the country. The truth is that much land remains unproductive and idle. It is estimated that only 600 commercial farms are still operational across the country—a mere 14 per cent. of the more than 4,000 farms that were operational in 1997, according to the central statistical office figures. The shocking thing is that only 2 per cent. of land has actually been given to ex-farm workers, whereas much has been given to Mugabe's cronies. Earlier this year it was announced that some 400 farms were to be redistributed again from the black farm workers who had received them under the original seizures. The point about the hunger for land reform, which Mugabe gave as the spurious basis for his land seizures, is that the land reform has not happened at all. The situation is extraordinary, tragic and Kafkaesque. The picture is one of gloom and chaos. The so-called land reform programme has utterly failed to help its supposed beneficiaries.

The Zimbabwean economy should be flourishing given the abundant natural resources, the energy of the people of Zimbabwe and the country's historic reputation as Africa's bread-basket. We have heard some of the frightening economic statistics, with inflation at more than 600 per cent. and Zimbabwe's banks in crisis, we have read the recent comments of the governor of the reserve bank, and we have seen so much of the financial sector in collapse.

New laws, supposedly aimed at targeting those engaged in economic corruption, allow detention without bail for up to four weeks, and once again, after an all-too-brief reappearance, *The Daily News* has been forced from the streets. Although economic corruption in Zimbabwe must be tackled, nothing of the kind has happened and I am utterly unconvinced that the moves are anything other than window dressing. Moves supposedly against corruption have been made at the expense of the rule of law. A re-establishment of the rule of law and freedom of expression must be a priority for Zimbabwe—although I believe that it will never happen while Mugabe remains in power—and I agree with the appointment of a human rights commissioner.

[Mr. Richard Spring]

As we have continually forecast, the so-called informal and erratic talks between the MDC and ZANU-PF have come to naught. Substantive and genuine talks must remain a pre-condition to moving on and to Zimbabwe's readmission to the Commonwealth, as its secretary-general Mr. McKinnon recently stated. ZANU-PF must engage in genuine, formal and structured talks with the MDC to that end, but I fear that that will never happen under Mr. Mugabe. He is obsessed with protecting himself from the consequences of leaving office, and I agree with the point made by my hon. Friend the Member for Macclesfield: should Mr. Mugabe want to leave the country in one way or another, he should be assisted in that process, as happened with a former African dictator, Idi Amin.

Tom Brake: I hear what the hon. Gentleman says about Mr. Mugabe leaving the country. However, if he did that, there would have to be a detailed analysis of any funds that he might have salted away.

Mr. Spring: There is clear evidence that that has happened, and we have seen the grotesque extravagance of Mr. Mugabe and his family when he has been allowed to travel in Europe and elsewhere.

Mugabe will seize any opportunity to cling to power and boost his position with propaganda, and it is for that reason that my right hon. and learned Friend the shadow Foreign Secretary called on the England and Wales Cricket Board not to go ahead with a Zimbabwe tour. As he said,

"I would never . . . leave England's captain in the intolerable position of having to shake the bloodied hand of Zimbabwe's cricket patron, Robert Mugabe."

We have made our views on that point crystal clear, and I would be grateful—I am sure the ECB would be even more grateful—if the Minister stated unequivocally, on behalf of the Government, whether he believes that the tour should proceed.

To wait for demography or the anger of people to topple Mugabe would be to wait too long, considering what is happening and because, regrettably, such a prospect is not likely in the near future. As we see Zimbabwe ever falling into despair and misery, to wait for a reaction to Mugabe from within is to shirk our obligations to the Zimbabwean people.

The EU recently decided to extend the targeted sanctions for a third year, increasing the list of individuals covered from 79 to 95 people. The travel bans and asset freezes for which we called for so long are a welcome start, but they must be rigorously enforced and extended to the businesses and individuals that bankroll the Mugabe regime. The US recently introduced new and tougher sanctions to target Government-owned companies and the Information Minister, Jonathan Moyo.

Why are our Government reluctant to take an even tougher line and follow the US example? When will we see the Government seeking to internationalise the issue even more, taking the matter to the UN Security Council to obtain a resolution to try to place food monitors on the ground? There is no point in saying that such a resolution would not be passed. If a country does not table and argue for a resolution, it will never happen.

Thus there is still much to do to improve on what is already being done. Alongside increased pressure from the United Kingdom and the European Union there must be increased regional pressure. All hon. Members have alluded to that this afternoon. The regional power most able to do this, and with a real interest in doing so, given the knock-on effects of collapse, is South Africa.

I had the pleasure some months ago of meeting Archbishop Pius Ncube of Bulawayo. He was reported as calling on President Mbeki's Government to cut off electricity supplies to Zimbabwe. Zimbabwe is dependent upon South Africa for much of its fuel and energy and, as was demonstrated against Ian Smith in comparable circumstances, South Africa could very quickly effect a change by cutting off supplies. It took only three days to be effective before, and a short sharp ratcheting up may well prove ultimately more effective, and less painful to Zimbabweans.

We have put that directly to the South Africans on many occasions. President Mbeki still appears to think that quiet diplomacy will work in respect of Zimbabwe, but thus far it has paid no dividends at all, and the recent collapse of talks show that it has failed to achieve any progress. Those who called for patience as quiet diplomacy proceeded have been led well and truly up the garden path.

While I naturally have concerns on humanitarian grounds about the short-term impact of an energy cut-off on the Zimbabwean people, here we have a Zimbabwean archbishop calling for it. I believe that it is incumbent on the South African Government to give such ideas urgent consideration. I hope the Minister will encourage the South Africans to consider all options afresh, to persuade them to take a more proactive approach to their northern neighbour. We have told them this before. The economies of southern Africa are dependent in large part upon external investors, who look for stability and security for their investments. The situation in Zimbabwe ultimately puts that confidence at risk. The South African Government should consider all these factors most urgently in the context of their role as a regional power.

In a powerful and, in many ways, impressive speech that the Prime Minister made on 5 March, he said:

"It may well be that under international law as previously constituted, a regime can systematically brutalise and oppress its people and there is nothing anyone can do, when dialogue, diplomacy and even sanctions fail, unless it comes within the definition of a humanitarian catastrophe".

He went on to talk about the values that must surround a doctrine of international community when a country behaves in an utterly irresponsible and wicked way. He spoke about a new arrangement in the world to react to that. He said:

"Britain's role is try to find a way through this: to construct a consensus behind a broad agenda of justice and security and means of enforcing it."

I very much agree with what the Prime Minister said, but I believe that in the case of Zimbabwe those words need to be translated into more direct action. Sometimes we have to be blunt with our friends whom we admire and with whom we have historic links. We have to tell that they must take action themselves and that we will support them in that. We have never suggested that solving the crisis in Zimbabwe would be easy or could be

accomplished overnight, but there will certainly not be progress if we do not move the process on more forcefully. A start has been made with targeted sanctions, but it seems to have stopped there. We must ratchet up pressure on Mugabe's regime through the EU, the UN and through close working contacts with the neighbouring states.

I hope the Minister can give us concrete examples of the steps that the Government intend to take to end the suffering of Zimbabwe's people and to bring about free and fair elections. Occasionally, leadership requires a clear public statement. That is now overdue.

3.10 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Chris Mullin): As the hon. Member for East Devon (Mr. Swire) said, this is the 14th debate about Zimbabwe in the past four years. Much of the Prime Minister's statement reporting back from the Commonwealth Heads of Government conference in December was taken up with questions on our role in maintaining Zimbabwe's suspension, large parts of Foreign Office questions over a long period have been taken up with Zimbabwe, and there have been innumerable speeches about that country in foreign affairs debates on the Floor of the House.

If debates on the Floor of the House were the answer to Zimbabwe's problems, they would have been solved long ago. I can offer hon. Members a little piece of good news, for which I hope they will be duly grateful, although I am prepared for the possibility that they might not. The Foreign Secretary has agreed to a debate on the subject in the main Chamber, and we will arrange a mutually convenient time for all the main parties through the business managers.

Although one might be forgiven for thinking otherwise when one attends these debates, there is no serious difference between the main parties on the issue of Zimbabwe. The Government's objective for Zimbabwe, like that of the principal Opposition parties, is for the restoration of a democratically accountable Government who respect human rights and the rule of law, and who adopt sound economic policies aimed at alleviating the suffering of the people of Zimbabwe.

I acknowledge the measured and responsible contributions from most hon. Gentlemen, especially the right hon. Member for Bracknell (Mr. Mackay), and the hon. Members for Macclesfield (Sir Nicholas Winterton), for Carshalton and Wallington (Tom Brake) and for West Suffolk (Mr. Spring).

However, I thought that the tone of much of what the hon. Member for East Devon said went a little over the top, to no particular purpose. If he wishes to be taken seriously, he should not try to pretend that what has gone wrong in Zimbabwe is mostly the fault of the British Government, or that there is a long list of things that they could have done years ago that would have made everything different. Most sensible people will acknowledge that it is a complex problem to which there is no perfect solution.

I do not understand the hon. Gentleman's point about Kosovo, which he raised last time he participated in one of these debates, unless he is proposing military action, which he told us last time he was not. All sensible people would acknowledge that there is no basis for any kind of outside military intervention, not least because none of the surrounding countries would tolerate it.

I will not attempt to outdo the hon. Gentleman's rhetoric, but I shall try to respond to some of his points. Much of his speech was directed against South Africa, and he made points regarding the role of the South African Government. I am sure the South Africans will have heard what hon. Members had to say.

One hon. Member said that the South African Government had been inactive, which I dispute. Whether or not one accepts his tactics, President Mbeki has been extremely active on the issue. He regularly meets representatives of the ruling party and of the Opposition—

Tom Brake: Can the Minister tell us whether Mr. Mbeki will be active on the subject of the UN human rights commissioner, and does he have any information about whether South Africa will again call for no action on that?

Mr. Mullin: I think the hon. Gentleman is referring to the UN human rights commission. The UN may consider the issue again later this month. I do not know what South Africa's position is likely to be, but we will, of course, talk to its representatives about that.

I thought I heard the hon. Member for East Devon say—he will forgive me if I am wrong—that our only response to millions starving is rhetoric. That is absolute and obvious nonsense. British taxpayers have spent £62 million on food aid over the past five years to help to feed the hungry, and £26.5 million to help to deal with the huge problem of HIV/AIDS.

We worked hard at the Commonwealth Heads of Government conference. Indeed, we took the lead to ensure the continued suspension of Zimbabwe from the Commonwealth, and we worked hard with our European partners in extending the roll-over of EU sanctions. I will say more about sanctions in a moment. Scarcely a day passes without the subject of Zimbabwe crossing my desk, so the Government are perfectly aware of the importance that hon. Members attach to the issue, and of its general importance to Africa and the world. I assure the hon. Gentleman that we remain actively engaged.

Several hon. Members asked whether we had talked to the Libyans about Zimbabwe, given the relationship between the Libyans and Mr. Mugabe. The answer is that we have done so on several occasions and will continue to do so.

On US sanctions and the seven companies to which several hon. Members referred, I should make it clear that all the people who run those companies are among the 95 on the EU sanctions list. Although we may approach the matter from a slightly different angle from that of the Americans, there is quite a large overlap. Hon. Members should be aware of that. We are willing to consider, on a case-by-case basis, extending the sanctions to the companies themselves or to the people connected with those companies, but, as I said, there is already a considerable overlap between ourselves and the Americans. There are more people on the EU list than on the Americans' list.

Tom Brake: I thank the Minister for clarifying the position and the overlap between what has been done by

[Tom Brake]

the UK and the US. On the specific point about M&S Syndicate, I would be grateful if the Minister could respond now or in writing. Admittedly, the information dates back to January 2001 and therefore may no longer be relevant, but will he confirm whether there is a link between M&S Syndicate and Unicorn Import-Export and, if so, what action, if any, the Government will take?

Mr. Mullin: I am grateful to the hon. Gentleman for raising the issue. As he anticipates, I cannot reply off the top of my head, but I will write to him and ensure that he receives the letter.

Several hon. Members referred to "Playing with Fire", the report published today by a South African non-governmental organisation, a copy of which was given to me and my right hon. Friend the Foreign Secretary this morning by Professor Ncube. I commend it to the House. It documents the horrendous experience that Opposition politicians—Members of Parliament and candidates—and their agents have suffered in trying to mount a democratic opposition to the tyranny in Zimbabwe. It deserves wide circulation.

Sir Nicholas Winterton: I raised the position of Morgan Tsvangirai, the leader of the Movement for Democratic Change, and the whole world is watching his trial. I hope the Government will leave the Administration of Mr. Mugabe and ZANU-PF in no doubt that we expect the trial to be transparently fair. The whole world, including all African countries, would take a very dim view if it were a charade, and Morgan Tsvangirai, who is perhaps the country's only chance for pluralistic democracy and freedom, were sentenced on a trumped-up charge.

Mr. Mullin: Every one of us would endorse those sentiments. There are still heart-warming signs that some members of the Zimbabwean judiciary remain committed to administering the rule of law despite the enormous pressure on them. Even recently, there have been cases in which the state's evidence has been dismissed in the most disparaging terms when it has attempted to fit up its political opponents. I therefore retain some faith in Zimbabwe's judicial system, but we shall be watching the outcome of Mr. Tsvangirai's trial very closely.

As hon. Members said, the political, economic and humanitarian crisis remains as acute as ever. We and our partners in the wider international community are doing what we can to increase pressure on the ZANU-PF regime to commence negotiations with the Opposition. We regard that as a prerequisite to finding a solution to the crisis.

On 19 February, the EU agreed to continue its targeted measures against the country's leadership for another year. I am pleased to say that, with our strong support, the list of those targeted by the travel ban and the assets freeze has been extended from 79 to 95 people. Those who have been added to the list include several individuals who bear particular responsibility for the abuse of human rights in Zimbabwe. They include the head of the Media and Information Commission, who was closely associated with the closure of *The Daily News* and the hounding of other independent media; the head of the electoral commission and registrar general, who was closely associated with the fraudulent elections that have become the rule in Zimbabwe; the leader of the so-called war veterans, who is closely associated with the most violent takeovers of commercial farms; all the provincial governors appointed by Mugabe, whose job it is to enforce his writ at local level; and the new set of Ministers whom Mugabe appointed in his last reshuffle on 9 February.

On 23 February, my right hon. Friend the Foreign Secretary attended a meeting of EU Foreign Ministers. It issued a strong statement, deploring the Zimbabwe Government's failure to address EU concerns about the deteriorating situation in the country. It made it clear that there would be no normalisation of the EU's relationship with Zimbabwe until those concerns were addressed. It also underlined the EU's intention to continue to provide humanitarian assistance to the people of Zimbabwe on the basis of need alone.

The UK Government have been a consistent advocate of a robust EU approach to Zimbabwe, so we welcome last month's decision. It sends a clear message that the EU wants Zimbabwe to end repression and economic catastrophe and to return to democratic governance and the rule of law. I hope that that message will be heard not only by Mugabe and his regime, but by the people of Zimbabwe.

Zimbabwe's Opposition, the MDC, certainly welcome the EU measures, which they described as

"a clear indication that the international community will not fold its arms while the regime in Zimbabwe continues to trample upon people's basic needs".

Mr. Spring: The Minister's first point, about the commitment to dialogue between ZANU-PF and the MDC, was interesting. We have made it clear for some time that, unless a formal structure was put in place, dialogue would not work, and it has not worked. Indeed, Mr. Mugabe recently denounced the MDC as agents of the west. It is all very well making statements about dialogue, but South Africa has not properly brokered discussions. Everything is informal, and no one knows exactly what is going on. I do not mean to be unkind to the Minister, but I ask him to move away from rhetoric and propose a specific structure for holding a dialogue.

Mr. Mullin: To give President Mbeki his due, he has worked quite hard to establish a dialogue between the two main parties, as has President Obasanjo of Nigeria, but without success. It takes two to tango, as I am sure the hon. Gentleman will acknowledge. I agree that there is no sign of any formal talks between the two sides, and no talks are likely until sufficient pressure is put on the Mugabe regime. Much of the pressure will come from inside the country, given the ruinous state to which it has reduced the economy.

Mr. Swire *indicated dissent.*

Mr. Mullin: The hon. Member for East Devon shakes his head, but he does not appear to have a better idea, which is what depresses me about his contributions to these discussions. Members of the Government regularly talk to the MDC, and are open to any reasonable suggestions from anyone who has the best interests of the people of Zimbabwe at heart.

Hon. Members referred to youth training camps. Many of us saw the recent "Panorama" documentary, which drew attention to one of the main pillars of human rights abuses in Zimbabwe—the so-called youth training scheme. The fact that a retired brigadier has been placed in charge of those training camps indicates the type of training that takes place. The United Kingdom and its EU partners have made it clear that the closure of the camps is a prerequisite of any normalisation of relations between the EU and Zimbabwe, and I am pleased to say that past and present Ministers in charge of the training scheme are on the EU's list of banned individuals.

On the subject of humanitarian assistance, I stress, as I have in the past, that the EU measures are targeted, and as such are not intended to harm Zimbabwe's civilian population. The impact that switching off the electricity would have on ordinary people must be carefully calculated. I would not like to make that judgment. It is not unreasonable for the South Africans to expect Zimbabwe to pay for the large amounts of electricity that it receives but, in the end, it will be for South Africa to make that judgment. It should not be made lightly.

The EU remains committed to the Zimbabwean people, and has donated humanitarian assistance worth £184 million in the past year or so. The UK is the EU's largest bilateral donor to Zimbabwe, and the largest donor overall after the United States.

Mr. Spring: The Minister is generous in giving way. I fear that he is not going to address the central point about the role of South Africa in all this. He will know as a Foreign Office Minister that the reason why North Korea was persuaded to come to the table to negotiate was that the Chinese threatened to switch off its energy supplies. That got North Korea thinking and acting. I ask the Minister to address the central point about applying pressure to South Africa and inviting the South Africans to take concerted action to move the process on.

Mr. Mullin: I do not rule out increasing the pressure on the Mugabe Government. I agree that the South African Government are better placed than most to do so, but I am not willing to engage in a public slanging match with the South Africans in Westminster Hall, in the Chamber, or anywhere else, nor am I willing to advise them over the airwaves on what they should do. They are in the front line. They have 2 million refugees from Zimbabwe, so they know exactly the scale of the problem. We remain in close dialogue with them, and have had several robust conversations. I shall not, however, address them through a megaphone.

In conclusion, as hon. Members have said, Zimbabwe's economy continues to spiral downwards. Inflation is now running at almost 700 per cent., and unemployment is running at more than 70 per cent. As hon. Members said, as many as 7 million people will need international help with food this winter. We recognise the need to keep up the pressure, but the greatest pressure of all will come from the sheer scale of the catastrophe that Mr. Mugabe and his Government have unleashed on their own people. In the meantime, I hope that African Governments, including South Africa, will speak out as clearly as Governments in Europe do—

Mr. Joe Benton (in the Chair): Order. We now come to the debate on clean water access in developing countries.

Developing Countries (Clean Water Access)

3.30 pm

Norman Baker (Lewes) (LD): I am pleased to have this opportunity to address such an important issue. I knew that clean water access was important when I started researching it, but the more I have looked into it, the more I have become convinced that it is one of the key issues for the century ahead. The debate is not only, I hope, timely, given that 22 March is world water day, but pressing, as I shall outline.

The surface of planet Earth is approximately 70 per cent. water, of which 97.5 per cent. is in the oceans, and therefore salt water, and 2 per cent. is frozen in the polar ice caps. That leaves us with only 0.5 per cent. of the world's water resources on which to live. Water is essential for life. Kofi Annan said:

"Access to safe water is a fundamental human need and, therefore, a basic human right. Contaminated water jeopardizes both the physical and social health of all people. It is an affront to human dignity."

The impressive document "Hitting the Targets", which a number of charities and pressure groups produced, says:

"Access to water and sanitation is a right, a basic need for survival, a requirement for reducing poverty, and, a driver of growth. Much of the suffering from a lack of access to water and sanitation is borne by the poor, those who live in degraded environments, and overwhelmingly by women and girls."

Human beings are so dependent on water that although they can live for a month or more without food they can live only for less than a week without water. Despite that startling dependence, according to the World Health Organisation, in 2000 more than 1 billion people worldwide did not have access to safe water and 2.5 billion people had improper or no access to sanitation. Worryingly, the situation will get worse unless we take drastic action as a planet.

Mr. Don Foster (Bath) (LD): Does my hon. Friend therefore agree that it is bitterly disappointing that the Government have cut money from the aid budget that directly targets improvements in the supply of fresh, clean water and sanitation? Does he also deprecate the way in which the Department for International Development has axed its public service agreement in respect of that? Does he support WaterAid's "Flush out poverty" campaign, which urges the Department to increase the aid spent directly on such important things?

Norman Baker: I certainly support WaterAid's campaign and I am grateful both for my hon. Friend's intervention and for the early-day motion that he has tabled, to which my signature has been appended. The figures on the Department's contribution, which I hope the Minister will recognise as they are from the Department for International Development's water action plan, suggest that the percentage of the budget spent on water has decreased from 2.6 per cent. in 1998–99 to just 1.9 per cent. today, albeit, to be fair to him, within an increasing budget overall. However, that is a small proportion of the budget for such an essential human need.

By 2025 the situation could be even worse. The projection is that every second person on Earth will be suffering from a lack of drinking water and about two thirds of the world's population will live with water shortages, which is double the current number. Some 31 countries face water shortages and a further 17 are likely to be added to that number by 2025.

The situation is serious and has all sorts of unwelcome consequences. One, of course, is the effect on poverty and the grinding standard of living that so many people in our world, predominantly females, have to endure. There are girls and women in Africa who require on average three hours a day to fetch water from a well. The effort involved in that consumes one third of the daily food energy intake, which is a disgraceful statistic. Some 15,000 cu m of water can be used to irrigate one hectare of rice fields, provide 100 nomads and 450 animals with water for three years or put up 100 guests in a luxury hotel for 55 days. We have a very disparate approach to water in our world, where many people struggle to have even the basic requirement for life while others in the UK, America and elsewhere treat it as if it were endlessly replenishable, which it certainly is not.

This is a matter not simply of grinding poverty, but of disease, because 2.5 billion people have no access to proper sanitation. Every second hospital bed in the world is occupied by somebody who became ill because of polluted water. Every day 6,000 children die because of a lack of sanitary facilities—one every 15 seconds. That is a frightening statistic. The situation is getting worse, not simply because of the profligate use of water in the west, but because of population pressure from other countries. Populations in countries such as China and India are soaring, but there is not the water infrastructure to ensure that they have the water they need.

Even in the UK, in my constituency, a planning application is being submitted for a desalination plant because there is simply not enough water in the aquifer in the south-east to deal with demands. Even in this area, with a proper infrastructure by and large, we still have to have a desalination plant.

Africa, one of the world's most water-stressed regions, has experienced a population increase of 27 per cent. in the last 10 years or so. That figure is nearly double the global increase for the same time. Further pressure is coming from that, which also involves another possible unwelcome complication—sadly, that of war.

"If you're short of water, the choices are conservation, technological invention, or the politics of violence".

Those are the words of Marq de Villiers, who has written an excellent book, which I commend to everybody, called "Water Wars". A Friends of the Earth report, "Water Justice for All", states:

"This growing scarcity and demand has led many to believe that water may well have as important a role as oil in the 21st century, with the water market becoming as valuable and politicised as the fossil fuel market."

Or, as Mark Twain put it rather more succinctly:

"Whiskey is for drinkin'; water is for fighting".

The wars of the 21st century may be over water rather than oil or territory.

We are seeing that already in, for example, discussions on the use of the waters in Egypt and, most dramatically perhaps, in Israel, where the so-called security wall is being erected. In my view, that is not about security; it is about stealing Palestinian water.

Dr. Jenny Tonge (Richmond Park) (LD): Does my hon. Friend also realise that the Israelis are planning to extend the wall down the eastern side, thus cutting the Palestinians off from the Jordan valley and the Sea of Galilee? The Israelis take 80 per cent. of the west bank water for their own use; 40 per cent. of Israeli water comes from the west bank.

While the Israeli settlers in the west bank are splashing around in private swimming pools and have access to hot and cold running water whenever they want it, the Palestinians have water sometimes only once a week. The Israelis are wasting water to such an extent that the average Israeli uses 10 times more water than the average Palestinian in the west bank. Does my hon. Friend not think that that is a major contributory factor in the conflict between those two peoples?

Norman Baker: I certainly do, and I think that it is an affront to human decency that the Israelis are behaving in such a way. I recognise that the Government have criticised the construction of that wall, which is right, but I hope that they will apply more pressure than they appear to have done so far to bring about a change in Israeli policy. That means applying pressure on the United States.

The same applies to water resources and the environment in general. For example, the Prime Minister recognises, I believe, the importance of climate change. He says that it is an important issue, yet his friend in the White House, Mr. Bush, is busy increasing carbon emissions as if there were no tomorrow. We do not hear much about that.

Indeed, when Sir David King, the Government's chief scientist, says how important climate change is, the result is a memo from 10 Downing street to tell him to keep quiet. The Prime Minister and Departments, including DFID, need to follow through what they honestly believe and put pressure where it has to be applied, rather than trying to indulge in a form of kow-towing to the Americans, who are engaged in a process that pays scant or no attention to the environmental needs of the future.

Environmental change is another consequence of the water shortage and of the increased use of water. It is said that forests precede man and deserts follow him. That is certainly so in the Sahara, for example, where, 4,000 years ago, hippos were playing where now there is only stone and scrub.

Forests are decreasing and deserts are increasing. In the past century, more than half the wetlands on earth have been lost to development and conversion, partly due to pressure on water. The underground aquifer that supplies one third of the water for the continental US is being depleted eight times faster than it is being replenished. About 20 per cent. of freshwater fish species have become extinct or are endangered. The Aral sea in Kazakhstan has halved in depth and lost 90 per cent. of its volume in the last 40 years. The statistics are endless, and if I seem slightly irritated and frustrated that is because I do not see any action from the Government or the world community to address these issues, which will have catastrophic and irreversible consequences unless they are taken seriously.

I recognise that the Government have signed up to the UN 2000 millennium development goals. The 2002 world summit on sustainable development had a commitment to developing integrated water resources management and water efficiency plans by 2005. I have seen the document released last week by the Government to take matters forward. To be fair, they recognise the issue and pay lip service—sometimes more than that—to the actions that need to be taken, but, given the scale of the problem, we must go much further, much faster.

I want to refer briefly to the controversial issue of the general agreement on trade in services and get the Minister's response on that point. I am sure he knows from his postbag, as I know from mine, that many well-meaning pressure groups and individuals up and down the country are concerned about the suggestion that, as a consequence of GATS, we will end up with water privatisation in developing countries and control of that essential resource will move from those countries elsewhere in a one-way process that, effectively, will be irreversible.

There are also concerns that the European Union is applying pressure for developing countries to go down that road. I have seen such statements, which seem to be well sourced, from those pressure groups, and I have also seen categorical denials from the Department of Trade and Industry and other Departments. Frankly, I cannot reconcile the two, so I hope that the Minister provides us with more information that will enable us to take the matter forward. This is an important issue that we must get right. If we get it wrong, there will be no way back. My instinct is not to pressurise developing countries: if they come to that conclusion themselves there are sufficient safeguards, but there should be no pressure from the EU or elsewhere.

On environmental violations, we should consider the Environment Agency report for 1999 to 2001, which shows that the top five polluters include Sirius Vivendi, Thames Water and Wessex Water. The water industry does not have a good record of adhering to environmental legislation in this country, where controls are quite strict, let alone in developing countries where controls are sadly much weaker. It is also worth remembering that the global water and waste industry is estimated to be worth as much as £800 billion. That is a lot of money and, potentially, for somebody, a lot of profit.

I ask the Minister to amplify his thoughts on the water action plan, pick up the point quite properly made by my hon. Friend the Member for Bath (Mr. Foster) in his intervention, set out the Government's response to the question of GATS and assure me and other hon. Members that the Government—although I genuinely believe that they have the right instincts on these issues—are prepared to make the commitments necessary to deliver the changes that are essential if we are to have better water allocation in our world.

It is not sufficient for the Government to think the right thing, nor just to publish documents saying the right thing, nor even to adopt policies and put money in

[Norman Baker]

budgets hoping that it will be all right. The scale of the problem is such that the Government have to go on a crusade to convert countries such as the United States, which are not playing their role properly, to ensure that there is a big turnaround in how the world deals with water.

The UK, with its position in many international organisations such as the Commonwealth, NATO, the UN Security Council and the Bank for International Settlements, is well positioned to take this matter forward. I want to hear a commitment from the Minister that he will do so.

3.45 pm

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): I congratulate the hon. Member for Lewes (Norman Baker) on securing the debate. He and I were founder members of the Environmental Audit Committee and I welcome the opportunity to trade blows again on environmental issues. I am also pleased that he has been able to secure the attendance and support of his colleagues, the hon. Members for Bath (Mr. Foster) and for Richmond Park (Dr. Tonge).

As the hon. Member for Lewes said, getting enough clean water—something we in the UK take for granted—is a daily challenge for far too many poor people around the world. Disposal of water essential for hygiene and sanitation is just as big a challenge. The number of people who lack access to safe drinking water is 1.2 billion, and 2.4 billion people lack access to basic sanitation. The proportion of Africans with access to safe water and sanitation has hardly changed over the past 10 years. Hundreds of millions of people live in parts of the world where there simply is not enough water to go round. Inevitably, if there is not enough to go round, the poor are the least likely to get access to the water that they need even though their needs are the greatest. Pollution—an issue that the hon. Gentleman also touched on—adds to the problems of access to clean water. When that is combined with poor water management, the health and livelihoods of poor people inevitably suffer.

Water-related diseases are the single largest cause of human sickness and death in the world, and they disproportionately affect poor people. A major issue for children is diarrhoeal disease, which accounts for some 2 million child deaths each year. That number can be reduced through better hygiene practices, safer water supplies, and the provision of basic sanitation. Such measures will also support better maternal health in the home.

If we are going to do more to help poor people to overcome that daily challenge, as the hon. Gentleman and the non-governmental organisations that he quoted made clear, much more must be done by the international community. It is sadly all too clear that the pace of progress for improving access to water, especially in sub-Saharan Africa, is not as fast as I would like. To achieve the millennium development goals, approximately 250,000 people need to be provided with safe water supplies a day, and approximately 320,000 people need to be provided with basic sanitation. That is a considerably greater increase than has ever been achieved. It is unusual for a Minister to be accusing the hon. Gentleman of understating the challenge that faces us, but perhaps he is in danger of doing just that.

Investment must double to meet the millennium development goals on water and sanitation. That investment will have to come from the resources of developing country Governments, the international community, international financial institutions and international donors such as the UK. It will also have to come from the private sector.

It is not as though poor people do not consistently say that clean water is one of their top priorities; they definitely do. We know that through the consultation processes that take place when poverty reduction strategy papers are drawn up in country. However, translating that desire into action requires joined-up action across developing country Governments and better international donor co-operation. Joined-up action across Governments is a challenge at the best times; it is a huge challenge for developing country Governments who are faced with the capacity issues involved in dealing with international donors.

Why is joined-up action such a challenge? Well, responsibility for water resource management, water supplies and sanitation is often spread across many parts of developing country Governments. No single part of government takes the lead, and different parts of government often sadly have conflicting views. Solving those problems demands commitment from the Governments of developing countries. They must ensure that there are clear lines of responsibility and accountability. They need arrangements for resolving differences about competing demands for water in a country. They need to give water and sanitation appropriate priority, and to allocate appropriate long-term funding, so that the relevant authorities, which are often local authorities, have the incentives as well as the money that they need to ensure that investment is being made in better water and sanitation for ordinary people.

Clearly, making progress in many developing countries requires support from donors such as the UK. Our approach involves supporting countries in developing plans to eliminate poverty. The poverty reduction strategy papers that I referred to earlier relate to that. We provide advice and support to ensure that the needs of poor people are included in those plans. We then put our support behind those plans and the priorities in those plans and we encourage other donors to do the same. Our experience, which is, I think, generally borne out in the views of NGOs, is that that is the most effective way to achieve rapid progress towards all the millennium development goals.

Water has featured particularly strongly in our discussions with our partners in countries such as Bangladesh, Pakistan, Nepal, India, South Africa, Uganda and Nigeria. Uganda, for example, has made safe access to water one of its first priorities for its poverty reduction strategy. The donor community has responded to that prioritisation of water with financing through water sector support, as well as through budget support and through individual projects in rural and urban areas.

Uganda, I am pleased to say, is almost on track to achieve the water millennium development goal by 2015—unlike many other developing countries, sadly.

As part of our support to the Ugandans in the water sector, we have seconded a water specialist to work in the Ugandan Ministry of Finance, Planning and Economic Development.

Another example concerns Nigeria, where we are working with the federal Government and with UNICEF to focus the federal Ministry of Water Resources on the long-term policy reform necessary to secure the investment and pro-poor reforms needed to ensure good access to water.

Our policy dialogue with the Government in Bangladesh has focused on trying to improve donor collaboration, particularly on the arsenic contamination of ground water—an issue of which I am sure the hon. Gentleman is aware—as well as on better access generally to water and sanitation. We are also funding a large environmental health programme there, through international and local NGOs, which are working with local government on water supply and sanitation.

Water also forms the basis of a strong partnership with the World Bank in China, where we are promoting reforms across the water sector.

Dr. Tonge: The Minister may not be able to answer this question now, but perhaps his Department could write to me. What progress has there been on the privatisation of the water supply in Accra in Ghana? I know that DFID was, in that case, sponsoring the sort of thing that my hon. Friend the Member for Lewes (Norman Baker) alluded to in his speech.

Mr. Thomas: I will do my best to deal with the hon. Lady's question, but I shall first deal with other comments by the hon. Member for Lewes. The hon. Gentleman asked me specifically what position we have reached on GATS. As he rightly said, that is the framework for WTO negotiations between countries on the liberalisation of trade in services, including, crucially, water supply. It is a bottom-up agreement, meaning that countries themselves decide whether and when to open up their service sectors to foreign competition.

The UK does not insist that countries go to the GATS negotiations with a commitment to privatise their water industries. If they decide, of their own volition, to go down that route, we will consider supporting them, if that is a priority for their poverty reduction strategy. I hope that that reassures the hon. Gentleman to some extent.

I now want to comment on specific issues concerning the role of the private sector. Whether we are referring to international companies or to small-scale local service providers, the private sector has a role in supporting Government and civil society. Crucially, it can bring management and technical expertise, efficiency and service delivery to the table. Effective regulation and communication are essential to ensure that water companies' investment is in the interests of the poor.

Our approach to private sector involvement is to focus on what is necessary to ensure that investment in water by the private sector delivers better access to safe water supplies.

Mr. Foster: The Minister has rightly been focusing on the important role that the private sector can play, but it is important that he also talks about the Government's role. Does he acknowledge that his Department gives much of its aid through budget support? Will he also acknowledge that it does little to track how much of the budget support is spent on water projects and that the National Audit Office report makes it clear that only a small percentage is spent on them? Given his rightful emphasis on water, surely he should be telling us that it is the Government's intention to increase the proportion of Government aid that is spent on water and sanitation.

Mr. Thomas: If the hon. Gentleman will bear with me for a moment, I shall deal first with the point about private sector engagement in Ghana raised by the hon. Member for Richmond Park.

Late in 2003, the Government of Ghana advised us that they had reached a decision on a revised process for involving the private sector in a five-year management contract for the existing water networks. It now seems unlikely that there will be significant private sector participation in that process, partly because of a decline in interest from water companies operating in that part of the world. The World Bank is in the final stages of developing a $120 million project to support it and we expect to co-finance it. If the hon. Lady has further questions about what we might do in that respect, I shall be happy to speak to her privately or to write to her.

The hon. Member for Bath raised the issue of our bilateral spend on water and sanitation and I shall set out the figures: we spent about £29.8 million directly on water and sanitation in 1998–99; £33.4 million in 1999–2000; £34.5 million in 2000–01; £34 million in 2001–02, and £35 million in 2002–03. However, that understates our expenditure in the water sector. Our analysis shows that our total bilateral expenditure, including that with NGOs and multilateral partners was £82 million in 1999–2000; £91 million in 2000–01; and some £87 million in 2001–02. That spending represents about 6 per cent. of our total bilateral aid budget respectively in each of the years quoted. The criticism made by the Clean Water Fund was unfortunate, as it did not take into account the other spending envisaged, although I recognise that it is still campaigning for higher bilateral spending from the Department for International Development.

I confirm that we have published a water action plan setting out what we are hoping to do to renew our effort to increase access to safe water and, as part of that process, we are hoping to meet NGOs to discuss progress. I am happy to have a further discussion with the hon. Member for Lewes on these issues when he has had the chance to digest the water action plan and to hear NGOs' views on the matter.

Mr. Steven Chivers

4 pm

Mr. Eric Illsley (Barnsley, Central) (Lab): I am grateful for the opportunity to have this debate about my constituent, Mr. Steven Chivers. I should point out that he is a long-standing friend of mine and I have known him for over 35 years.

To put it mildly, my constituent has been treated very poorly by the Government and by Customs and Excise. Mr. Chivers' case raises several issues, including the losses he suffered at the hands of Customs and Excise, the wider elements of operations carried out by Customs and Excise and the legality of, and confusion surrounding, what are known as indicative levels of tobacco and alcohol imports, which are used by Customs and Excise to make judgments when people import such goods. His case also highljghts the actions of Customs and Excise in targeting consumers of tobacco and alcohol in this manner—Mr. Chivers took his motor car to France and brought back alcohol and tobacco—rather than spending more time targeting large-scale smugglers.

Mr. Chivers' case draws attention to the lack of control or supervision of Customs and Excise. You will be aware, Mr. Benton, that, over the past few months and years, there have been numerous press reports on the money that Customs and Excise has wasted on certain trials and other issues. Customs and Excise seems to act without any control or governmental supervision. This case also highlights the confusing advice given to those travelling abroad, particularly to France, by ferry operators and organisations that provide trips to countries such as France specifically to buy alcohol and tobacco.

The decision in this case brings to light the conflict between the actions of Customs and Excise and court judgments. There is clearly a conflict between the Crown court judgment in Mr. Chivers' appeal and the attitude of Customs and Excise to section 144 of the Customs and Excise Management Act 1979. Mr. Chivers was stopped at Dover in May 2001 as he returned from a trip to France to buy alcohol and tobacco for his own consumption. The alcohol and tobacco were seized and his vehicle was impounded. However, the difference between the impounding of Mr. Chivers' vehicle and that of other vehicles is that his was a lease car and a registered taxi. By confiscating that motor vehicle, Customs and Excise deprived him of his means of making a living.

Mr. Chivers successfully appealed that action at Maidstone Crown court: the court overturned the actions of Customs and Excise, but that was in June 2003—some two years after his vehicle and those products were seized. During those two years, Mr. Chivers had to pay for the lease on his motor car at over £300 a month, the hire of radio equipment for his taxi business and insurance and other payments for the vehicle. He also had to find another way to make a living during that period because his taxi had been impounded.

When Mr. Chivers appeared a Maidstone Crown court, the judge found in his favour and decided that he should be awarded reasonable costs in respect of the court action, his expenses in pursuing the case and compensation. However, Customs and Excise invoked section 144 of the 1979 Act, which required the judge to certificate Customs and Excise as having acted reasonably. It was therefore not liable for any damages case brought by the claimant in respect of a seizure. In other words, Customs and Excise was in a win-win situation. It was found to have acted unlawfully by the court, but invoking section 144 meant that it was not required to make any reparations or pay compensation or damages. Even when it is found to have acted unlawfully, it gets away with it.

At this stage, I should point out that Mr. Chivers is not seeking damages. He is seeking only compensation for the loss of his livelihood and the loss of his vehicle during the two years that it was impounded by Customs and Excise. He is also claiming the amount that he expended on the tobacco and alcohol, which were found to have been seized unlawfully by Customs and Excise.

Mr. Chivers' vehicle was eventually returned to him in 2003. He was also offered limited compensation, which he has disputed, as it is nowhere near covering the costs he has incurred during the past two or three years in pursuing the case and due to the loss of his livelihood and motor vehicle. It is my view that he should now be compensated for the loss of his vehicle and the payments that he had to make on the leased vehicle in the two years.

I wrote to my hon. Friend the Minister about the case, and it took four months to receive a reply from the Treasury. In that response, he stated that under section 144 and the terms of the seizure of the vehicle, the Government or Customs and Excise were not liable for any compensation because, at the end of the lease, the vehicle reverts to Mr. Chivers, my constituent. However, that is not the case. At the end of the lease period, the car does not revert to my constituent, although he has the option of purchasing it. As it is a taxi, subject to high mileage and everything that goes with that, he would not purchase it, which is why he went for a leased vehicle in the first instance. Even though Customs and Excise was supplied with a copy of the lease agreement for the vehicle, it chose to give a wrong interpretation of the terms. I hope that my hon. Friend will reconsider that point.

As I have pointed out, the case highlights the considerable confusion over the use of indicative guidelines. My hon. Friend and I have corresponded on several occasions about them. I tend to accept the European Union's view that the indicative guidelines have no place in a single market. Either we have a single market in which we can import tobacco and alcohol in unrestricted quantities or we do not. I appreciate and support the idea of preventing smuggling, but the indicative guidelines are contrary to other Government policy.

On several occasions, my hon. Friend has written to say that any individual in this country may bring in unlimited quantities of tobacco and alcohol, and people are given that advice on cross-channel ferries and trips abroad, particularly to Calais. People travelling abroad tend to think that they have a right to bring in unlimited quantities. However, that is obviously not true because of the indicative guidelines used by Customs and Excise, which many people are simply unaware of.

I know about the leaflet issued by my hon. Friend's Department, but he will remember that he was required to triple those indicative guidelines just over a year ago after pressure from the European Union, which found them to be inadequate. I accept that they may be the highest in the EU, but the public are still confused about the reason for them.

Customs is targeting consumers rather than real smugglers. Shops in certain parts of my constituency do not stock some brands of tobacco and cigarettes because they cannot compete with the price of illegal imports circulating in the area. I could take my hon. Friend to certain shops, and the shopkeepers would be able to point out the houses to which large quantities of cigarettes are delivered. From there, they are distributed by runners.

Shopkeepers simply cannot compete with the price of such cigarettes, which are being sold in bulk. We should be targeting those imports, not taking the cigarettes, alcohol and motor cars of genuine consumers who are unaware of the indicative guidelines put out by the Government in respect of the single market. Once again, I refer to the confusion that has been caused.

My constituent brought in two litres of Bacardi, two litres of Campari and 30 litres of beer. He also brought in a substantial quantity of hand-rolling tobacco. For that, he lost his motor vehicle and his livelihood for two years. I compare that to a case in my constituency in which an individual was convicted for avoiding £2.5 million of duty on imported cigarettes—I do not mean cigarettes worth £2.5 million; I mean £2.5 million of duty. Somewhere along the line, Customs and Excise has got its priorities wrong. It attacked a constituent of mine for a few bags of tobacco and a few litres of beer, yet large-scale smuggling is still going on.

Customs and Excise appears to be able to do as it likes and does not appear to be responsible to anyone. It was found to have acted wrongly when Maidstone Crown court decided in favour of my constituent, but it is refusing to compensate him to anywhere near the level of his losses. It is hiding behind section 144, which states that because it acted reasonably—in view of the guidelines, that is obviously questionable—it does not have to pay. Again, I stress that my constituent is not claiming damages; he seeks compensation.

It took my constituent two years to get the case overturned, but Customs and Excise does not want to compensate him for the few thousand pounds that he lost. That is despite the fact that a newspaper article on 26 November 2002 pointed to the fact that Customs and Excise had probably lost £1.25 billion in respect of fraud cases and the monitoring of certain imports in a warehouse case. I compare that to a few litres of beer and a bag of tobacco. Even the Maidstone Crown court judge, who allowed the seetion 144 order, said that my constituent should not be out of pocket as a result of the actions of Customs and Excise.

There is a clear contradiction between what the judge intended and the attitude of Customs and Excise, and the compensation that it is offering. The judge clearly agreed that the action should not have been taken against my constituent and that he should not be out of pocket. Customs and Excise refuses to offer compensation, thus forcing him to consider other ways of trying to obtain the compensation that is due to him.

I believe that my constituent has been badly treated by Customs and Excise, which appears to be taking draconian measures against genuine consumers while ignoring large-scale smuggling that results in hundreds of millions of pounds in duty being lost. I ask my hon. Friend to re-examine the case to determine whether he can authorise the payment of proper compensation to my constituent.

4.15 pm

The Economic Secretary to the Treasury (John Healey): I begin by congratulating my hon. Friend the Member for Barnsley, Central (Mr. Illsley) on securing the debate, which has provided an example of the tough way in which he pursues the interests of his constituents. As he said, I have been on the receiving end of his strong and fair, but tough, representations.

This debate is about the compensation and expenses that are properly payable in the case not just of Mr. Chivers but those in similar situations. In discussing any such case it is important to understand not only the facts of the particular case and how the law should be applied, but what the law says about the resolution of differences such as those that my hon. Friend pointed out in this instance.

I will deal with the specific points on compensation but, before doing so, I shall try to set those points in the legal framework in which Customs officers make decisions to seize goods and vehicles, and in which they acted in Mr. Chivers' case.

Mr. Chivers and his wife were stopped by Customs officers at Dover eastern docks on 10 May 2001. At the time of the seizure, the relevant legislation was the Excise Duties (Personal Reliefs) Order 1992, which was enacted by the previous Government in line with EU advice. That order made a presumption of commerciality when hand-rolling tobacco in excess of 1 kg was brought into the UK from another EU member state. After the interview, the officers concluded that they had evidence of commercial use and the 30 kg of hand-rolling tobacco belonging to Mr. Chivers was therefore seized. That amount of hand-rolling tobacco is enough for at least 36,000 cigarettes. It would last a 20-a-day smoker five and a half years.

In October 2002 I laid new legislation before Parliament, which repealed the 1992 order. That legislation made it clear that tobacco and alcohol on which tax has been paid elsewhere in the EU and which has been imported to the UK for someone's own use is not liable to duty. It also made it clear that tobacco or alcohol imported for payment in cash or in kind, whether for profit or straight reimbursement—known as commercial use—is subject to UK duties.

Mr. Illsley: On two occasions, my hon. Friend has mentioned evidence of commercial use. Could he elaborate on that? I have seen nothing in what I have been shown to suggest that Mr. Chivers was involved in the commercial use of those products.

John Healey: We must consider the question whether the case for commercial use was tested in the Court of Appeal; I shall address that point later. I was trying to explain the framework in which Customs officers acted

[John Healey]

at that time—and act now—to make judgments about commercial or personal use, because that framework is different.

I was about to address my hon. Friend's point about minimum indicative levels. Those levels were set, on EU advice, at 800 cigarettes and 1 kg of hand-rolling tobacco. As a result of the changes that I introduced in October 2002, they are now set at 3,200 cigarettes and 3 kg of hand-rolling tobacco—the highest minimum indicative or guideline levels in the EU. That is at least six months' supply for the average smoker.

The new regulations remove the burden of proof on the individual to show that goods are for their own use. Again, that measure was introduced in 1992 under a previous Government and it reflected guidance from the EU. Under the new legislation, it is for Customs to be satisfied that goods are for commercial use. The point for my hon. Friend is that the legislation establishes that on the basis of a series of criteria set out in regulations, including the explanations offered by people importing large quantities. Customs has publicised the criteria widely—indeed, he mentioned a leaflet that refers to them—and it stands ready to explain its reasons for reaching such a view to any court or tribunal as necessary.

The new regulations reflect recent interpretations offered by the courts and represent an overhaul of 10-year-old EU-based legislation. They have brought UK legislation fully in line with UK court rulings, EU-based legislation and existing practice.

The old regulations specifically said that a passenger with goods in excess of the minimum indicative levels had to prove that the excise goods were for their own use, but Customs has always had to be satisfied that it can explain and defend decisions and judgments when challenged at a tribunal or in court.

Mr. and Mrs. Chivers' car, which was used to carry the seized goods, was itself seized under the power in section 141 of the Customs and Excise Management Act 1979 to seize vehicles used to carry goods liable to forfeiture. As my hon. Friend said, Mr. and Mrs. Chivers appealed against the seizure on 15 May 2001, and the case was heard at Dover magistrates court on 25 April 2002. The court supported the decision made by the Customs officers, condemned the goods and the car, and awarded costs to Customs. However, Mr. Chivers appealed against the decision on 26 April 2002, and the appeal was heard in Maidstone Crown court on 17 June 2003.

The Crown court concluded that Customs had not proved that the hand-rolling tobacco was not for own use, so it allowed the appeal. However—this is the central point for my hon. Friend—in coming to its conclusion, the court also ruled that there were reasonable grounds for the seizure, if not for the permanent forfeiture of the goods, and it therefore signed a certificate under section 144(1) of the 1979 Act. That was not invoked by Customs, as my hon. Friend argued; the court made the determination, according to the merits of the case. The granting of a certificate is by no means automatic and is often not awarded in such cases.

It might be helpful if at this point I make clear to my hon. Friend the purpose of the legislation. Section 144 provides limited protection to the Crown in cases in which, although the court requires restoration of something that has been seized, it is satisfied that Customs' decision to seize the goods, and the car if appropriate, was reasonable, given the information available to it at the time. That was the decision taken. Let us say that a certificate is granted. Section 144(2) provides that the claimant cannot recover from Customs any consequential costs arising as a result of the seizure. However, section 144(3) preserves the claimant's right to have the seized item returned and to compensation in respect of any damage caused while it was seized.

That is the significant and central matter in this case and similar cases. In other words, Parliament has seen fit to provide a limit on the costs and expenses that an individual may recover if the courts are satisfied that Customs' actions were reasonable. Had the court refused to grant a certificate, Mr. Chivers would have been entitled not only to compensation for any damage, but to costs and expenses, which is the argument that my hon. Friend made. However, the court issued a section 144 certificate in this case. Therefore, Mr. Chivers is not entitled to recover any damages or costs, such as those incurred in respect of his travel between home and Dover on the day of the seizure, taxi fares while not in possession of the car or the finance costs for the car.

My hon. Friend mentioned my reply of 11 February, in which I explained to him that Customs understood that the agreement in relation to Mr. Chivers' car was a lease purchase agreement in which the title to the vehicle transferred to Mr. Chivers once the final payment was made. That is not uncommon in such an arrangement. However, Customs officials now understand that that is not so in Mr. Chivers' case and the vehicle is subject to a genuine lease. It follows that my argument in the letter regarding the effect of paying Mr. Chivers' lease payments—in other words, that we would be subsidising his purchase—is incorrect. I regret the error and apologise to Mr. Chivers and my hon. Friend for that mistake.

I need also to make it clear, however, that it remains the case that the Crown court issued a section 144 certificate restricting the claims that Mr. Chivers can make against Customs for losses arising from the seizure of the goods and the car. As such, lease payments for a car are not recoverable. As a result of the court's ruling, and in accordance with its liability under the terms of the certificate, Customs returned the seized car to Mr. Chivers and offered to pay the purchase price of his goods, which have been disposed of, the cost of the trip and legal costs that he incurred up to and including the Crown court hearing.

In respect of the amount offered for the goods that were destroyed, I have advised Mr. Chivers that he can ask the Department for Constitutional Affairs to appoint an independent referee, who will adjudicate on the amount to be paid by Customs. We are not, as my hon. Friend put it, forcing any option on his constituent. It remains open to Mr. Chivers to seek further legal advice if he wants to pursue a claim on other matters relating to the case.

My hon. Friend made several wider points about tobacco smuggling and illicit markets, and Customs' response. As he will be aware, tobacco smuggling grew rapidly in the UK from the mid-1990s, so that by 2000 almost one cigarette in five smoked in the UK was illicit, at a cost at that time of more than £2 billion a year to the public purse. Without intervention, the illicit cigarette market was set to hit 34 per cent. last year, but in 2000 we introduced a tough clampdown on tobacco smuggling, so that the scale of the illicit market is on a downward trend. It has been reduced to 18 per cent., and over the three years of the tobacco smuggling strategy receipts to the public purse have risen and more than £3 billion of revenue has so far been protected.

My hon. Friend is concerned that Customs somehow may be targeting shoppers, not smugglers. Part of the purpose of the reforms that I introduced and the next stage of the strategy I launched in October 2002 was to confirm that the Government fully uphold the rights of UK citizens to bring back unlimited amounts of alcohol or tobacco from cross-channel shopping trips, so long as they are for their own use. We are, however, determined to crack down on smugglers who bring back alcohol and tobacco to be sold illegally in the UK.

My hon. Friend and I know the scale of the problem. Our own area of South Yorkshire is one of the hot spots for such activity, and he may like to know that Customs has seized about 17 million cigarettes in South Yorkshire in the current financial year alone, often in joint operations with the police.

The new guideline levels are designed to be fair for the honest shopper, tough on criminal smugglers and clearer about the distinction between the two. They help to clear up the confusion about which my hon. Friend is concerned. They help to draw the distinction in the public mind between the honest shopper and the professional smuggler, and they help the Customs officer to make better judgments between the two. The balance between tackling smugglers and upholding the rights of shoppers has been effectively struck.

It being half-past Four o'clock, the motion for the Adjournment of the sitting lapsed, without Question put.

Westminster Hall

Wednesday 10 March 2004

[MR. JOHN MCWILLIAM *in the Chair*]

Russia (Human Rights)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Heppell.]*

9.30 am

Malcolm Bruce (Gordon) (LD): Although the attendance in the Chamber this morning may suggest that this is not an important subject, I would argue that this is a crucial debate about the direction that Russia is taking, and about the fitness of Russia to be part of the democratic community. Consequently, it has serious implications for developing relations between our country and Russia. I should perhaps make it clear that I am a member of the UK delegation to the Council of Europe and its Parliamentary Assembly, and a member of its Legal Affairs and Human Rights Committee. I am the rapporteur on political prisoners, specifically in Azerbaijan, which is obviously outside the scope of the debate, but also in Europe.

For the past two years, members of the Parliamentary Assembly have been extremely concerned about what has been happening in President Putin's Russia. The core of attention until recently was events in Chechnya. The Assembly of the Council of Europe suspended the voting rights of the Russian delegation because it was so appalled at the lack of action by the Russian authorities to deal with blatant and widespread human rights abuses in Chechnya. We are talking about clearly reported events, such as cases where Russian soldiers, or other Russian agents, burst into the cellars of houses where women and children—innocent people—were sheltering from civil war, and tossed in hand grenades and killed them. No action has been taken against those authorities.

I regret to say that the British Prime Minister entertained President Putin on an official visit to this country a week after the Parliamentary Assembly suspended the voting rights of the Russian delegation. It is true that the Prime Minister remonstrated with President Putin on a somewhat famous occasion, only to be lectured by Mr. Putin on the situation in Chechnya. Our Prime Minister could have been more robust in retorting that it was the duty of Governments who signed up to the European convention on human rights, and had valid laws of their own, to uphold and enforce those obligations. That is what we were asking the Russian authorities to do.

Concerned as I remain about the situation in Chechnya and the lack of redress, the debate has moved into what I would call mainstream Russian life. I have received many reports of abuses of human rights by the authorities relating to a number of prisoners. I have also heard reports of conditions affecting Russian prisoners, and heard evidence of self-inflicted wounds, hunger strikes, prisoners setting fire to prisons, suicides and people dying in suspicious circumstances in Russian prisons. The state of the prisons and the way that prisoners are treated in Russia is open to serious question.

I want to spend most of my speech on the situation that affects the three Yukos executives arrested last year. It is my belief that, whatever they may be accused of, the way that they are being treated is symptomatic of a change of attitude in the legal process in Russia that is simply unacceptable. If left unchallenged, it will basically allow the Russian authorities to believe that, signatories as they may be to the European convention on human rights, no action will be taken against them, or even public criticism aimed at them, for breaches.

The first thing to record is that in July last year two Yukos executives, Platon Lebedev and Alexei Pichugin, were arrested and have been in custody since then. At the time of their arrest it was widely reported that that was a shot across the bows of the president of Yukos, Mikhail Khodorkovsky, who was well known for his activities in support of human rights organisations, opposition political parties, promoting a pluralist Russia, and trying to encourage more liberal academic institutions through his considerable personal fortune. He has given more than $100 million to various philanthropic funds in Europe.

Regardless of whether one thinks that Mr. Khodorkovsky is a good guy or a bad guy, what I have to say is still legitimate. I am happy to put on the record that having looked in some depth at Mr. Khodorkovsky's record, most people in the west would regard him as an example of how Russia could usefully develop, rather than the reverse. It is true that according to popular opinion in Russia there is either hostility or indifference to the fate of the so-called oligarchs. However, we should not regard that as a justification for not protesting. The sad fact is that Russia has no tradition of democracy, no established tradition of human rights or due process and, perhaps, a cynical population that does not expect it. Indeed, the population may believe that the authorities are entitled to use whatever means they think are necessary to pursue people who they believe are acting against their perception of the national interest.

In the long term, the implications of allowing Russia to proceed in this manner are profound—especially for the people of Russia. If the situation goes unchallenged, Russia could slide back into the bad old mechanisms of the Soviet Union and not move forward into pluralist democracy. Ultimately, that may damage confidence in economic developments in Russia and the willingness to invest. Companies that are looking for Russian partners will inevitably be concerned that if their Russian partner falls foul of the President or central authorities, a case could be fabricated against the western partner and the Russian company in a way that would deeply damage the economic and commercial interests of both. We know that BP has significant investments and partnership arrangements in Russia. Although it is on public record as saying that it is comfortable with that, it is generally known privately that it is much less sanguine about the prospects for future success in that area.

After Mr. Lebedev and Mr. Pichugin were arrested, Mr. Khodorkovsky made it clear that he did not intend to change his behaviour and wished to continue supporting what he would call democratic pluralism, and in particular would give support to three political

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parties: Yabloko, the Union of Rightist Forces and the Communist party. There is a certain irony in the fact that the Communist party is the only effective opposition to President Putin's parties in the Administration in the Russian Duma. When one considers that it is only 14 years since the collapse of communism, that is a rather ironic turn of events, because sadly, the more liberal democratic parties were effectively extinguished at the last election.

In passing it must be recorded that President Putin has systematically closed down critical or opposition media, including television stations and newspapers. The recent elections were severely criticised by many observers not only on evidence that there was perhaps corruption in the conduct of the vote, but much more importantly because there was a total lack of balance in the coverage before the election between the Government and opposition parties. I, for one, admit to feeling a shiver down my spine when, immediately after the election, the leader of the Liberal Democrats—which may be an eponymous party in relation to our own, but which shares absolutely no values with us; it is an extreme, flamboyant, nationalist party—announced that his party was 110 per cent. supportive of the President and would use its votes to give him the two-thirds majority needed to change the constitution in any way he thought fit. That gives a clear indication that democracy and pluralism in Russia are facing the end of their days only a short period after they were born. That is a tragedy for what many of us hoped would be a much brighter future for Russia.

The argument has been advanced that the so-called oligarchs exploited the post-communist situation and made huge amounts of money in corrupt ways. It is true that they made money; they were able to acquire a stake in significant, previously state-owned businesses, which subsequently increased in value, sometimes owing to the activities of the new management and sometimes because they were cheaply held. My contention is that that issue could be addressed without persecuting individuals, imprisoning them and abusing human rights.

In the context of Yukos, Mr. Khodorkovsky has made it clear that he is more than willing to have a dialogue and be constructive. Over the past few years, it has been generally acknowledged by objective observers outside Russia that Yukos was developing a model operation, which was transparent, open and the biggest taxpayer in Russia. Unlike in the United Kingdom, paying taxes in Russia is a club that many people have no intention of joining, but Yukos paid substantial taxes. Its accounts have been transparent, and it has been determined to demonstrate, in ways that would inspire confidence outside Russia, that it is operating according to high standards and is free from corruption.

Let us focus on what has happened to the individuals whom I have mentioned. The reality is that almost all the basic rights to which these people are entitled have been abused. Mr. Lebedev, who was one of Mr. Khodorkovsky's business partners, is in a poor condition in prison. He is losing his eyesight, and is having considerable difficulty in reading the papers associated with his case. At his last hearing when he asked the judge whether he could have a magnifying glass, the judge refused to provide him with one and accused him of delaying tactics for not processing what are extremely complicated papers.

It is important to consider the conditions in which these people find themselves. Mr. Lebedev is in poor health, is not coping with his imprisonment and has not been given rights—I shall come to the specific abuse of rights in a moment. Mr. Pichugin has lost a third of his body weight in prison. He is believed to have contracted and developed TB, but it has been difficult to get any sort of medical test. He has also been injected with psychotropic drugs against his will.

I stress that we are talking about Russia in 2004, not Soviet Russia under the communists. This is supposed to be a democratic Russia that is fully signed up to the European convention on human rights. It is not a coincidence, however, that the President's training before he reached that post was as a KGB agent. Over the past year or two, ex-KGB people have been put into key positions throughout Russia and they are known to be using their old mechanisms for enforcing their will.

The men are being held in an ex-KGB prison that has a fairly well established reputation for its previous role during the Soviet era. The essential view is that they have faced a catalogue of abuses. I have met Mr. Khodorkovsky's lawyers, and his lead lawyer is a Canadian citizen, Mr. Robert Amsterdam. He says that he is shocked and appalled by the way that his client is being treated and with the process that is being denied. He assures me that it bears close resemblance to what happened during the earlier days of the Soviet Union—not even to its latter, more relaxed, period.

The lead defence attorney acting for Mr. Lebedev and Mr. Khodorkovsky, Anton Drel, has been summoned for questioning by the procurator-general. That is a direct violation of article 8 of the law on rights and duties of lawyers. That is not international law, but Russian law that is being breached. It basically states that an attorney for the defence cannot be either subjected to questioning or summoned to give evidence related to an ongoing case.

On Friday 9 October, law enforcement officials searched offices connected with Yukos and affiliated companies, including the offices of the attorney, Anton Drel. Documents associated with Lebedev and Khodorkovsky's defence were confiscated in a clear violation of attorney-client privilege. It is believed that lawyer-client communications—between lawyers and Mr. Lebedev—are being intercepted at Lefortovo prison.

The men have been denied open court hearings, despite the criminal code giving them that right. They have also been denied the right to effective assistance of counsel. At first hand, I have heard how Mr. Amsterdam has found it difficult to brief, obtain information from or inform his client because hearings are often held in rooms where not even the defence attorneys, never mind anybody else, are allowed in. The defence lawyers say that they have been hampered in many other ways and that they have been unable to fulfil their functions.

Their clients have also been denied bail, despite the fact that the Russian criminal code is quite clear. The argument that has been used in Mr. Khodorkovsky's case, for example, is that in some way he or the others

would leave the country or interfere with the judicial process—well, they might enable themselves to make an effective defence.

The argument in the case of Mr. Khodorkovsky is questionable. He has had many opportunities to leave Russia, and he has made it clear on every occasion that he has no intention of doing so. He has been out of the country and has returned on many occasions. He has one child at a boarding school in Switzerland, but otherwise all of his family live in Russia and his only home is there. He has made it clear that he has no intention of skipping bail and that he wishes to confront the charges against him and to have a chance to prove his innocence.

As I said earlier, Mr. Pichugin has been injected with psychotropic drugs. His wife has seen the needle marks. He has complained of that treatment, but no action has been taken. There have been numerous raids on the company and the attorney's offices, carried out without proper authority by armed gunmen fishing for anything that might help the court to progress the case.

By any standards, it is clear that the Russian authorities are determined to prosecute the case in any way that they think fit, without any regard for their own legal processes or for their obligations under the European convention on human rights, content in the knowledge that the vast majority of Russian people are not interested or concerned or are even supportive of the actions against these people. Having no real experience of a fair and democratic justice system, people are not particularly surprised that they do not have one now.

That is one of the reasons why this is an important debate. Citizens in free countries such as ours have to protest about the issue and to make it clear that this is not an acceptable way for any country to behave, certainly not one that wants to be, and regards itself as being, accepted into the democratic family of nations.

I do not wish to be too partisan. However, supporters of Mr. Khodorkovsky and of other political prisoners in Russia, and human rights organisations, are disappointed in the extreme that the United Kingdom Government have not taken a public stand to criticise such behaviour, and have not called on the Russian authorities to observe their own rules and those of the European convention on human rights. So I am not the only one to take that view.

The French Government have said that they regard the matter as entirely internal. I do not believe that we can accept that. Whether the charges against these people are legitimate is not the issue, although I have said that I am not convinced that the charges are genuine. The substantive point is that whatever these people are accused of, they should not be treated in this way; they should be entitled to a fair trial and a fair process. What we are getting is the old-style show trial, conducted without proper reference to the proper democratic processes. There have been clear attempts to intimidate others and to break the accused.

I have seen a copy of an open letter to Mr. Khodorkovsky from a former political prisoner of Soviet Russia, who believes that the current pattern of activities is effectively no different from that which existed in Soviet Russia, and that the people carrying out the abuses are the very same as those who did so under the previous regime. The letter tells Mr. Khodorkovsky that what he is doing is very brave but very foolish, because he will not succeed. If we do not support the rights of these people, their position will be extremely bleak.

I respectfully suggest that it is the duty of this Parliament and this Government to highlight our concerns and to make it clear to the Russian authorities that this sort of process is unacceptable. We should not interfere with the legal process in relation to the charges, but we should demand that the way in which any prosecutions are carried out should be in accordance with the law of Russia and the international law to which Russia has signed up.

I have received an up-to-date report on how the situation is progressing. The Basmanny court in Moscow decided four days ago to limit the time available to Platon Lebedev to read his case file. The same court refused him a magnifying glass to read his papers. He has to complete his review by the end of March, which gives him little time to prepare a defence. The other two men have been told that their cases have been fully investigated, but new episodes or charges continue to be added to the files. They have all been remanded without bail and no trial dates have been set.

The case has attracted the attention of many former dissidents under the old regime in Russia, including Yelena Bonner, the wife of Mr. Sakharov. She has sent letters to the human rights commissioner in Moscow and has published open letters expressing deep concern about the abuses and calling on the international community to fight for the rights of political prisoners in Russia. I have no doubt that the people to whom I am referring are political prisoners, but that does not ultimately affect the main thrust of my argument. Whatever kind of prisoners they are, they should not be treated in such a way.

I have witnessed the situation in Russia over the past few years with increasing concern, as have many of us. I appreciate the difficulty of turning a former communist totalitarian regime with no history of democracy into a modern pluralist democracy. I never expected Russia suddenly to transform into a relaxed and open democracy, but I hoped and believed that it would move progressively in that direction. The past 12 months have suggested that the opposite is happening; Russia is moving away from democracy towards a form of what one might call democratic totalitarianism.

I do not deny that President Putin was legitimately elected and will probably be re-elected by a substantial margin. Regardless of criticism from observers, the Duma elections probably reflect Russian popular opinion. I could argue that if the more democratic parties had a fairer platform on which to operate and access to freer press and broadcasting services, the balance in the Parliament would be different and there would not have been the effective extinction of liberal and rightist forces in the Duma. However, I do not believe that a full, fair and open platform would have enabled those parties to sweep to power.

I am not naive or out of touch with Russian public opinion, but we must realise that the vast majority of Russians have had no experience of a democratic society and have no recognition of what it is about. A regime, which they may not have loved, collapsed, leading to a period of chaos, which hurt many people. Many people

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suffered, lost work, lost income, were not paid, went hungry, or left the country. Of course, people might say that communism was not great but anarchy is worse.

Nevertheless, if Russia is to have a future and if its signing of the European convention on human rights, of which we are co-guarantors, is to mean anything, it must conduct itself in accordance with the principles of the convention. Through our dealings with Russia, whether they are business or political—Parliament to Parliament or Government to Government—we must make it clear that Russia must unconditionally conform with those basic standards if it is to be accepted into the democratic family of nations.

We need constructive relations with Russia. I understand that Russia is an important political player, and therefore I understand the sense of delicacy and trepidation with which Governments act to maintain relations with Russia. However, the events of the past year have created a slight counter-current because Russia's position on the actions in Iraq was significant. At the least, our Government, and especially the American Government, were anxious to avoid the application of a Russian veto—they wanted neutrality. I shall not press the point more than to say that there has been a slight compromise. Although I can understand that, I appeal to our Government to recognise that they have an obligation in their public and private negotiations with the Russian authorities to say, "We want to work with you, to see your economy thrive, and to develop alongside you, but if you are not prepared to operate within the proper standards of democratic pluralism, to uphold your own laws, and to observe the international treaties that you have signed, you will call into question our ability to continue relations at the sort of level that both of us would wish."

If we say nothing, we endorse Russia's behaviour. We did not do that when the Soviet Union was in existence. We did business with the Soviet Union and had to engage with it during the cold war, but we continually opposed human rights abuses and tried to stand up for certain people, and probably secured the freedom of some dissidents as a result. It would be a sorry state of affairs if we were not prepared to be equally robust in the new situation, in which there is a real aspiration towards building democratic institutions in countries such as Russia.

We have enlarged the European Union, and have accepted eight members from the former communist regime, although admittedly none of them freely associated with the Soviet Union. We have extended the Council of Europe to 45 members and engaged in a dialogue to try to raise standards.

I made a reference at the beginning of my remarks to my role in securing the release of political prisoners in Azerbaijan. We have confronted countries that are struggling towards democracy and we have pushed, cajoled and pressurised them to move in the right direction. It would be appalling if we took the view that we could push around Azerbaijan, Armenia, Georgia, Romania or Moldova but could not do so with Russia because it is too big and important, and that therefore we should allow Russia to get away with it. That would be a failure of our responsibilities towards the Russian people.

It would also make it difficult for us to stand our ground with integrity in those other countries, because they would say, "You are only bullying us because we are small; you are forcing us to adopt difficult changes, but you are allowing Russia to get away with it." That argument was deployed vehemently in our debates in Strasbourg in relation to Chechnya, but has not yet surfaced with the same degree of passion in the context of abuse of political prisoners in what one might call the mainstream of Russian society.

If we do not make a stand now, and make it clear that what is going on in Russia is unacceptable, I am confident that that argument will surface and that the time will come when this Room will be a lot fuller of Members of Parliament wishing to express their concerns about the deteriorating situation in Russia. I strongly believe that we can express those concerns in a constructive, civilised but forceful way, and that it is our duty to do so as a democratic country, as co-guarantors of the European convention on human rights and as a friend of the Russian people.

We must not stand by and allow Russia to slide back into totalitarianism, simply on the grounds that that will provide stability and order, and that popular opinion is reasonably content. That is not good enough. I hope that the Minister will be able to assure me that the British Government are willing to make it clear to the Russian authorities that they expect a much more robust and real application of both Russia's own legal processes and of those that are encapsulated in the international treaties that Russia has signed.

10.4 am

Mr. Michael Moore (Tweeddale, Ettrick and Lauderdale) (LD): I congratulate my hon. Friend the Member for Gordon (Malcolm Bruce) not only on securing the debate, but on setting out comprehensively the immediate concerns about a number of high-profile political prisoners and on painting a broader canvas of the human rights situation in Russia. It is at that particular aspect that I wish to direct most of my remarks.

As my hon. Friend said, Russia—as we now call it again—has been through huge changes in recent years. Our views of the country have changed rapidly throughout that period. We all shared in the jubilation and exhilaration at the ending of the old communist arrangements and the Soviet Republic and the associated democratisation in countries in eastern Europe, which, happily, as my hon. Friend highlighted, will be joining the European Union in a few weeks' time, something which has all-party support in and outside the House.

As for international relations, there has properly been a broad welcome for Russia's economic liberalisation and willingness to participate in international organisations such as the United Nations much more constructively. Sadly, while significant and welcome progress has been made, our attention has been drawn increasingly to developments within the country, especially the growing evidence of abuses of human rights. That was reflected in my hon. Friend's contribution. Last summer, we had a short debate about Chechnya before the visit of President Putin. Again, this debate is timely as the presidential elections take place in a few days' time.

It is sad that in both instances our debates have focused on human rights, not on some of the other issues that I have already mentioned. We cannot escape the fact that there is a growing number of political prisoners in the country. A wide range of non-governmental organisations have documented more widespread human rights abuses such as detention, growing evidence of torture and ill treatment of prisoners, and significant restrictions on freedom of expression in the country. One of the growing, most alarming aspects concerns the thousands of children—one estimate puts the number as high as 17,000—who are held in prison in contravention of international conventions. Many thousands more are being held in pre-trial detention.

The situation in Chechnya was the subject of a debate a few months ago. It remains the largest scar on Russia's human rights record. The forced disappearances of thousands of people, extrajudicial and summary executions, arbitrary detention and torture, and ethnic discrimination have been happening on a grand scale. I accept that there are abuses on both sides, but the Russian Government cannot escape their responsibilities in such circumstances. It is more than an internal security problem. President Putin has said that it is part of the war on international terror. I fear that our Prime Minister has lent credence to that argument with his comments. Following our debate in Westminster Hall in July, the hon. Member for Reigate (Mr. Blunt) put it to the Prime Minister that he should raise the issue of Chechnya during the state visit. All of us welcomed that he said that he would do so in robust terms. However, it appeared to me that he sought to justify some of the actions as part of the broader international war on terror.

Although I accept that there is an element of that, I hope that the Government have not bought that story wholesale, and will still put the case against Russian activity in Chechnya in the most robust way. The issue has not simply arisen in the past few years; it is almost 60 years since the problems in Chechnya began with mass deportations. We must not lose sight of that historical record, and must continue to draw attention to its unacceptability to this country and to the international community.

Russia must accept that it has huge international obligations to maintain and to develop human rights. It is a signatory not only to the European convention on human rights but to every significant United Nations human rights treaty, as well as the different conventions on economic, social and cultural rights, civil and political rights, the elimination of racial discrimination and discrimination against women, torture and children's rights. Sadly, there is significant and growing evidence that the Russian Government are in breach of each of those treaties.

It is symptomatic of a tendency, which was remarked upon by my hon. Friend, for the state to draw power into the centre and to restrict opposition. As has been mentioned, the parliamentary elections in December probably reflected the broad views of the Russian people. However, one set of observers described them as "free but not fair", and that should worry us all. A journalist into whom I bumped the other day who is going to Moscow to cover the presidential elections was almost dismissive in describing them as "Putin's personal plebiscite". It certainly looks, in certain quarters, as if there is a complete lack of any serious opposition. The contenders at the last presidential elections have mostly left the field, and many of them have been silenced in the years since. Indeed, it has been suggested that the regions that they represent have been punished for their having the temerity to stand against Putin at the last elections.

We have seen the increasing use of presidential representatives in each of the regions and President Putin has been increasingly willing to exert his control. The most recent examples of that were the sacking of his entire Cabinet and the appointment of a new Prime Minister. Perhaps most alarmingly, we are seeing the re-emergence of the security and intelligence services as real sources and forces of authority within the state. Furthermore, the recent clampdown on independent television and media gives us great cause for concern. I appreciate that President Putin has brought a degree of stability and significant economic progress, after the economic and political chaos of President Yeltsin's era. However, increasingly, we must ask: at what price has that been achieved?

If we welcome Russia more firmly into the international family of nations, we cannot do so without criticism. We have a strong relationship, but it cannot be less than a robust one. We must watch this week's presidential elections with some care. Assuming that we can predict the outcome with some certainty, we must make it clear to President Putin that his new term must also mean a new era. At the very least, we must see greater access for human rights and international monitoring organisations in Russia. We must not meekly tolerate the abuses of human rights that have been documented in the country. We must give every encouragement to reform and to democratisation in its broadest sense, rather than go along with backsliding into totalitarian rule. Our relationship with Russia means that we have an important role to play. We must not buckle. We must not avoid confronting Russia with the abuses that make it an increasingly worrying member of the international community.

10.15 am

Mr. Richard Spring (West Suffolk) (Con): I, too, congratulate the hon. Member for Gordon (Malcolm Bruce) on securing the debate. It is particularly timely as elections will take place in Russia on 14 March. Before I address some of the specific issues that the hon. Gentleman raised—human rights and political prisoners—I shall refer to the progress that Russia has undoubtedly made since the last presidential elections. I think that it was Karl Marx who said that political events arise out of economic circumstances. I am paraphrasing, but there is a certain amount of historical truth in that, and I want to deal with that aspect of what is going on in Russia, too.

Notable progress has been made in Russia, and there is no question that that can be attributed to the leadership of Vladimir Putin. He has had to take some tough decisions. Russia has progressed much further and in a shorter period than anybody could possibly have expected a few years ago. A decade ago, few could have foreseen Putin's groundbreaking state visit to Britain, the first by a Russian leader since the visit of Tsar Alexander II in 1874. Today, the Russian economy is doing substantially better than at any time since the

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mid-1980s. Following 11 September, international co-operation is at an unprecedented level; there are links with NATO and the EU. The exorbitant and destructive defence spending that was characteristic of Russia has been reined in. Educating Russia's young people is now a major domestic priority. President Putin has repeatedly spoken of his abhorrence of corruption and those who have benefited royally from it; I have heard him say so on a number of occasions.

There is great hope for Russia. It can be a success story, and that can be an example to other countries in the region that are wrestling with the difficult legacy of the old Soviet domination and the command economy and the culture of governance that flowed from that.

Russia has had five years of economic growth; there has been a 30 per cent. increase in GDP. For the first time since the mid-1920s, Russia is able to feed its people and livestock from its own supplies. It is a net exporter of grain, and it is the second biggest oil producer behind Saudi Arabia. It is not only the wealth of the state that has increased. Real household income increased by 13.5 per cent. in 2003, and real income is up by 50 per cent. in five years. Although there are huge disparities of wealth and income, those are remarkable achievements.

Overall, living standards have improved. The problem of the huge divide between rich and poor remains. There is a President who appears to be riding on a great wave of personal popularity, in part because of the economic background that I have just described. I believe that it is inevitable that a desire for greater civil and human rights, particularly in the younger generation, will arise out of that economic prosperity and growth.

Despite all the progress, there is considerable international concern about some of the activity within Russia's borders. That is what the hon. Members for Gordon and for Tweeddale, Ettrick and Lauderdale (Mr. Moore) have addressed. As a friend of Russia, Britain has a duty to support the Russian Government in their attempts to address those concerns. Sometimes, that means understanding the unique and enormous challenges that the President faces in Russia. On occasion, it means taking a firm stance, and making clear the boundaries of international standards of behaviour.

In January, US Secretary of State, Colin Powell, visited Moscow. His approach was to deliver a message to the Russian Government— it was widely reported— that the west is vitally interested in the progress of democratic transition in Russia and everything that flows from that. Will the Minister tell the Chamber what steps the Foreign Secretary is taking to complement that approach, which has wisely been adopted by Secretary of State Powell?

Many media discussions on Russia have focused on the case of Boris Berezovsky and that of Mikhail Khodorkovsky, which has been referred to in particular by the hon. Member for Gordon. To many people, including the much-needed external investors, the sheer unpredictability of doing business in Russia, with its so-called mafia links and the fear that an industry might be targeted, makes it a risky place in which to invest. For that reason alone, there are concerns. One way to reduce that perceived risk might be to allow international organisations, non-governmental organisations and a free and independent media more freedom to scrutinise legal practice and human rights and to report their findings more openly. It would be beneficial to both democracy and the Russian economy if that were openly encouraged.

Open scrutiny of human rights and the legal process goes to the heart of the issue of political prisoners. Will the Minister express to the Russian Government that it is in Russia's interest to have a fully open and transparent legal and criminal justice system? It is true that in comparison with other areas of the world human rights abuses, as perceived and reported in Russia, receive widespread media coverage in Britain. The more Russia is seen as a big player in the world—which it undoubtedly is—the greater the scrutiny will become.

Reports of torture and ill treatment in police stations, and appalling conditions in pre-trial detention centres in Russia, are not isolated but widespread. Too often, those who are responsible appear to get away with their crimes. Victims have been denied their right to justice by local authorities, which ignore or condone complaints. The structures to investigate allegations and bring the perpetrators to justice are, it is reported, often absent. Corruption in many regions is apparently endemic. As I have said before, President Putin has talked about that.

President Putin has also talked about the need to establish a civil society and a sustainable democracy in which human rights and civil and political rights will be fully ensured. He is well aware of the problem. Last year, he described it as follows:

"The institution of democracy has not developed properly in our country yet . . . Our laws are correct but they either don't work or just disappear".

That is an interesting insight as it applies to Chechnya, which has been referred to this morning. Will the Minister respond to that, and tell the Chamber what recent discussions the British and Russian Governments have had on the subject of Chechnya? Such systematic failure cannot be cured overnight, as is openly admitted, but steps could and should be taken.

We believe that what is needed in all functioning democracies is proper accountability. That applies across the world in toto, both internally and internationally. There must be a recognition of the problem by the Russian Government. Only by encouraging transparency and openness can President Putin demonstrate to his critics that progress is being made and that Russia is committed to meeting the highest standards to which he has referred. That is a key test for Russia, as it looks to encourage further foreign investment and increased co-operation with the European Union. Perhaps the Minister could use today's debate to inform the Chamber what encouragement and assistance the British Government are giving to Russia in respect of both those issues.

In the past, as it has admitted, Russia has failed to seize fully its opportunities. One example of that was the Russian authorities' decision not to extend the mission of the Organisation for Security and Co-operation in Europe in Chechnya beyond December 2002. That did not exactly send the right signal to the international community. It cannot be in Russia's interests to refuse international scrutiny from an organisation that has an outstanding record in fighting for human rights and democracy in many parts of the world.

There is much to cause concern about Chechnya, including the horror of terrorism arising from the situation there, which has struck people in Moscow. Terrorism anywhere in the world is to be condemned, and the slaughter of innocent people in Moscow has been truly horrific. In debate on 18 June, the Minister for Europe acknowledged the growing and serious threat of Islamic extremists in Chechnya. It would be interesting to hear about that from the Under-Secretary of State. Will he update the Chamber on what the Government's perceptions are of the threat posed by Chechen extremists in Russia today, and their influence in global terrorist networks?

Russia continues to meet important challenges. It faces a number of constraints, which have been well aired, in terms of what can feasibly be achieved in the short term, but there is certainly light at the end of the tunnel. I mentioned earlier the extraordinary progress that has been made in Russia in the past few years. The country has a President who has taken important and often difficult steps towards getting his country in place for the 21st century. As Leon Aron, a native Russian who wrote the definitive biography of Boris Yeltsin, recently noted,

"Defense spending has plummeted from at least 30 percent of GDP to less than 5 per cent. Last September Putin proudly noted that for the first time in its history Russia was spending more on education than on defense".

With the likely result of the elections being the re-election of President Putin, I am sure that he will reflect on the need to show that the Russian Government, in view of the continuing interest of the international community, will consider the issue of promoting human rights, the rule of law and democracy, not only internally but throughout the region that is so heavily reliant on Russia for economic prosperity and development.

It seems extraordinary that in our lifetime we have seen the transformation of Russia. It has been an amazing success story, and Russia is now a significant player on the world stage. We have to build on that, in terms of our relationships. Our criticisms come from our desire for Russia to succeed. A great deal of progress has been made, but just as its economy is evolving and there is more prosperity, so emphasis on democracy, transparency and the criminal justice system will be brought further into the spotlight. It is for us all to encourage the Russian Government along that route in the best possible and most constructive way.

10.28 am

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Bill Rammell): I congratulate the hon. Member for Gordon (Malcolm Bruce) on securing this debate. It is right that we should discuss these issues, particularly in the run-up to the presidential election. Before the debate, we were discussing the number of times that Members raise such issues about Russia. There is not, perhaps, the parliamentary engagement on these issues that there might be, and Members of all parties should reflect on that.

I wish to place on record my clear view that Russia is important to the United Kingdom strategically, politically and economically, and that it is in our interests for Russia to be a stable, prosperous, democratic and influential member of the international community. It would be wrong to say that we want Russia to be isolated, and do not want to engage with it. In the 15 years since the break-up of the Soviet Union, Russia has made enormous and welcome strides forward, and there have been vital democratic and economic reforms. Listening to the hon. Member for West Suffolk (Mr. Spring), I was struck by the fact that I am a child of the cold war and grew up with the old Soviet Union, but now, after a relatively short time, we face a very different Russia, albeit there are issues and concerns. I shall comment on some of those, but we should underline the degree of progress that has been made. We want that progress to continue.

Russia has, time and again, made public pledges to uphold and strengthen its commitments to human rights. It has done so through its membership of the Council of Europe and its commitments under a range of United Nations human rights conventions. Our important role as a friend and partner of Russia is to assist it in making good those commitments.

As the subject of this debate is political prisoners and human rights, I shall focus primarily on the Russian criminal justice and penal system. That was an issue on which the hon. Member for Gordon focused. However, I make it clear at the outset that we share the view of the US State Department, set out in its human rights report published last month, that there are no credible reports of political prisoners in Russia. That does not mean that there no concerns about prisoners, and I shall comment on that, but with regard to the accepted meaning of the term and the type of political prisoners who existed under Soviet rule, we see no evidence for or credible reports of such a situation in Russia today.

Nevertheless, a number of cases over the past few years have rightly attracted considerable attention in the media, in the House and from non-governmental organisations concerned with human rights. Most recently, we have heard about the case of Mr. Khodorkovsky, to which the hon. Gentleman referred. Mr. Khodorkovsky, the former head of the Yukos oil company, is in pre-trial detention, facing a range of tax evasion and fraud charges. His detention is one aspect of a wide-ranging criminal investigation by the authorities into the activities of Yukos and its major shareholders. Platon Lebedev, his colleague and a major shareholder in Menatep—the Yukos holding company—has been in pre-trial detention since July 2003, also charged with tax evasion and fraud. Alexander Pichugin, a former Yukos security official, has also been in pre-trial detention since July 2003, charged with conspiracy to murder. Another major shareholder in Menatep, Shatanovsky, was found guilty of tax evasion in February 2004 and given a suspended sentence. Although he denied his guilt, he repaid a substantial amount of the tax claimed by the authorities.

As we have heard today, the lawyers of the three men still in custody have made serious claims about abuse of due process and ill treatment. Appeals are being submitted to the European Court of Human Rights. Needless to say, we are concerned about those claims and are monitoring them carefully. With our European Union partners, we continue to stress to the Russian Government that the rule of law must be applied in a non-discriminatory and proportional way. Justice

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cannot be seen to be selective. It is vital that all necessary conditions to guarantee a fair trial are observed scrupulously, and that the conditions in which the men are held meet international standards.

Those high-profile cases raise more general points about the ongoing reform of the Russian criminal justice system. It is clear to us that President Putin and his Government understand the scale and importance of that task. That is why he has made judicial reform a key plank of his current presidency. It is worth acknowledging that there have been a number of significant reforms, and I shall mention some of the key aspects.

Significant measures have been taken to increase the independence and accountability of the judiciary. In parallel, Russia introduced a new criminal procedure code in 2002. That introduces a range of measures to curtail possible abuse of process in the criminal justice system. For example, a court order is now required for search and arrest warrants, which is welcome. Similarly, detainees must be brought before a court within 48 hours. Courts are no longer allowed to send cases back for further investigation when the prosecution has plainly failed to provide sufficient evidence. Significantly, as from January 2004, jury trials are being introduced in all but one of the Russian regions for the most serious crimes. In the long run, that will be seen as a significant step forward.

Malcolm Bruce: I put it on the record that in my conversation with Mr. Robert Amsterdam, he said that, on paper, the Russian criminal code is perhaps the best in the world, but in the case of his clients, virtually all the requirements that have been mentioned are being breached almost daily. That is the real concern. It was reported in the days of the Soviet Union that Russia had a model constitution—it was just not applied.

Mr. Rammell: With extraordinary foresight, the hon. Gentleman anticipates my next point.

The will to reform the legacy of the Soviet criminal justice system undoubtedly exists. However, the hon. Gentleman is absolutely right: the key is implementation. There are some initial encouraging signs; in the areas I have already referred to, the number of people held in pre-trial detention has fallen; jury trials are producing acquittal rates in line with those in the United States and the United Kingdom, and there are significant signs that the judiciary is increasingly willing and able to assert its independence. It is particularly welcome that the moratorium on the death penalty remains in place, with a clear commitment by President Putin that it will not be reinstituted.

However, many implementation problems remain. In some regions, courts lack the necessary technical knowledge, training or resources to apply the legislation correctly. Corruption remains a serious problem, regional judiciaries remain dependent on local administration resources and of significant concern are the ongoing consistent reports, documented by human rights organisations, of torture and severe ill treatment that some detainees experience at the hands of Russian law-enforcement agencies.

We have therefore been working with the Russian Government and with non-governmental organisations to support the reforms that are already in place. For example, the Department for International Development funded a programme worth £800,000 to train judges and court staff and is funding a major programme on restorative justice. In addition, the Foreign Office is funding several programmes to combat torture and we are supporting the work of Nizhny Novgorod with regard to the Committee against Torture, an NGO that assists victims of torture and ill treatment to seek redress from the authorities. The project has led to the successful prosecution of a number of law-enforcement officials, which is a welcome and positive step.

Prison reform is another significant area of co-operation. Conditions in prison, especially in pre-trial detention centres, remain extremely poor by western standards. Overcrowding is a significant problem; cells are often badly ventilated and the prisoners may have a poor diet and get little exercise, which contribute to sanitation and health problems. According to Russia's Ministry of Justice, about 405,000 prisoners—almost half the prison population—have health problems, with desperately high rates of TB and HIV. However, the commitment and drive of the Ministry of Justice to improve prison conditions is clear. The prison population has fallen by a quarter in the past four years as amnesties take effect, and prison sentencing is increasingly humanised.

We are funding further work to introduce non-custodial sentences on the lines of community service for minor offences and last week, Mr. Alexander Yelizarov, the acting Deputy Minister of Justice, accompanied by an eight-member team, visited the UK at our invitation. They came to learn more about the organisation and operation of the probation service, community service and the involvement of human rights NGOs. It was a welcome initiative, which shows how we are working effectively with Russia to tackle these issues.

Hon. Members have mentioned Chechnya, which presents particular concerns about human rights and the rule of law. We recognise the serious threat posed by terrorism in Chechnya, and in the past year there have been a series of devastating suicide attacks in the north Caucasus and in Moscow, the most recent being the attack on the Moscow metro on 6 February. These attacks have killed hundreds of innocent people. We should not have to say so, but we utterly condemn these monstrous acts of violence against innocent civilians.

We want Russia to succeed in restoring genuine stability. However, no attempt to bring peace to the Republic can succeed without greater efforts to address the continuing credible reports of human rights violations by federal and local security forces and the climate of impunity in which they operate. There continue to be credible reports of significant numbers of arbitrary arrests, detentions and disappearances in the Republic and there are consistent allegations of the torture of detainees.

As the Minister responsible for Russia, I have made my concerns about the situation in Chechnya clear to the Russian authorities, as have my colleagues. I made a statement last October in the wake of the Chechen presidential election in which I expressed concerns

about the conduct of that election and called for human rights to be upheld, for the promotion of a genuinely open political process and for reconciliation.

We have long pressed the Russians to pursue a political rather than a military solution in Chechnya; we welcomed the political process that prompted the elections, but so far there has been a disappointing lack of progress. There were UK-supported statements by the European Union before and after those elections that expressed similar concerns about the election conditions and human rights, and I have raised the Chechen elections and human rights abuses directly with the Russian ambassador in the UK. When I visit Moscow later this month, I will express those concerns again.

I will now address some of the specific points that have been raised. The hon. Member for Gordon gave a broad overview while at the same time highlighting some of his particular concerns. His comments contained an implication that he was critical of the fact that the state visit took place and that President Putin was received by my right hon. Friend the Prime Minister. With a country such as Russia, it is important that we engage and discuss things, and the state visit was an opportunity for us to do so.

The hon. Gentleman also raised concerns about the development of pluralist democracy in Russia. That is in a significantly better state now than it was under Soviet rule; there have been vital democratic reforms in Russia, and there are now more political parties. I understand the points that have been made about election results, but they broadly reflect the will of the people. However, we have concerns about some of the negative developments in the country's democratisation; observers from the Organisation for Security and Co-operation in Europe and the Council of Europe were critical of aspects of the conduct of the December Russian parliamentary elections. We hope and urge that they will be addressed in the forthcoming presidential elections. The hon. Gentleman raised a number of important concerns, and we need to consider them seriously.

I turn to the comments of the hon. Member for Tweeddale, Ettrick and Lauderdale (Mr. Moore). First, I must say that my right hon. Friend the Prime Minister does not justify the repression of human rights by reference to the war on terror. We need to have a grown-up debate about that. Every country that is involved in that war must strike a balance between introducing proportionate security measures to protect citizens from terrorism and upholding civil liberties and human rights. That is a challenge. Everyone needs to be constantly vigilant about the proportionality of the actions that are taken, whether they are necessary and how they impact on civil liberties and human rights. It is not an easy situation to grapple with. There are not necessarily any automatic right and wrong answers.

Mr. Moore: I do not necessarily disagree with anything that the Minister has said. Does he think that, on balance, the Russian Government are getting it right in Chechnya?

Mr. Rammell: I have said what I have said about Chechnya. Russia and the Chechen Republic face a serious threat from terrorism. We want Russia to be able to restore stability, but it must also respect human rights and search for a political rather than a military solution. That is what I have tried to argue.

I turn to the comments of the hon. Member for West Suffolk. It shows how times, ideologies and politics have changed when a Conservative Member prays in aid Karl Marx in support of one of his arguments. However, I agree with a number of the hon. Gentleman's points. I agree with his remarks about the significant economic progress in Russia, and about the welcome fact that defence spending has significantly reduced. He also made important comments about President Putin's commitment against, and abhorrence of, corruption. I strongly agree that, as economic progress and prosperity develop in Russia, a thirst, commitment and desire will develop, particularly among the younger population, for civil liberties and human rights.

The hon. Gentleman specifically asked about comments made by Colin Powell during a recent visit to Russia. I endorse Colin Powell's approach of stressing the importance of partnership with Russia while expressing our concerns. That is the approach that we are trying to take and I shall adopt that when I visit Moscow later this month.

In conclusion, I shall summarise our developing view of the relationship with Russia. Russia is undoubtedly a key partner for the UK. We want and need it to be stable, prosperous and an important member of the international community. We welcome progress made on reform in recent years, and are prepared to continue our support for that process. However, we believe that democracy, human rights protection and open societies are prerequisites for long-term stability and prosperity. I genuinely believe that it is in both Russia's and our interests to promote those values.

Russia is incomparably freer than it was in Soviet days, and reform has acquired momentum. However, it is important that the momentum is not lost and certainly that it does not go into reverse. As supporters of Russia's transition to a new political and economic model, and as friends, we cannot hide our concerns, which we recently expressed in our annual human rights report. I have outlined some of our concerns about Chechnya. Like our partners and many human rights non-governmental organisations, we are concerned at reports of continued human rights violations by federal and local security forces. No political solution can be made to stick without greater efforts to address those problems.

Similarly, we believe that free media and a pluralistic political process are fundamental to a free society. Like others, we are concerned about recent negative trends in those areas. Internally, it is in Russia's interests for policy choices to reflect wide discussion of the options and input from many sources. Externally, Russia's partnership with the west needs a basis in shared values to be durable. Those points are important and fit with the approach to which I have referred.

I hope that the debate has provided an opportunity to air those issues and to give a clear picture of the range of actions that we are taking to support the promotion of human rights in Russia. Continuing problems must be addressed, and we intend to continue working with Russia on those matters, combining constructive

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engagement and, if necessary, criticism, with assistance. By doing that and by capitalising on the will of the Russian Government and the substantial steps that they have taken, we hope to push ahead with the process of reform.

In any situation of developing reform, one cannot stand still; one either goes forwards or backwards. We are determined to engage with Russia to take the process of reform forward and I will take up those discussions when I visit Moscow at the end of the month. I congratulate the hon. Member for Gordon on securing the debate, and I hope that on the next occasion a few more hon. Members will participate.

10.49 am

Sitting suspended.

Bridgwater College

11 am

Mr. Ian Liddell-Grainger (Bridgwater) (Con): It is rare—and quite scary—to come into this place to find nobody here and no debate on. I thank you, Mr. Deputy Speaker, for allowing me this debate on Bridgwater college. I do not doubt that a centre of excellence such as Bridgwater college is vital to a rural community. I am delighted to see my hon. Friend the Member for Taunton (Mr. Flook) here; he has the Somerset College of Arts and Technology in his constituency.

One can safely say that Somerset is one of the most rural counties in the country. There is only one industrial town: Bridgwater. If one casts one's mind back to those halcyon days, it was the most thriving port in the fifteenth century.

Mr. Deputy Speaker (Mr. John McWilliam): Even I am not that old.

Mr. Liddell-Grainger: I knew that, but one or two of our colleagues may be. It is interesting to note that an industrial town in an area such as ours has bred an enormous differential between the rural heartland and the industrial heartland. It is probably fairly unusual for a Conservative Member of Parliament to represent an industrial town. There is a large amount of heavy industry, such as British Cellophane, Ambersil, Royal Ordnance, Gerber's and others. In the middle is Bridgwater college.

Bridgwater college trained people to become industrial apprentices, whom I know all hon. Members miss. It trains all sectors of the community from the youngest to the eldest. It is a further education college that does much more than A-levels. It has taken on the training of all Bridgwater's forklift drivers for the industrial conurbation, as well as much more to bring itself to the forefront of the community. It is exciting that it is setting up many outstations. We all know that universities would normally do that. Plymouth university—possibly the most aggressive university in the south-west—seems to be spreading its tentacles. However, so has Bridgwater college, and one of the reasons that I wanted to hold the debate is that it has shown itself time and again to be a centre of excellence. I know that the Minister appreciates that. We have seen its rise over the past five years. It has had 10 years under the leadership of Fiona McMillan and her team, and became one of the foremost further education colleges in the United Kingdom.

I shall not detain hon. Members too long, but it is worth considering the achievements of recent years: the Queen's anniversary prize for further education, beacon college status, two Government-designated early excellence centre awards, five beacon awards, and two centres of vocational excellence awards in automobile engineering and early years from the learning and skills council in Somerset. There has been phenomenal growth. There are over 3,500 full-time and part-time students at the college and its outstations at Cripton, Minehead and elsewhere. There has been an enormous outreach in learning and skills.

It is rare for an Opposition Member to praise the Government, but I shall give credit where it is due. Beacon status has undoubtedly pumped up the college.

It has just opened its learndirect facility—my hon. Friend the Member for Taunton has been involved with that—and 190 people signed up within the first week. Learndirect has given people of all ages who do not naturally want to go into education a chance to do so. Two students who were a little older than the average student who I remember were delighted to be there, as they were achieving a life's ambition. Again, I give praise where it is due: the college has given people a real opportunity. Since 1994, the college has received £7.5 million of investment, and it has increased its outreach all over the place.

As the Minister is aware, Cannington college is an amalgamation of two colleges. Bridgwater's principal, Fiona McMillan, and her remarkable team have gone one step further. I would like to praise Fiona McMillan, who has just been awarded the OBE by Her Majesty for her work during 10 years of dedicated leadership. She has proved that the college is going places.

Ian Nash, the further education editor of *The Times Educational Supplement*, said:

"Of all the colleges who entered this category of Beacon Awards no other college came close to the marvellous achievements of Bridgwater College. The panel of judges who assessed Bridgwater's entry came away from the College with an impression of a place with an outstanding learning culture. We were particularly struck by the fact that the staff we interviewed saw no distinction between their personal development and professional development."

That is one of the most profound statements that I have heard. The college is highly organised, with superb teaching staff. Lecturers have rung me in the past few days. We talked about various things that we wanted to put forward. They have said that they were offered the opportunity to move on to Exeter university, to SCAT or to wherever to lecture, but said no and wanted to stay at Bridgwater because it provides the excellence that they strive to achieve as professionals.

I move on to some of the college's results. It is a further education college, which is meant to specialise in A-levels. However, it does not; it is one of six in the country to specialise across the entire spectrum. If I were to read out every course that it offers, I, the Minister and you, Mr. Deputy Speaker, would be bored by the time I got through them. Such is the quality of the place.

In the past year, the college has achieved a 99.5 per cent. pass rate for A-levels. The national average is 95.4 per cent. Thirty-one subjects covered by the college had a 100 per cent. pass rate. That is a remarkable achievement in anybody's book. It is also particularly pleasing that more than 74 per cent. of those grades were A to Cs. That is a remarkable achievement. So many people decry Bridgwater as the industrial town that people forget, yet we train the very best there. I am sure that the Minister will agree, and rightly, that that is what education is about.

I would like to mention other things that the inspectors said. If I am accused of blatantly banging the drum for Bridgwater college, I will plead guilty. I am incredibly proud of its achievements. In discussing achievements and standards, the inspectors said:

"The College achieves very good pass rates on courses for students aged 16–18. In 2001, overall pass rates were 81 per cent., 80 per cent., and 84 per cent. The national averages were 66 per cent., 68 per cent. and 73 per cent."

The college is way ahead; it is off the Richter scale. Is that not tremendous? I am delighted. The college has also achieved enormous results at GCSE and went way above what it thought it would achieve.

There is a matter that I would like to ask the Minister to think about. Bridgwater college is in an industrial area, but there is a large rural area around it. A problem that we have concerns transport and getting students to the college. I know students who come from my hon. Friend the Member for Taunton's constituency and that of my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory), who cannot be here because of other parliamentary duties. That involves a cost. I hope that the Government will continue to consider whether such students should bear that cost.

Another problem concerns the scale of getting young people to college. My hon. Friend the Member for Taunton and I represent constituencies in west Somerset, which has the largest district council in the country, but with the smallest budget. Its huge area includes Exmoor. If one asks a student from Dulverton in my hon. Friend's constituency or Minehead in my constituency whether they can get either to SCAT or to Bridgwater college, they will say that it is very difficult to do so. The bus service is not regular enough, so one has to have a car, borrow one or get a lift from somebody. One of the greatest problems that we have had is in trying to ensure that we can get those students to where they need to be.

As I said earlier, Bridgwater college has set up an outplacement in Minehead. Unfortunately, it has not yet done so in Dulverton, although I am sure that my hon. Friend would welcome that if it were done in conjunction with SCAT, to try to bring more students into the centre. I hope that the Minister will agree that it is not fair that a person who cannot physically get to college should be penalised for that.

I want to talk a bit about the leadership and management of the college. I will read this quite blatantly from the inspector's report. First:

"Leadership and Management are outstanding".

Secondly,

"The college has . . . excellent links. Local community groups, employers, public services and local schools regard the College as highly responsive."

Yes, of course we are. In addition:

"Management information in the college is good and staff have a high level of confidence in the reports"

that they produce. That is wonderful. If one believes in what one is doing, one will believe that one can do it. That is vital.

In the remaining five minutes, I want to turn to the meat of the issue—the merger between Bridgwater and Cannington colleges. Cannington is our agricultural college, which serves the whole country and has been a centre of excellence for 75 years. Over the past few years, things have not been as rosy as they could have been. Due to various situations, which I do not intend to discuss now, the college needs help. I pay enormous tribute to Dugald Sandeman and his team at the Somerset learning and skills council, which is based in the constituency of my hon. Friend the Member for Taunton, for the cool-headed way in which they have dealt with the situation, and to the Minister and his team for the kindness that they have shown in ensuring that Cannington continues to be an outstanding college.

[Mr. Liddell-Grainger]

One of our problems is that decisions need to be made. The corporation of Cannington—I am glad to say that that is of the old-fashioned type—and the governors of Bridgwater college will amalgamate the colleges under the guidance of Bridgwater college, Fiona McMillan and her team. Soon, there will be an application to the Secretary of State. It will sit on his desk, it will be from the two groups and it will ask for financial assistance. They will need that for three reasons. First, as my hon. Friend the Member for Taunton is aware, Cannington college does not have the most modern campus. Secondly, the colleges are in the rural heartland, which is involved in farming, which in modern terms is not the most sexy of trades. Thirdly, and most important, they serve our whole county. When that application comes, I would ask the Minister and the Secretary of State to look at it favourably. It will come via the learning and skills council and it will have a financial attachment. I do not know what the total will be, although I can guess.

Mr. Adrian Flook (Taunton) (Con): My hon. Friend makes an eloquent case about the need for Cannington and Bridgwater colleges to merge. For the record, it is worth pointing out that I have a number of constituents who look to both of those colleges for their education. It is vital that the skills that they bring to their areas are allowed to continue. If the best way to do that is to merge them, they have my full support.

Mr. Liddell-Grainger: I thank my hon. Friend. I know that he has done outstanding work on this issue and I am grateful for all the help that he has given to the learning and skills council and to both the colleges.

The Minister asked me how many people do not want the merger to go ahead. The proposed merger was put out to public consultation and 27 organisations said that they were for it. Only one organisation said that it was not over-happy. However, it has been unanimously agreed that it is an excellent way forward.

I urge the Minister on three issues. First, please do not let Cannington have any problems. Let us get this matter passed and moving, and let us ensure that it is a great success. Secondly, to enable that, Bridgwater college needs all the help the Minister can give, because its finances are being sucked into its own development programme. It has very little that it can give. Thirdly, and perhaps most important, the young people of our area have many problems with its sheer scale, which we cannot get around easily.

Horticulture, tourism, agriculture and food production—for example of high-quality jams—are subjects that are taught at Cannington. If they are not there, they will be sadly missed. I urge the Minister and the Secretary of State to look at the application favourably when it lands on their desks in a few months' time, because it has the backing of the community, the county and the best beacon college in the country. If we do not get the merger right, all the work that has been done up to now through co-operation between Sedgemoor district council, MPs, district councillors, county councillors and many others will be for nought. I make my appeal to the Minister on behalf of Bridgwater college and Cannington college.

In conclusion, I say that Bridgwater college is a centre of excellence, and I praise the Government for that. However, there is still a long way to go, and we need ministerial help to bring it up to the best possible standard that we can offer our young people.

11.15 am

The Minister for Lifelong Learning, Further and Higher Education (Alan Johnson): I congratulate the hon. Member for Bridgwater (Mr. Liddell-Grainger) on securing the debate. I am pleased that the hon. Member for Taunton (Mr. Flook) is also present to hear my response. I associate myself with the positive remarks made about the excellent work of Bridgwater college. It is worth repeating some of the comments that were made, because they are not hyperbole. When we have an example such as Bridgwater college, we should sing its praises and record the fact that we have done so. Too often in the House, we deal with the problem areas and sometimes the centres of excellence, as the hon. Member for Bridgwater called the college, do not get the recognition that they deserve.

In this short debate, I want to ensure that it is understood how important the work of Bridgwater college is in raising standards throughout the sector. The hon. Member for Bridgwater mentioned Bridgwater college's most recent Ofsted inspection, which described the college as outstanding; it is one of the top colleges in the country. I join the hon. Gentleman in paying tribute to the teachers, governors, other staff and pupils at the college for their achievements.

However, I want to pay special tribute to the principal, Fiona McMillan, whose outstanding leadership and management qualities have played such a large part in the college's success. In November 2002, we developed the success for all strategy for taking the further education sector forward, which stressed the importance of leadership qualities. In my Department, we see again and again the importance of leadership in transforming the education provided—we should not forget that the FE sector caters directly for 4 million adult learners and young learners, and for another 2 million learners in workplaces. Fiona McMillan is a sparkling example of the kind of qualities that FE college principals need, which is why I am pleased to pay particular tribute to her.

The Ofsted report makes reference to outstanding leadership and management. It also recognises the college's excellent quality assurance systems and procedures, and its success in widening participation. It also comments on the outstanding support given to students who, as a result, are highly motivated. That is no doubt a good part of the reason for the success rates mentioned by the hon. Member for Bridgwater. The Ofsted report also mentioned the college's outstanding accommodation, and commended the outstanding specialist resources in some of its curriculum areas. It should be noted that Ofsted's use of the word "outstanding" is outstanding in itself—it is not a word that trips off Ofsted's tongue.

There is clearly much to pay tribute to in Bridgwater college—it is no stranger to national recognition. Recently, as the hon. Member for Bridgwater mentioned, Bridgwater college has achieved a remarkable record of success, not least in the number of

awards and prizes that it has gained. The college is the "Lord of the Rings" of the FE sector in terms of picking up prizes. I shall mention the awards again, because I believe that the college's situation is unique. It has received a Queen's anniversary prize for higher and further education. It is worth mentioning in that context that 11 per cent. of higher education is carried out in FE colleges, and that 40 per cent. of those going into higher education come from FE—the FE sector is central to the whole higher education agenda.

The college has not one but three beacon awards for inclusive learning, college-schools partnerships and meeting employers' needs. The Government have given it beacon college status. It has also been designated an early excellence centre by the Government. The college has two centres of vocational excellence, one in early years education and the other in motor vehicles. That is a startling record. The list of awards reflects a college that is committed to providing the best possible service to students, employers and the local community.

It is difficult to overstate the importance of further education. It provides diverse opportunities for more than 6 million learners and thousands of businesses. Every community in the country is affected by the further education agenda. I wish briefly to outline the national context in which Bridgwater college operates before referring to some of the specific points mentioned by the hon. Gentleman.

During the coming years, further education colleges will continue to play a vital role in taking forward the Government's strategies for higher education, skills and the exciting 14-to-19 years agenda that is being developed by the Tomlinson committee. The world of further education is developing fast. The high expectations of learners, employers, the community and, indeed, the Government are placing many demands on colleges. As I take the Higher Education Bill through Committee, people say to me that we need plumbers, not graduates. We need plumbers and graduates.

The focus on further education has never been more profound than it is at present. In the Government's success for all reform strategy, we stated our ambition of delivering world-class teaching and learning for all. We want to spread the Bridgwater college example throughout the country. We want Bridgwater colleges and high standards in each community.

It is important that we celebrate and build on such provision if we are to deliver a high-quality learning and skills sector that provides opportunity and choice for individuals, communities and employers throughout the country. Bridgwater college received funding from the Learning and Skills Council to disseminate its good practice as a beacon college during 2003. That is the whole point of beacon colleges. Bridgwater is one of the few general FE colleges that have beacon status.

Beacons are awarded to sixth-form colleges and to work-based learning providers. A beacon is not just a plaque to stick on the wall to celebrate, important though that is. It means work for Bridgwater college, which is why we are grateful to it. Part of being a beacon college is to spread best practice throughout the country and to be a mentor for other colleges. It is hard work. It is tough—Fiona and others at Bridgwater college will testify to that. They are keen to undertake such work. Their passion and enthusiasm are commendable.

The clear sense of pride felt by the hon. Gentleman and the hon. Member for Taunton about Bridgwater college is tangible and completely understandable. I want all learners to succeed and all institutions to have the skills, resources and support to make that happen. The college is currently funded by my Department to take forward beacon innovation activity in developing curriculum specialisms and skills for life, which relates to the point that the hon. Member for Bridgwater made about learndirect. A total of £200,000 was made available for 2003–05.

The Government's aim is to give all learners access to high-quality learning experiences. We have shown our commitment to further education. The last spending review included a 19 per cent. real terms increase in funding for further education. Assumed funding for further education allocated to the Learning and Skills Council is £4.7 billion in this financial year. It will rise to £5.2 billion in the next financial year and to £5.6 billion in the financial year after that. We are providing additional resources and working with teachers to raise standards across the board.

The Government are committed to working in partnership with the further education sector to deliver our objective of a reformed learning and skills sector, so that in Bridgwater and throughout the country young people have greater choice and have higher standards with clear pathways to higher education. Older students will receive more help to improve crucial skills and progress in their careers and local employers can use a responsive network of colleges and training providers that are committed to delivering the skills that they need.

One of the problems that has dogged further education for a long time—as well as the strange and curious prejudice in this country for academic qualifications over vocational qualifications—is that employers have never felt engaged with the further education curriculum. Their complaint is that educationists churn out the kind of courses that they think employers want without taking the trouble to consult them. An important part of the programme is to change that approach.

Bridgwater college has already recognised that that will require determined action and commitment. It scores on all the points I have mentioned in relation to the Government's priorities. I commend Bridgwater college for its outstanding achievements. I place on record my thanks to the staff, students and governors. I have already mentioned the principal.

The hon. Member for Bridgwater spoke about transport, which is a real issue, particularly in rural areas, and in some urban areas. The mobility of youngsters and older students to access further education, sixth-form and other tertiary colleges is important. An aspect of that is built into learning and skills planning and we will continue to develop it.

The central question asked by the hon. Gentleman was on the proposed merger of Bridgwater with Cannington. The role of the Secretary of State is to give his approval to a merger at the end of that process. I

[Alan Johnson]

cannot pre-empt that decision. However, it will be based on whether clear educational and financial benefits will arise from the proposal.

The funding aspect of the proposal, which the hon. Gentleman mentioned, is in the hands of the Learning and Skills Council, which must ensure that there is the right financial basis for merger. Indeed, it holds the purse strings in that respect. Once the Learning and Skills Council is satisfied with that – and only when it is satisfied – the recommendation comes to the Secretary of State. It is inconceivable and impossible for a recommendation to come to the Secretary of State without the backing of the Learning and Skills Council. When that has been provided, the financial imperative and the financial problems must have been resolved. Then the Secretary of State makes the final decision.

I cannot give the reassurance for which the hon. Gentleman was asking, for reasons that he will understand, but I assure him that, if that proposal comes to the Secretary of State, it will be dealt with speedily and on the basis of the financial and educational benefits in accordance with the Learning and Skills Act 2000. Given everything that he said, once a proposal comes here, those issues will have been sorted out satisfactorily at local level.

I look forward to the ongoing contribution that all those involved with that splendid college will make in achieving the Government's ambitious plans for the post-16 education sector. I congratulate the hon. Gentleman again on securing the debate and, for about the 25th time, I sincerely congratulate Bridgwater college. It is an outstanding example of all that is good about further education. I am pleased to join in this short celebration of its success.

11.29 am

Sitting suspended until Two o'clock.

UK Economy (London)

2 pm

Harry Cohen (Leyton and Wanstead) (Lab): I am grateful to you, Mr. Deputy Speaker, for selecting this debate on the role of London in the United Kingdom economy. London is one of the great capital cities of the world, a world leader in finance, business and commerce. It is the historic seat of democratic government and the monarchy and, more recently, the seat of highly successful city government. It has much to offer and attract. It is a magnet for creative people, a polyglot of activity. London is large scale, with a large working population, which delivers economies of scale and ready markets. There is much choice and there is also lots of innovation with an easy transfer of talent and skills into both business and cultural activity.

London is of unique importance. It is a dynamic city and has world recognition. It is also the main driver for the UK economy as a whole, but maintaining the dynamism depends on continual, huge-scale investment. That cannot be taken for granted and it is not in anyone's interest in this country for the capital to run down and its arteries to become sclerotic. In recent years, there has been some recovery after years of underinvestment, but I emphasise that London's infrastructure needs regular renewal and modernisation, and the issues that hold back its people and business need to be properly addressed. There is a big pay off for the UK to do that, which the Government must take into account when deciding their comprehensive spending review priorities.

Let me make four key points to the Minister. Most important, as I have said, investment in London benefits the whole of the UK. Secondly, it helps to ensure that London contributes more resources to the central Exchequer than it receives for spending. Thirdly, investment in London is necessary for sound economic and social reasons, such as to deal with the projected growth in population and the high levels of poverty. Fourthly, investment in London enables many of the Government's important national targets to be met.

On the first point, London has a high level of productivity—in fact, the highest in the UK. It is 25 per cent. above the national average. That induces competitive pressure, which spills outside of London. We then achieve improved competitiveness and productivity in the UK as a whole. Investment follows and spreads to other parts of the country. London attracts foreign direct investment, which frequently permeates to other regions in the UK. I know from my role in economics and security on the NATO Parliamentary Assembly how essential and prized for a country's economic prosperity is foreign investment. We must continue to encourage it to invest in the UK, and London is invariably its starting point.

Investment in London is necessary to maintain its global attractiveness. Many businesses in London would not readily relocate elsewhere in the UK. They would more likely go to other countries. London contributes more to central Government than it receives. According to the Mayor, in 2001, it contributed between £9 billion to £15 billion more than it received in spending. Growth in the city's economic activity as a result of well-made investment would increase that amount.

While a net contribution is to be expected from a region that has higher than average income, if London invests insufficient resources to sustain its growth, its international competitiveness and contribution to the prosperity of the whole country will be diminished.

Investment in London is necessary for sound economic and social reasons. There are a number of respects in which that is important, the first of which is transport. London's economic strength is highly dependent on an efficient transport network, able to deliver London's relatively dispersed population to its concentrated areas of employment. If we are to use London's projected growth effectively, the transport infrastructure has to keep up and improve. I have pointed out in past debates in this Chamber on London underground that the system already creaks due to years of underinvestment.

London's population was forecast to grow by 800,000 between 2001 and 2016, and to become younger in age overall. That growth in population is being promoted by the Government. In my area of east London, there is the Thames gateway development and the new Stratford city proposal, both of which are welcome. Transport for London expects demand for trips on all modes of public transport to increase by 2 million passengers a day by 2016.

Mr. John Randall (Uxbridge) (Con): I have been grateful to the hon. Gentleman in the past for securing debates on the London underground. Does he think that things are getting better on the underground?

Harry Cohen: That is a good question. At least the money is beginning to flow. As the hon. Gentleman knows, I was not a supporter of the way in which that funding was arranged; that could have been done so as to present better value for money. However, I would not be overly critical of the infrastructure companies—at least, certainly not at this stage—which seem at last to be getting down to the job that they are paid to do. There is some improvement, but much more needs to be done, especially bearing in mind the population growth that is envisaged.

Substantial investment of about £1 billion per annum from 2005-06 will be required. Failure to invest in London's transport infrastructure will result in losses to both the London and the UK economies.

Pete Wishart (North Tayside) (SNP): Can the hon. Gentleman tell us where the extra £1 billion, and all the other extra expenditure that he has in mind, will come from? Will it come from the regions and nations of the United Kingdom? Has he identified where in the Treasury that money is available?

Harry Cohen: I will come on to that, but London, as I pointed out, is an area of growth; it generates growth for the UK economy as a whole, so any extra investment—and this is the nub of my argument—is money well spent. It generates greater wealth and prosperity. The money does, initially, have to come from investment from the Treasury, but in the longer term there are other ways to get it. I am pre-empting my speech, but changing borrowing powers may, in future, be a way of getting more money.

Jon Trickett (Hemsworth) (Lab): My hon. Friend is a powerful advocate for his city, but is it not also arguable that London is greedy? It wants increasing investment and produces more congestion, and then wants investment to sort out the congestion. Would it not be better to be not as greedy, and to hand over some of the jobs and investment to areas elsewhere in the country, thereby remedying the profound inequality in the nation?

Harry Cohen: I do not believe that London is greedy. As I said, it is a net contributor to, and a driving force behind, the national economy. Its jobs spill over into other regions. However, I agree with my hon. Friend that the Government have to have a policy for the regions—and they do—to create jobs there. I do not think that it helps the regions to damp down London's growth potential.

Ms Karen Buck (Regent's Park and Kensington, North) (Lab): Is it not the case that one of the reasons why a number of London Members are seeking to argue for London is that, according to the Treasury's own figures, its share of national public expenditure has been falling in recent years? Its population has been rising during that time. Some of us want to catch Mr. Deputy Speaker's eye to make that balanced case today.

Harry Cohen: The point is well made, and I will not add to it.

Failure to invest in London's transport infrastructure will result in losses to both the London and UK economies. For instance, if there were a failure to invest in Crossrail, the country would miss out on an increase in GDP of at least £19 billion. Analysts have suggested that Crossrail could support more than 20,000 additional jobs in central London by 2027. It would link the capital's major business centres, railway stations and Heathrow, and that would improve business opportunities throughout the country. I also urge the Government to approve the final funding scheme for the East London line extension. That will join up a significant proportion of the most deprived wards in London, bringing regeneration, new jobs and economic development.

I shall talk about poverty and worklessness. London is a city of great disparities. Inner London is by far the most deeply divided part of the country, with the highest proportion of rich and poor people anywhere; 48 per cent. of inner London children are poor, and ethnic minorities make up 29 per cent. of the population and have low employment rates. Women with children face particular problems in London's labour market. Policies to improve work incentives and opportunities for parents and people with relatively low skills are required. Increased availability of affordable child care and substantial skills training must be two key priorities for the Government.

The housing demands created by London's growing economy and population have not been matched by adequate supply. As a result, London's house prices have risen disproportionately. Between 1995 and 2002, the increase was 149 per cent. compared with 87 per cent. for the whole of the UK. High house prices create a need for affordable housing. The lack of affordable housing for intermediate and key workers has led to

[Harry Cohen]

understaffing in our public services, which are important. That is a major problem. Increasing supply, such as at Thames gateway, takes time. For now, intervention should be focused on making housing supply more responsive to market conditions; for instance, social home providers should be utilised more effectively. The Government should also give the Mayor and the Greater London authority strategic control over public housing investment, as is the case in other regions.

I turn to public services, and in particular education and health. The key problem facing such public services in London is recruitment and retention of staff. London has a high vacancy and turnover rate for teachers and health workers. Research shows that in 2003 the cost of living in London was between 17 and 30 per cent. higher than in Edinburgh or Manchester. The cost of living in London is particularly high for the lowest income groups. The only effective way significantly to improve recruitment and retention of key workers is to compensate them financially for the relatively higher cost of living in London.

I move on to crime and community safety. Although significant progress has been made in tackling crime in recent years, London still suffers disproportionately from some of the crimes that are most costly to society, such as robbery and violence against the person. Levels of worry about crime and incivility—antisocial behaviour, street drug dealing and use, litter, rubbish and graffiti—are high in London. These fears have a worse effect in communities where there is economic deprivation, black and minority ethnic communities, women and homeless people.

Sir Sydney Chapman (Chipping Barnet) (Con): Would the hon. Gentleman say that tackling crime and disorder in our capital city is not helped by the Government redefining the police allocation formula for funding and then, when they do reform it, not abiding by it and giving London £56 million less next year?

Harry Cohen: The hon. Gentleman makes his point, but the Government generally have a good record on policing. We have record police numbers. As he will hear, I shall make a case for the Government to look again at funding and increase investment for the police.

It is essential that there is increased investment in policing, including fostering more productive relationships between the police and local communities. Better police numbers mean that more investment is needed in new police technology, new skills and training and better support services. I have been told that the Metropolitan police service infrastructure is creaking due to the lack of capital investment. In my constituency, the land where a new station was to be built has been left empty. Capital investment for the police must be addressed.

London's growth will place further pressure on its environment, not least in dealing with the quantities of additional waste that will be generated. The Government should consider appropriate changes to existing legislation to establish a single waste disposal authority for London. Parks and green spaces must also have greater protection and must be enhanced.

The Government's achievement of many of their targets—including increased bus and light rail usage and reduced congestion in large urban areas—depends on investment in London.

Angela Watkinson (Upminster) (Con): Just before the congestion charge was introduced the subsidy for London bus services was about £1 million a day. Does the hon. Gentleman know what the effect is of the congestion charge? Has it increased bus usage? Has the number of fare-paying passengers increased? Has it had a beneficial effect on the necessary subsidy for bus services from the taxpayer?

Harry Cohen: I cannot give the hon. Lady chapter and verse, although that is available from the Mayor's office and the GLA. There is no doubt that funds raised from the congestion charge would go to improve public transport. There has certainly been a big increase in money for buses and a better service on the buses in all areas of the capital, which I welcome. That is part of the point that I am making. The Government's national targets are met because of improved performance in London.

There are other targets, such as halving the number of children in poverty by 2010 and eradicating it completely by 2020, reducing the proportion of children in households with no one in work, raising attainment for 14 to 19-year-olds in schools and colleges, reducing inequalities in health outcomes, reducing crime and fear of crime, meeting national air quality targets, and ensuring a better balance between housing availability and the demand for housing. If London were not performing in any of those areas, the Government's targets would not be met.

The case for investment is strong. Investment in London needs to be budgeted for now in the Government's spending plans. As part of that, they should allow a prudent borrowing power for the Mayor, the GLA and Transport for London for strategic improvements. In the longer term I appreciate that local taxation powers, which are currently under review, will be changed. The London-wide strategic role, which is part of that, needs to be recognised. Resources from high land values and, perhaps, from sales need to be accessed. London's rich should be required to contribute a fairer share, and the business centres in the City of London and docklands should release more of their resources and be better integrated in meeting the London-wide objectives, to which I have referred.

I say to the Minister and the Chancellor, pay up for the investment in London—it is worth it.

Several hon. Members *rose*—

Mr. Deputy Speaker: Order. Many Members are standing. I remind them that we have three wind-up speeches and that the object of the exercise is for the hon. Member who secured the debate to get an adequate reply from the Minister. If hon. Members keep their contributions tight, we could probably squeeze most of them in.

2.21 pm

Sir Sydney Chapman (Chipping Barnet) (Con): I shall be as brief as I can, but I cannot begin without thanking the hon. Member for Leyton and Wanstead (Harry Cohen) for raising an important matter of concern to Londoners: the amount of investment and the way that the Government treat London.

The hon. Gentleman mentioned four key points, and I shall stress one of them. Nine months ago, the Prime Minister's strategy unit reported on London and documented what more or less every Londoner already knows. It referred—I am paraphrasing and giving a short précis—to widespread poverty, severe housing problems and a seriously deficient transport system in Britain's greatest city. I do not deny that the Government are taking some action and I do not wish to quarrel with that. Unless action is taken, the problems will get worse because, as the hon. Gentleman said, it is estimated that by 2016 there will be an additional 800,000 people living in our capital city.

An additional and chilling point made in the strategy unit report was the condition of the poor. As every hon. Member who represents a London constituency knows, there are great disparities in our city. I have the privilege of representing part of an outer-London borough. However, if one detaches the statistics relating to the outer-London boroughs from those relating to the inner-London boroughs, on virtually every index inner-London is the worst region in the whole country, in the sense of the highest level of poverty and so on. London is therefore entitled to sympathetic consideration from the Government.

Of course, it is true that there is more wealth south of the Severn-Trent divide than north of it, but the idea that everybody living south of the divide is wealthy and that there is deprivation and destitution anywhere north of it is quite wrong. I have heard the hon. Member for Regent's Park and Kensington, North (Ms Buck) speak eloquently and sincerely about how her area has pockets of great wealth and pockets of extreme deprivation cheek by jowl.

In introducing his speech, the hon. Member for Leyton and Wanstead talked about the disparity between what London pays out in taxes and what it receives to run its public services. He mentioned a figure, but the figure I have is of the order of £20 billion. Whatever the sum, it is significant. All I say to the Minister is that London is entitled to have a review of the revenue support grant that it gets, and that we have suffered from its transference from London and the south-east to the midlands and the north. I cannot speak about Scotland and Wales, but I know that Scotland is very favourably treated under the Barnett formula. I hope the Government take account of that. If the gap is £20 billion, let us recognise that such a sum is the equivalent of £3,000 for every man, woman and child living in our capital city.

Pete Wishart: The hon. Gentleman is probably aware of the research conducted for the Deputy Prime Minister's Office at Nuffield college, Oxford. It suggests that London does well out of identifiable public spending. It gets £5,177 per head compared with £4,724 per head for Yorkshire.

Sir Sydney Chapman: I hear what the hon. Gentleman says, but I cannot enter into a debate with him now. I shall say one thing: if there were equal wealth and poverty in London and in any other part of the country, London would still need more because of the extra cost of living in London, which is considerable. London weighting is inadequate for most professions. I shall end by saying that we are talking about £3,000 for every man, woman and child in this country and, to use the phrase that we hear so often on the underground, London is beginning to mind the gap.

2.26 pm

Ms Karen Buck (Regent's Park and Kensington, North) (Lab): I congratulate my hon. Friend the Member for Leyton and Wanstead (Harry Cohen) on securing this important debate and allowing us to put on record some of our arguments as to why London's loss would not be anybody else's gain. My hon. Friend outlined well the case for additional investment in London, and how that would have economic benefits for the whole country. I am not one of those who argue that London's economic success should not be a means of benefiting poorer regions, or that there is not desperate poverty, need and worklessness throughout the country that needs to be addressed. However, as I have said before, one should not kill the goose that lays the golden egg, and it is important that we grow London's economy.

The London analytical report issued last year by the Cabinet Office set out powerfully a framework for London's economic growth. Can the Minister say what has happened to that report? Will there be the promised follow-up? It is important that we take forward the report's findings and recommendations.

My hon. Friend the Member for Leyton and Wanstead made the argument forcefully for cash for infrastructure. That is the single most important issue. We must quickly move to a positive decision on Crossrail. Without Crossrail and some of the other major infrastructure projects, it will not be possible to meet the needs of a growing city, which is projected to grow by 800,000 in the next decade. Although Crossrail is a major project with significant upfront capital cost, investment in it will benefit the whole country. It is estimated that Crossrail will create GDP benefits of at least £19 billion over 30 years, and generate tax revenues of about £8 billion during that period. Such an investment is sometimes seen as a drain on our economic resources, but it creates the potential for much wider economic benefit.

I shall refer to the other issues touched on by my hon. Friend, including the removal of some of the barriers to London's economic success, with particular reference to its work force. Alongside a tight labour market, which is drawing in people from all over the country, Europe and the world to meet its needs, we have the worst unemployment of any region—7.1 per cent. in London, compared with 5.1 per cent. in the country as a whole. That feeds into the highest levels of child poverty, with 48 per cent. of all children in inner London living in poverty.

The reduction in unemployment has been slower in London than elsewhere, even while employment has grown. By the International Labour Organisation definition, since 1997 unemployment has gone down in London by an admittedly creditable 19.6 per cent. That

[Ms Karen Buck]

is a tribute to the economic management of the country by the Chancellor of the Exchequer. However, that compares with 29 per cent. for the rest of the UK. The claimant count is down by 41 per cent., but the figure is 46 per cent. for the rest of the UK. Long-term youth unemployment is down 71 per cent. in London, but that compares with 77 per cent. for the rest of the UK.

The measures that have been introduced, from the new deal to the tax credit programme, have been successful and have made a major contribution to poverty and unemployment reduction throughout the UK. However, they have not had equivalent effectiveness in the capital. If we could only close that gap on poverty and unemployment, I would regard that as a task well done. That should be a critical challenge for the comprehensive spending review, the Budget and the next Labour Government. The disparity is due to three major factors: the cost of housing, the cost of child care and the longer time that it takes Londoners to travel to work compared with workers in other parts of the country. That underlines the need for an efficient, fast and affordable transport infrastructure.

Higher costs in London mean that lone parents have to earn £7.76 an hour to be better off in full-time employment than they would be on benefit. In other regions of the country, they need to earn only the minimum wage. To reduce such cost barriers, we look to the Government to increase investment in affordable child care and to reduce housing costs.

A number of changes could be made to the tax credit regime to make getting a job more affordable for parents. We seek support for London to make a capital investment in growing child care provision and in bringing together the disparate strands of child care funding so that we can close the child care gap in London, which is significantly greater than in any other part of the country. That is a point not about service delivery, but about the economy.

Were we able to make that child care investment, we would reduce unemployment in our hard-core unemployment areas, reduce benefit dependency, cut the benefit bill and increase the tax yield, as has been demonstrated by PricewaterhouseCoopers and many bodies working in child care. By creating jobs, we would be able to stem an unfortunate tendency for the London economy to lock a substantial minority of people out of employment, while drawing in people from outside to take the jobs. That increases the pressure on the other main difficulty—the housing market.

My hon. Friend mentioned housing supply problems. It is particularly unfortunate that, at a time when second home ownership is growing rapidly and the buy-to-let market has been flourishing, 80 per cent. of aspiring first-time buyers cannot afford to get their first toe on the property ladder. That has implications not only for key workers, important though they are, but for the entire London economy. It fuels the desire for higher wages so that people can afford housing costs. The house price to average income ratio is 4:8 in London, double the figure in the northern regions. The average private rent is three times higher in London and there are more than 60,000 families in temporary accommodation.

Mr. Iain Coleman (Hammersmith and Fulham) (Lab): Does my hon. Friend agree that it is also important that the Treasury and the Office of the Deputy Prime Minister should consider the traditional forms of affordable housing? I was advised the other day that some affordable housing had been designated in a new development in my constituency, for which it would be necessary for purchasers to obtain a mortgage of £425,000. In most people's minds, that could not possibly be described as affordable housing.

Ms Buck: My hon. Friend is right. There are two issues. One is to make key worker housing affordable. I have experience of shared ownership projects costing £300,000. The second issue is to be rigorous in ensuring that when we speak about affordable housing, we mean not only buying homes. There is and will remain a substantial minority of people who require affordable housing to rent. That is where there is the greatest squeeze.

I hope that, when the Chancellor comes to consider the next spending review over the long term, not only is the argument for the capital infrastructure made, but we take urgent action to tackle the barriers that result in London having both a flourishing labour market and a very substantial minority of its population locked out of the available jobs.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. I cautioned Members earlier that they would have to be brief if they all wanted to get in. I now caution them to be very brief.

2.34 pm

Pete Wishart (North Tayside) (SNP): I congratulate the hon. Member for Leyton and Wanstead (Harry Cohen) on securing the debate. As there is a London mayoral election in the offing, it does not surprise me at all that the London lobby is asking for yet more of the nation's resources for the city.

I concede readily that London makes a net contribution to the rest of the UK economy. It is the centre of one of the most centralised states in Europe and it has the vast majority of the nation's resources. It would be foolish to deny that, but I hope that the hon. Gentleman concedes that the interdependency between London and the other regions and nations of the United Kingdom is more complicated than he outlined in his simplistic opening argument.

I have often been depressed by the terms in which the situation is depicted. I remember sporadic jock-bashing episodes in the London *Evening Standard*—that we are all subsidy junkies, whingers and moaners. I hope that the debate has moved on from those days, but if London wants to go another couple of rounds, it must accept a few unalterable facts.

London is the most prosperous city in Europe. Its gross domestic product of £170 billion is larger than that of some of our European friends and allies, including, for example, Austria, Belgium, Finland and Sweden.

London has more millionaires per square mile than any other European city and contains the City of London, perhaps the most dynamic and prosperous financial sector outwith New York. London's economy is one of the most successful on earth, and it still seems to be a desirable place to live, as evidenced by the rising house prices and increase in population.

I concede that London has its problems. There is poverty in some of its boroughs and its transport system has struggled to cope with increased traffic. However, if anything, London is a victim of its own success. As its prosperity has continued to grow—a gulf has developed between it and the rest of the UK, and it is growing each year—it has become a magnet, with people wanting to come here. We should try to dissipate and redistribute what London has to the other regions and nations of the United Kingdom. That would make other places more attractive and some of London's problems could be alleviated.

Although we have devolution, the UK is still one of the most centralised nations in the world. People tend to forget that all the big Departments of State are based in London. Other than the Scottish and Welsh Executives, every Government Department is based in London, generating billions of pounds for its economy. It is extraordinary how little Londoners realise that. They probably see No. 10 and the big, grey buildings in Whitehall, but I am sure that they have no idea how much they contribute to the London economy. The same is true of the art galleries, museums and other tourist attractions that generate 30 million visitors a year. That is the hidden subsidy that London receives from the UK taxpayer, and that is not even to mention the headquarters of national organisations, quangos and the BBC.

London also does very well in identifiable spending, with London and the south-east securing 80 per cent. of all transport expenditure. The extension of the Jubilee line cost £3.5 billion alone, and heaven knows how much the proposed Crossrail will cost. As was noted in an intervention, Londoners do very well in spending per head, although I will not go over the figures again.

Mr. Coleman: Would the hon. Gentleman tell any of the 65,000 homeless families—65 per cent. of the UK total—currently living in London in tacky and dreadful temporary accommodation that everything is so wonderful here?

Pete Wishart: I concede that London has problems. As I said, it is a victim of its own success, and because it is prosperous, more and more people want to settle here. In Scotland we face the problem of depopulation, as London is a magnet for so many of our talented and bright young people because of its economic activity and prosperity. I suggest that we try to redistribute some of that so that we do not have the problems of depopulation in Scotland and other regions and nations of the United Kingdom. We should try to make the most over-centralised state in Europe more of a level playing field for our young people.

Jeremy Corbyn (Islington, North) (Lab): Is the hon. Gentleman aware that the policy of decentralisation that he suggests is carried out against the poorest people in London? They are made an offer of moving to unlettable council accommodation in the north-east or north-west of England, thus leaving behind education, jobs, family and other relationships. In reality, we decant the poor and most vulnerable out of London to make way for the most wealthy.

Pete Wishart: I accept the hon. Gentleman's point, but I would settle for some of those people coming to Scotland. We have depopulation. We need people and skills to come to our nation to help rebuild what is still very much a struggling economy. The economy is overheating in London and the south-east, and he seems to suggest stoking up the fire. I think that we should light a few more fires throughout the United Kingdom so that we have some of London's economic activity. Scotland has a stagnant economy; London is dynamic and going forward, and we should try to redistribute those qualities.

London is so rich and powerful because all the headquarters are located in the city and all corporation and other taxes are paid here. For example, BP and Shell have productive oil fields just off the coast of Scotland, but the taxes and revenues go to London. If the GDP from that were included in Scotland's statistics, it would look much richer and London would look much poorer. That would go some way to redress the balance and deal with what seems to be a fiscal deficit between London and the rest of the United Kingdom.

I read an interesting report by the London School of Economics, which suggested that 4 million jobs in the rest of the UK depend on London's demand for goods and services. That is again due to headquartering. Marks and Spencer, for example, depends very much on the activities of its stores throughout the rest of the UK, and the same is true of Barclays bank and other national companies that have headquarters based in London.

All that may be necessary, and we might have to revisit some of the investment issues as they relate to London, but I suggest to the hon. Member for Leyton and Wanstead, who made the case for London once again, that it is a victim of its own success. We should try to redistribute some of its massive wealth and resources, and I am sure that we could address some of its key problems.

2.42 pm

Mr. Iain Coleman (Hammersmith and Fulham) (Lab): I am delighted to have the opportunity to speak in this important debate. I congratulate my hon. Friend the Member for Leyton and Wanstead (Harry Cohen) on securing it. I hope to highlight the key role that London plays in the UK as well as the difficult and specific problems facing London's public services.

I begin with the obviously contentious premise that what benefits London benefits the entire UK. Although it is necessary to acknowledge the real differences between London and the rest of UK, it is equally important to acknowledge how crucial London is for the life of the UK as a whole. Investment in London is investment in the UK and will help to ensure that London continues to contribute more resources to central Government than it receives in spending, as it very much does at the moment.

Needless to say, there are London-specific problems, especially in education, health and the recruitment and retention of public service staff, which should be

[Mr. Iain Coleman]

urgently addressed by increased investment. London's wealth and reputation may give it an air of vitality and luxury but, in reality, it is a city that suffers from a variety of crippling social and economic problems. If London is to continue in its robust role at the centre of the UK economy, it will be essential to stress the specific issues of London's health, education and public service staff.

London is a truly global city with more internationally oriented businesses than any other city in the UK. Those businesses and general foreign investment are attracted by London's ability to offer, among other things, access to vast markets, a deep pool of highly qualified labour and a concentration of business activities that is unmatched elsewhere in the UK. It is essential to appreciate that if those businesses were to relocate, they would not readily go anywhere else in the UK, but would be likely to re-establish themselves in other countries. Investing and spending in London to maintain and further improve its position on the world stage is therefore crucial if the UK is to hold on to the benefits that such global businesses bring.

It must be stressed that London's continued success as a world city represents an indisputable opportunity for the rest of the UK. London garners financial resources through its position in the world markets, attracts highly skilled persons to the UK and helps to generate highly productive businesses. Additionally, foreign investment in London often permeates through to other regions.

Angela Watkinson: The hon. Gentleman is describing central London. Does he appreciate the difference between central London, which attracts the sort of investment that he describes, and outer London constituencies, such as Upminster and that of my hon. Friend the Member for Chipping Barnet (Sir Sydney Chapman)? Those local authorities are net contributors to Greater London schemes and suffer from a leaching of funds into central London. Outer London districts are in a different position to the one that he describes.

Mr. Coleman: I understand what the hon. Lady says, but I remind her of the comments of the hon. Member for Chipping Barnet (Sir Sydney Chapman), whose contributions I listen to carefully. He recognised that inner London is the poorest area of the country and has the greatest problems. In my constituency, some of the wealthiest people in the UK live next door, albeit somewhat uneasily, to some of the poorest. It is essential that London's role in the economy is recognised by central Government and the Mayor.

More activity in London means more growth in other parts of the UK. London's higher productivity—25 per cent. higher than the national average—results in competitive pressure spreading outside London, helping to raise productivity across the rest of the UK. Investment in London is essential to ensure that London continues to contribute more to central Government. As my hon. Friend said, London contributed significantly more to central Government in 2001 than it received in spending. Recent tax policies, such as higher stamp duty, are likely to have tilted the tax burden towards London so that the flow of resources from the capital may have increased since 2001. I recognise that London, as the wealthiest region in the UK, should contribute more in taxation than it receives in expenditure. Yet for London to continue to generate the output and activity that enable it to make such an invaluable contribution to the UK, increased spending and investment must be provided.

Unfortunately, due to financial constraints, traditional Government methods of investment and spending are unlikely to meet London's need to continue to compete effectively. Therefore, we urgently need to consider more flexible methods of financing, whether that is prudential or other forms of borrowing from the Greater London authority. London's economic progress and evolution requires openness and adaptability on the part of central Government. I urge the Minister to address her reply specifically to my hon. Friend's question about whether the Government are giving careful consideration to the Mayor's request to be given extra borrowing powers.

Chris Bryant *rose—*

Mr. Deputy Speaker: Order. If the hon. Gentleman promises to be extremely brief, I can just about squeeze him in.

2.48 pm

Chris Bryant (Rhondda) (Lab): The extremity of my brevity will be noticeable. Some hon. Members might feel that I have got a cheek taking part in the debate, not least because I represent a Welsh constituency—I see two hon. Friends nodding in agreement. However, I dissociate myself from the truculent attack on London that we heard from the Scottish Nationalists. It is wholly unhelpful, futile and economically naive to attack London from an ideological position, rather than trying to build a stronger UK economy, in which we rely on one another.

The hon. Member for Chipping Barnet (Sir Sydney Chapman) referred to poverty and wealth in London as being cheek by jowl. For many years, people in the Rhondda used to say, "We didn't have any cheek; we just had the jowl." That is one of the economic problems faced by somewhere such as the Rhondda, which is geographically isolated not only from London, but from the Welsh capital city of Cardiff. Yet the ties that bind the Rhondda to London's economy are significant. London is a gateway for tourism for the whole of the United Kingdom, because the vast majority of international travellers come through London and are bound always so to do. We must ensure that those tourists do not visit only London, because if they have seen only London, they have not seen the United Kingdom. London cannot take the benefit that it would like to if people do not visit the north-west and north-east of England, south Wales, and especially the Rhondda.

Similarly, the financial services industry, which is the backbone of the London economy, weighs heavily on the people of the Rhondda. The Treasury Committee recently produced a report on the transparency of credit card charges. I urge hon. Members to read about the devastation that irresponsible marketing by credit card companies can inflict on a community such as the

Rhondda, where people end up sleepwalking into debt that they will never be able to repay. As we learned last week, light-touch regulation of financial services is in danger of being featherweight. If there is no regulation of the financial services industry, or so little that consumers are not protected, the people of the Rhondda, who have higher personal debt than many in Cardiff or London, will suffer significantly.

I am wearing a Burberry tie, partly because Burberry products are made in the Rhondda, as well as in London. Economic decisions taken by the big houses in London affect what is left of the manufacturing industry in south Wales, yet the "man from Del Monte" attitude is often brought from London or international businesses to United Polymers or Chubbs in the Rhondda, which are told, "I know it costs £1.5p to make it this year, but next year we want it for 95p." There are better ways of enforcing productivity gains in the UK than that heavy-handedness.

Of course I want London to prosper, as any sane British person would, but my biggest worry is that it will be difficult if we remain exiled from the euro. London is the most expensive city in Europe, which is partly because we are still exiled from the single currency that is driving down prices throughout the rest of Europe.

Our financial services industry is likely to be threatened if we remain outside the euro. Trade and inward investment, which is growing in countries that have adopted the single currency, is being hit in the United Kingdom. If we do not join the euro our jobs will be threatened.

2.52 pm

Dr. Vincent Cable (Twickenham) (LD): I congratulate the hon. Member for Leyton and Wanstead (Mr. Cohen) on securing the debate. His speech captured the paradox in the debate, as there are positive things to say about London but many problems, too. Equally, London Members across the board have the feeling that they are underfinanced. I particularly identified with the comments of the hon. Member for Chipping Barnet (Sir Sydney Chapman) about police funding, which is a classic example of how the formula works against London boroughs.

An equally understandable feeling was expressed by the hon. Member for Hemsworth (Jon Trickett), who was present for a short time, and by the hon. Member for North Tayside (Pete Wishart), that the British economy is seriously unbalanced and London is over-dominant. I entirely understand that point of view; I grew up in Yorkshire, spent my early professional life in Glasgow and I represent a London constituency. I see every aspect of the problem and I sympathise with those who believe that Britain's decision making and much of its wealth is over-centralised.

It is worth briefly reviewing the positive aspects of London. It accounts for a fifth of GDP and it is more dynamic than the rest of the economy. In the past decade, 360,000 net new people have come to the capital. London is growing more rapidly than the national average and its average income is well above that of the country as a whole, although there are vast disparities within the city.

The hon. Member for Hammersmith and Fulham (Mr. Coleman) captured that point well, as his constituency and that of the hon. Member for Regent's Park and Kensington, North (Ms Buck) embody the problem. There is an enormous dual economy within the capital city. My constituency, which is a relatively prosperous suburban area, more closely resembles Chipping Barnet and Upminster, but there are pockets of extreme deprivation in council estates in my constituency that are as bad as any in London, or in Britain. The problem is balancing the different factors.

Various London problems have surfaced, the first of which is unemployment. I do not know whether the hon. Member for Leyton and Wanstead stressed it enough, but London now has a significantly higher average rate of unemployment than any region of the UK. It is 7.5 per cent. higher than Scotland, which used to be at the top of the league, or the north-east. The hon. Member for Regent's Park and Kensington, North asked why otherwise relatively successful programmes such as the new deal do not appear to work in London. The answer is that they do not shift the labour market.

At a local level, one can see what is going wrong. In my constituency there is a chronic labour shortage. Students work in term time because they need the money, and they, along with people from eastern Europe, keep the service economy going. Five miles down the road, there is double-digit unemployment, but people cannot work in Twickenham because they do not have the skills or cannot afford the bus or train fares.

At my surgery on Friday night, I encountered a young man who embodied the problem. He was a young man from tragic family circumstances, but who had managed to end up living in a social housing scheme. He was enterprising and had got himself a place on an industrial apprenticeship, but that was in north-west London and his home is in south-west London. He had done his sums and, on fairly low pay, after paying his rent and rates, he was bringing home £40 a week to live on. However, of that £40, £30 has to go on transport. Obviously, he cannot live on that, so he is running up rent arrears, and he will either have to give up his flat or his apprenticeship. Many young working-class people are in that dilemma. We need some explanation of why the existing schemes, which are designed at a national level, do not work more effectively in the capital.

I would like to ask another question specifically on the employment market and Government intervention, although I do not know whether the Minister has the answers or whether the question should be put to the Mayor of London. What is happening with the London Development Agency? Its chief executive and most of its senior staff have left, almost all of its operational targets seem to have been missed, and the organisation is in extreme crisis. Do central Government have any role in the matter, and can they explain what is going on?

My first set of questions related to employment and the odd and distorted nature of the London employment market. My second set of questions relates to the housing market. My suburban constituency may not be typical, but when a modest semi-detached house costs £200,000 or more, one can see the horrible distortions that that creates. I do not think that any of my house-owning constituents would be eligible for legal aid because of the asset value of their property.

Such a level of house prices creates an impossible barrier to entry for working people. On the traditional income multiplier of three, one needs a joint family

[Dr. Vincent Cable]

income of £65,000 to contemplate buying a house, and of course most people do not have that. Consequently, people in modest professional jobs—working-class people have no hope whatever in that market—such as teachers or doctors with an income of £40,000 are buying houses at five times their income. They are therefore horribly over-exposed, and if the housing market turns down, as it probably will, they are potentially in jeopardy. That problem is partly related to the lack of new home building—particularly social housing—but is also a by-product of the overall crisis in the housing market.

The hon. Member for Leyton and Wanstead was right to suggest that overcrowding and long journey times are a major economic impediment. I support what he said about the East London line and about Crossrail, which would be a major advantage to the capital. However, I agree with hon. Members from outside London that those big transport projects have to be funded predominantly through the private sector. There is no reason why Crossrail should not be funded in that way, with additional funding provided through a supplement on rates in those areas that will derive enhanced value from the project, as they almost certainly will. There may be some pump priming from the Government, but the funding should come predominantly from the private sector.

On the funding issue, I agree with hon. Members who complain about the vast disproportion in public funding. There is an issue here that is related to what Galbraith called

"private affluence and public squalor."

It is not all private affluence in London, although there are some very affluent private individuals, but there is public squalor. That squalor is partly attributable to the distribution of national funding, however that is calculated; the share of public spending in the regional GDP of London is far lower than it is nationally. That accounts for the fact that all public services in London are seriously overstretched.

My party believes that we have to open that terrible can of worms called the Barnett formula. I know that that is a difficult issue because there will always be the sense that there will be losers if other people are gainers, but that issue must be faced. We must examine the potential for a need-based allocation formula.

Jeremy Corbyn: Does the hon. Gentleman also concede that part of the problem about the lack of investment in affordable publicly-owned housing in London is that, at headline level, the figures seem enormous, but to build a council house in London costs vastly more than it does to build one in the midlands or the north-east of England, let alone in Scotland or Wales? We are based on a national formula of what is spent on housing but, in reality, we receive far less for our money in London than elsewhere, hence the lack of affordable housing throughout London and the fact that the situation is becoming worse.

Dr. Cable: I agree with the hon. Gentleman. I am in favour of drastic solutions and local planning committees. In addition, London government must insist on a tough application of either a 40 or 50 per cent. rule for social housing in commercial housing developments. Throughout my constituency, blocks of 14 private homes are being constructed because that is just under the threshold for social housing, and little social housing is being built. It is a scandal and the Government should be dealing with it.

My last point is about regional balance. I share the view of non-London Members. The UK economy is seriously unbalanced. The reference to the headquartering problem was absolutely right, but we cannot direct the headquarters of private companies to the provinces: they will go elsewhere. What can happen is that the Government take responsibility for relocating some of their own activities. I have adopted the controversial slogan of sending the Treasury to Liverpool. The Minister might welcome that because it would be nearer to her constituency.

Apart from the merits of the proposal, which would save enormous rental levels between central London, the north-west of England or other parts of the north, it is a metaphor, not a specific proposal. It is a suggestion that the Government use their own leverage in respect of decision making and employment, of which there is an over-concentration in London, and relocate much of it. I hope that the Lyons proposals will be reflected in the Budget.

3.2 pm

Mr. Mark Field (Cities of London and Westminster) (Con): London is a world city. Make no mistake, if its economy fails, the UK economy will fail. There is no doubt that London faces intense competition from a range of countries. I disagree with the hon. Member for Rhondda (Chris Bryant) because I do not believe that competition comes only from Europe. Increasingly, it is coming from further overseas. My medium-term sights are not on Paris or Frankfurt as financial centres, but on cities that have featured in my working life, such as Shanghai and Bombay. They will be the competition in the future, and that is something that the Treasury and Chancellor should pay considerably more attention to than has been the case hitherto.

I congratulate the hon. Member for Leyton and Wanstead (Harry Cohen) on introducing such a timely and important debate. By my calculation, he is the sixth longest-serving London Member of Parliament and, indeed, one of the five slightly more senior, as is my hon. Friend the Member for Chipping Barnet (Sir Sydney Chapman). Like me, the hon. Gentleman has the interests of the capital close to his heart. Since I have been an hon. Member, he has introduced similar debates.

Like all of us here, the hon. Gentleman has an eye on the general election. I want to take this opportunity to plug our own excellent local candidate in Leyton and Wanstead, Julien Foster, who requires a mere 19.2 per cent. swing to secure the seat from the Labour party at the next election. If the hon. Gentleman is a little complacent about such matters, I wish to point out that I am just old enough to remember a time when Leyton was a Conservative-held seat. That was at the famous 1965 by-election. I was only three months old. My mother told me that I cried all day, but I am sure that that had nothing to do with the fact that Labour had been defeated.

I shall return to the excellent debate. The historical importance of London goes back some 2,000 years That makes it unusual. For example, Berlin was a small town in as recently as 1750, and cities such as Chicago barely existed 170 years ago. Therein lies a real problem. I refer to the sheer dominance of London and, to that extent, I accept what the hon. Member for North Tayside (Pete Wishart) said. Today, London is the political, commercial and cultural centre of our nation. Many from outside the capital city cast an envious eye over London's successes without perhaps appreciating some of its failures and problems, and wish at times to bring it down to size.

In opening the debate, the hon. Member for Leyton and Wanstead rightly said that London is the historic seat of democratic government and the monarchy in this country. I also agree with his comments about the large working population and the fact that that brings with it a lot of choice and innovation. London has a unique importance as a city and is the main driver of the UK economy. His message to the Minister was clear, and I think that I speak on behalf of all London Members who have contributed when I say that we hope that the Government will stand and deliver.

The Minister may have entered the debate with a somewhat heavy heart, but she will have realised from the contributions made on both sides of the Chamber that there is a great deal of unity among London Members on a number of these issues. I suspect that one of the usurpers, the hon. Member for North Tayside, might think that the debate constitutes a lot of whingeing from London Members, but he should hear what we say about Scottish Members in the Tea Room when we have discussed these matters.

My hon. Friend the Member for Chipping Barnet wisely recognised the deep disparities in wealth between areas and even within districts in London. The hon. Member for Regent's Park and Kensington, North (Ms Buck), my constituency next-door neighbour, rightly outlined the crucial importance of Crossrail. The investment here in infrastructure projects, and Crossrail in particular, will benefit the nation at large. Indeed, I think that she said that it would prospectively generate very large tax revenues. Likewise, she emphasised the importance of employment and unemployment issues, child care provision and affordable housing for key workers, whether in the public or private sectors.

The hon. Member for North Tayside acknowledged how highly centralised the UK has become, and London is at its core. He also raised the notion of redistribution of much of the economic wealth that London creates. He is right to an extent when he says that London is a victim of its own success, particularly on issues of infrastructure, be it transport, health or education. I am not sure that I have all the answers, and I do not necessarily ask the Minister to produce them, but I will be interested to hear what she has to say on the hon. Gentleman's interesting and important contribution.

The hon. Member for Hammersmith and Fulham (Mr. Coleman) made the case strongly for London housing the deepest pool of our qualified labour. He was right to point out that relocating much of our labour stock is easier said than done. Equally, he rightly recognised that about 65 per cent. of homelessness in the UK as a whole is in the capital.

The hon. Member for Rhondda re-established his new Labour credentials, in so far as they ever needed re-establishing, with admirable aplomb. Seriously, he made a relevant and focused speech on a number of issues, and I will be interested to hear what the Minister has to say in response.

London's role as a global trading centre provides a great historical focus for Britain's outward-looking approach. It is often said that 55 per cent. of our trade is with mainland Europe—the European Union nations. Indeed, that is often used as an argument as to why we should join the single currency, but I say forcefully that the logical corollary is that 45 per cent. of our trade is with nations outside the EU. Often, they are the largest-growing and fastest-growing nations and will be the trading partners for the future.

Chris Bryant: It is precisely the nations that are choosing to do business with other countries in Europe that have joined the single currency. It is for the trade that we do with eurozone countries, and the fact that countries outside are choosing to do business with France, Germany, Italy and Spain rather than Britain, that we need to make the change.

Mr. Field: It is fair to say that we have done significant trading with many of those nations, but let us be honest: the power of the English language is an important part of that. The power of relatively deregulated employment markets—they were certainly very deregulated before 1997—has also made a difference in that regard.

London's historical trading is at the forefront of fostering and developing the links with some of the future economic powerhouses of the world. Equally, London's pre-eminence means that, as a city, we are estimated to contribute £15 billion to £20 billion to the rest of the UK, as my hon. Friend the Member for Chipping Barnet pointed out. I am not arguing that London should hold on to what might be considered our money, but I should like to make some observations and I hope that the Minister will consider them in summing up the debate.

We must remember that London is the showcase for the entire country, not only for tourists but for all overseas visitors, people who want to come and live here, and a significant number of businesses that wish to invest in the UK. Many businesses that invest outside the capital have representative offices in London. Therefore, investing in London's infrastructure is of key importance.

I entirely endorse the comments of the hon. Member for Regent's Park and Kensington, North. I was going to say what she said—that there is a risk that we will kill the goose that lays the golden egg. Indeed, I was going to use those very words. Failure to invest in the capital's infrastructure might have serious medium-term consequences. I hope that the Minister will take this matter to the Chancellor because what we are debating is the need for a vision about a wide range of economic and spending priorities for decades to come.

The debate addresses local government funding as a whole. I impress upon the Minister the need to keep more of business rates in the hands of London's local government. That would help to fund vital services, such as the underground, Crossrail and health and

[Mr. Field]

education. The contribution of the hon. Member for Twickenham (Dr. Cable) leads me to state that national pay bargaining helps to discriminate against London's poorest workers; we need to have a realistic London weighting regime.

The lesson of this debate is that all Members—not only London Members—should seek to praise, not to bury, our capital city. Now is not a time for self-congratulatory complacency, but we must also not subsume London's economic success by introducing ever more tax regulation and Government obstruction. London's initiative and innovation is key to our economic welfare in the years ahead.

On regulation, I take on board what the Minister said about the debate around the Penrose report on Equitable Life; I listened to that in great detail with my City of London hat on. I suspect that the hon. Member for Islington, North (Jeremy Corbyn) wishes to say a few words on that.

Jeremy Corbyn: Almost. The hon. Gentleman has a concern for light-touch regulation. I want him to turn his mind to social housing for just a second, and support all other London Members from other parties who want 50 per cent. social housing on all new development sites—not just those with more than 15 units.

Mr. Field: My concern is that when I talk to developers in Westminster, many of them say to me up front that if they are told that they must have a 50 per cent. social housing requirement for residential accommodation, that does not make it worth their while to develop and they will sit on their hands. I appreciate that Westminster is an exceptional case. The set rule that the Mayor has proposed sounds sensible superficially.

Whatever target is set for the proportion of social housing, we must appreciate that key workers are people who work in the private sector as well as the public sector. The glue of many of our communities is people who are in relatively low-paid employment but are not necessarily paid from the public purse, such as many shopkeepers. We need a more innovative approach to this matter, particularly in central London where, as has been pointed out, there are strong pressures.

Mr. Andrew Love (Edmonton) (Lab/Co-op): The hon. Gentleman will be aware that the Mayor not only suggested the figure of 50 per cent. but commissioned considerable research into where that would be a reasonable target. The hon. Gentleman says that Westminster is not such a place, but the research clearly showed that that was not an unreasonable figure to ask for in Westminster.

Mr. Field: I talk directly with many property owners. They might not be the most Livingstone-friendly people. It is a grave concern that if a set target is in place it might be too inflexible for us to achieve the goals that we all want to achieve. There is not much difference in outlook and in the goals that we all want to achieve. We all appreciate that one of the joys of living in London is that the community is diverse, in all senses of that word. We do not want to see ghettoisation, either of very wealthy or very poor people, in parts of our capital city. We must allow flexibility to work to best effect.

Mr. Coleman: I met last week the chief executive of Berkeley Homes, Tony Pidgeley, who spoke glowingly of his relationship with the current Mayor. I mentioned to him two developments in my constituency—one at Imperial wharf, where St. Georges and the council reached an agreement, and one on the former Queen Charlotte's site—where the proportion of affordable housing would be 50 and 85 per cent. respectively. May I suggest that the hon. Gentleman tells the Westminster planners to talk to their colleagues in the London borough of Hammersmith?

Mr. Field: I shall certainly make such a request, although I suspect that the hon. Gentleman will have even more joy directly to his left, with the hon. Member for Regent's Park and Kensington, North. On a serious note, I should also be happy to meet the managing director of Berkeley Homes. It would be useful to glean his views.

I was about to sit down to allow the Minister to take the hot spot. However, in summary, I hope that she will recognise that innovation and initiative are key to London's success, as they have been for 2,000 years. Innovation has an important part to play in our economy, and I hope that she will take on board many of the diverse issues that have been raised during this excellent debate.

3.16 pm

The Financial Secretary to the Treasury (Ruth Kelly): I congratulate my hon. Friend the Member for Leyton and Wanstead (Harry Cohen) on securing this important debate. His contribution was useful and interesting, as were contributions from all parties today.

I should like to start by saying that I do not think that there is a divide between what is good for London and what is good for the rest of the UK economy. I could not agree more with my hon. Friend that London is a highly productive environment. He pointed to the fact that productivity in London's economy is 25 per cent. above the national average; in fact, it is closer to US levels of productivity than to average EU levels, for instance. London makes a huge contribution to the UK economy.

It is not, as the hon. Member for North Tayside (Pete Wishart) seemed to suggest at some points in his speech, a question of somehow redistributing what London has to the rest of the UK economy. It is a question of recognising London's strengths, addressing its weaknesses, overcoming the constraints on its growth and—as he said at other points in his speech—stoking fires in the other regions of the UK to try to create there the innovation, enterprise, creativity and dynamism that are found in London. I entirely agree with the hon. Member for Cities of London and Westminster (Mr. Field) that London's highly competitive environment, its innovation and its enterprise are among its greatest strengths.

I also agree with my hon. Friend the Member for Rhondda (Chris Bryant), who says that London acts not just as a gateway from Europe to Britain, but as a gateway for tourists to other parts of the UK, including

his constituency in Wales. It is important for other parts of the UK that London prospers and thrives. As the hon. Member for Cities of London and Westminster stressed, London is a world-class financial centre, and it is important to foster its strengths. It is also important that it is outward looking and that it looks not just to Europe, but to the United States and cities in the far east. It is central to the Government's strategy that we have tried to create a dynamic centre of growth that looks more broadly afield, not just to its neighbours but to other parts of the world economy. We have tried to get that message across to our European neighbours, so that we have a vibrant EU economy that looks outwards, rather than inwards. My hon. Friend the Member for Leyton and Wanstead recognises—indeed, he is keenly aware—that the financial services strength of London is one of the key issues that we consider when assessing the five tests on the euro.

In the remaining time I shall try to address the points raised in today's debate. A prosperous and successful London is, as I said, essential for a prosperous United Kingdom. Along with the south-east and the east of the UK, London is a net contributor to the Exchequer, as my hon. Friend pointed out. Some estimates have put the contribution from London to the rest of the UK economy at between £7 billion and £17 billion a year. London is not more heavily taxed than elsewhere in the UK. That contribution is a consequence of the UK's progressive tax system, where the wealthy contribute proportionately more than the poor. I am sure my hon. Friend will agree that that is fair and right.

I must, however, correct a misinterpretation among some hon. Members that London does less well in terms of spending per head. I have checked, and according to the latest figures on spending per head in each region, spending per head in London was £117 in 2001–02, compared with the average of £100. There is more public spending per head in London than in any other region of the UK.

Sir Sydney Chapman: The hon. Lady said that Londoners are not taxed more than people in other regions. She will know that because of the extreme additional costs, there is a London weighting system for most jobs. She might like to confirm that the London weighting element is still taxed by the Exchequer. It is not untaxed.

Ruth Kelly: As I said, the fact that London is a net contributor to the UK economy is merely a function of a progressive tax system, which is supported by all in the House. London is unique and has special factors—many of which I will address in a moment—and we are trying to deal with those in London-specific ways, some of which have been raised today.

Jeremy Corbyn: On the subject of regional allocations of money, the Minister will have heard my intervention on the hon. Member for Twickenham (Dr. Cable) about housing allocations. The reality is that substantial sums of money going into London do not go very far because of high land costs. Is the Minister prepared to review social housing allocations to London so that we get more properties for rent? That is the only way to deal with the terrible housing crisis that Londoners face.

Ruth Kelly: My hon. Friend is aware that the Treasury set up the Barker review to consider the responsiveness of housing supply and to address some of these issues. There will be an update on that in next week's Budget. I shall not pre-empt any announcements today. However, the Treasury is concerned with the housing market supply, the planning system and the responsiveness of the housing market.

Several hon. Members spoke about transport infrastructure. Public spending on transport in London is two and three-quarter times the UK average. Improved transport structure is essential to ensuring that London remains internationally competitive and that people are able to realise their full potential. My hon. Friend the Member for Leyton and Wanstead spoke about some of our ambitious plans, even in his own constituency—for example, the Thames gateway project. There is also the London-Stansted-Cambridge corridor, which is creating high quality mixed communities to meet the growth pressures that success brings.

Hon. Members spoke about Crossrail. I cannot give any definitive answers, other than to say that, as they are no doubt aware, my right hon. Friend the Secretary of State for Transport is considering the detailed advice on that subject that he received from Adrian Montague. He will publicise his findings in due course.

Transport Ministers have just received the Strategic Rail Authority's procurement proposals for taking forward the East London line extension. I understand that that will be considered in the context of the forthcoming spending review. My hon. Friend the Member for Leyton and Wanstead can look forward to that process. Transport will remain a vital component of London's economic strength. As he knows, the Government are committed to very long-term investment programmes in London, as in the rest of the UK.

The Government provide strong support to the Greater London authority, and the budget for the group as a whole was about £7.5 billion last year. More than half of that was provided by central Government. Fares and fees provided almost 40 per cent. of the budget, with the council tax precept providing the remainder. The London boroughs control a similar sum, spending approximately £7 billion.

My hon. Friend the Member for Leyton and Wanstead, who secured the debate, and my hon. Friend the Member for Hammersmith and Fulham (Mr. Coleman) raised the question of whether the Greater London authority should be allowed to borrow. I may be able to clarify the proposals that the Treasury has agreed. From 1 April 2004, the prudential borrowing regime will give the GLA and other local authorities new freedoms to borrow to meet capital expenditure needs in London. The Government have imposed no upper borrowing cap for 2004–05. That new flexibility will increase Transport for London's ability to meet the capital's transport requirements. I am not sure whether the Mayor is asking for greater borrowing flexibility than the Treasury has proposed, but it may want to discuss those proposals with him to see if they meets his, and its, concerns.

The London Development Agency, one of the GLA bodies, also plays a key role. I noted the concerns of the hon. Member for Twickenham (Dr. Cable) on that score. The issue is one for the Mayor and the GLA,

[Ruth Kelly]

although of course the Government take a keen interest in the LDA's internal restructuring and how it has pledged to improve its service delivery. The LDA focuses on maintaining and enhancing London's international competitiveness and position as one of the world's leading economic centres, thus acting as a driver for the nation's economy. The LDA also addresses some of the market failures in the capital, particularly those associated with the high cost of housing, which I have already mentioned, child care, which was raised by my hon. Friend the Member for Regent's Park and Kensington, North (Ms Buck), and business premises.

Many of my hon. Friends and others stressed the stark disparity in wealth in London. There are disparities between ethnic groups, between types of household, between areas of London, and between those with higher qualifications and those with lower qualifications. As was mentioned by the hon. Member for Twickenham, key problems are levels of unemployment, which remain higher than in other parts of the United Kingdom economy, particularly long-term unemployment. My hon. Friend the Member for Regent's Park and Kensington, North mentioned the difficulties in respect of child care that have to be overcome before many people, particularly lone parents, can enter into the world of work.

Many Londoners find that they are ill-equipped to access its opportunities. They experience poverty, poor health and social exclusion as a consequence. The Government's strategy for tackling child poverty is multifaceted, but perhaps the most important part is to help each family to secure a decent family income, with work for those who can, and support for those who cannot work.

Some 20 per cent. of all lone parents live in London. We have considered that group in particular when trying to design schemes that make it easier for lone parents to get back into the work force. On child care, we are aware that affordability remains a problem in parts of London among particular groups. That is being examined in the context of the ongoing child care review, which will be taken into account in the spending review proposals, so my hon. Friend the Member for Regent's Park and Kensington, North can be reassured that the issue is being taken seriously by the Government.

My hon. Friend also raised the issue of the Cabinet Office strategy unit's report on London, which has been completed and is being considered by Ministers. A decision on publication is due to be made shortly. That is an ongoing process that will feed into the Government's strategy on London.

In conclusion, I thank all hon. Members who have taken part in the debate. If there are issues to which I have not had time to respond, I will be happy to take them up and respond to them afterwards. The debate has been extremely worth while and broad. I look forward not only to continuing to champion the cause of London in the UK economy, but to creating an environment in which other regions have the opportunity to share similar types of prosperity to those experienced in parts of the London region.

Sure Start

3.30 pm

Liz Blackman (Erewash) (Lab): I am pleased to have secured this debate. I stress at the outset that the subject of extending Sure Start is firmly set within the early years framework and is in recognition of the Government's massive commitment to, funding of and progress on that sector.

I remind hon. Members that the key developments to date include the national child care strategy, which was launched in 1998 to ensure accessible, affordable and quality child care. There have been huge expansions in child care provision in the public, private and voluntary sectors. So far, 1.6 million children have benefited, and that figure is set to rise to 2 million by 2006. Neighbourhood nurseries are providing 50,000 new places, of which 45,000 have been given. Sure Start local programmes, of which there are 524, and mini-programmes have made an enormous contribution.

A network of children's centres is rolling out in disadvantaged areas and extending the Sure Start principle. It is providing good-quality child care, early education, family and health services, alongside training and employment advice. All those programmes are rightly located in the Sure Start unit. They do not constitute all the initiatives, but they are important measures to support families and to lift children out of poverty. No Government have done as much on that agenda.

In 1997, following the comprehensive spending review, a cross-cutting review was set up of services for young children. That was on the basis of concern that those services were not functioning adequately, that money was not effectively spent and that they were failing those in greatest need. The review's findings confirmed those concerns. Therefore, in 1998, the Chancellor of the Exchequer announced plans for Sure Start to bring together quality integrated services for under-threes through community-based local settings.

The rationale for the programme was the evidence base from the United States programmes, which were targeted at poorer children. For example, Early Head Start in the USA found that, for every $1 spent in early years intervention, $4 was saved in crime, social security and mental health costs. There were statistically significant positive impacts on learning, social emotional development and parenting outcomes. Similarly, an evaluation of the Perry pre-school study by High/Scope found that, when 27-year-olds went through the programme, there was a positive impact in terms of arrests, drug dealing, earnings, education performance and stable relationships. There were also enormous cost-benefits. The study described it as

"an extremely good economic investment, better than the stock market during the same period of time".

The National Evaluation of Sure Start was set up to examine its effectiveness and impact on children, families and communities. Its methodological report executive summary noted that the Sure Start model presumes that changes in existing services will lead to improved service delivery and, ultimately, to enhanced child, family and community functioning.

The programmes were to be targeted at the 20 per cent. poorest wards and were to be rolled out in six waves. Sure Start in Erewash is in the fifth wave. NESS

agreed with that targeted decision because local programme areas experienced consistently worse deprivation across a number of indicators, including child and adult health, educational achievement, school behaviour, crime, unemployment and benefit dependency.

The common features for each programme are mandatory. It must provide outreach and home visiting, support for families and parents, good-quality play and learning, primary and community health care, support for children and parents to access services, and parental representation on local boards. To make progress, beyond those core elements there is a higher degree of flexibility. Innovation and local initiative are positively encouraged.

Four objectives to improve Sure Start service delivery were initially set, and a fifth has since been added. They are improving social and emotional development; improving health; improving learning; strengthening families and communities; and the availability of accessible, affordable and quality child care, which was added later. For each objective, public service agreements or targets are attached. Initial targets have been amended and further developed to include, for example, increasing the number of households with someone working, and improving children's language development.

Some initial targets and outcomes have been reported on. There has been success in reducing the number of children re-registered on the child protection register, which was an early target that no longer exists. The number of parents going back to work from households where no one was working has also gone up. Parents say that the information that is given is good, and nine out of 10 parents reported improvements in the quality of services. Sure Start was in contact with 90 per cent. of parents within two months of birth, and that target has been adjusted slightly to include contact prior to birth. The only target that is significantly failing is that for the reduction in pregnant mums' smoking.

Studies in the United States took a long time to produce a through-life evaluation, because benefits of these schemes are short, medium and long term. Nevertheless, there is encouraging progress. A 2002 report by NESS noted high parental involvement, voluntary organisations engaged in nearly all partnerships, a wide range of mechanisms to access services, good progress on partnership working, and an encouraging number of volunteers coming forward, with an average of 20 for each scheme. The flexibility given to local programmes has allowed them to be innovative and to respond to their communities. Many right hon. and hon. Members have heaped praise on their own local programmes, because they, like me, can see them working.

Erewash Sure Start has hit the ground running following best partnership multidisciplinary working with parents in key positions. There are many innovative programmes. For example, one notable achievement is the removal of all children in the scheme from the waiting list for a speech therapist—they now all have one. Volunteering is also excellent.

There are many other examples of success, which have been quoted before. In Corby, the number of children who have a special needs assessment before entering school has been cut by 10 per cent. In Leicester, children's referrals to emergency social services have been cut by 40 per cent. Leicester has also improved and expanded breast cancer counselling support by delivering it through a volunteering parent group, which has been trained. Interestingly, that peer approach is working much better than using professionals. In a London borough, children who were referred to the early years programme by social services are now performing as well at key stage 1 as children from far more advantageous homes.

Today's debate is about extending Sure Start, and the Children Bill is an exemplary way forward. It sets a sound statutory framework for partnership working; common objectives, a common assessment and an integrated inspection framework; rationalised budgets and simplified funding; greater freedoms and flexibilities for local circumstances; the commissioning of key services through a children's trust; the appointment of children's directors; and better information sharing and parental involvement. That is all to be welcomed. Local flexibility is at the heart of the Bill.

However, I want to see early intervention and co-located services in all areas, as Sure Start programmes have been a resounding success, meeting need while retaining individuality. I flag up my concerns about the tentative words in paragraph 3.10 of "Every child matters: the next steps". We want all local authorities and children's trusts to consider co-locating health, family and parenting support services for children and their families within good-quality early education and child care settings. That will provide easier access to a wide range of support for the whole family.

Ideally, I want that to be firmed up. Such an approach is a proven recipe for success, evidenced in the US schemes and the encouraging outcomes from our own local programmes and children's centres. Also, children's trusts are not statutory organisations, although they are expected to consider joint commissioning. On that point, appointments of children's directors are key to the success of early years arrangements. I seek reassurance that that process will be extremely rigorous. Will regional Sure Start managers, or local managers with excellent track records be involved in such appointments? Vitally, will parents and young people be involved?

My right hon. Friend the Minister recognises that the Children Bill is the first step in a long-term programme of change, with the last directors not in place until 2008. In the meantime, 46 per cent. of deprived children live outside the 20 per cent. most deprived wards. As Sure Start has proved its worth, I am impatient for further local progress. There is much best practice and good partnership working to build on.

Chris Bryant (Rhondda) (Lab): My hon. Friend is referring to the extension of Sure Start, but she referred earlier to the success of Sure Start in her constituency in taking children off the waiting list for speech therapists. Unfortunately, that is not true in my constituency, and I know that there is a shortage of speech therapists around the country. The ability of a child to express themselves is one of the most important parts of their

[Chris Bryant]

self-development. Does my hon. Friend hope that in conjunction with the expansion of Sure Start there will be an expansion of speech therapist provision?

Liz Blackman: I thank my hon. Friend for that intervention. I believe that there is not only an intention, but a programme to ensure that more speech therapists are trained. I was surprised that the scheme in my constituency managed to secure the professional work of a speech therapist, but apparently that was quite easy. However, I will wait for the Minister to confirm that speech therapy is a priority.

Camden is an example of a council that has forged ahead of the game. It has had an early years focus for many years. It has been so impressed with its five Sure Start schemes that it is rolling out the programme and will mainstream it—I think that it is the first council to do so.

The council has been wholly persuaded that early intervention, linking services and involving parents have the greatest impact on child development and poverty. A decision was taken that funding would be top-sliced without compromising passporting, and that it would be used to enhance existing local programmes through multi-agency parent support teams, drop-ins and community involvement in small areas. The council also funds extra family support and more subsidised nursery places being brought together in children's centres.

All local partnership boards were consulted and signed up to that way of working. Those extended areas will be coterminous with primary care trust localities, and smaller partnership boards will be set up for smaller areas. A Camden-wide Sure Start co-ordinating team already exists at the local education authority. It comprises a lead officer, a business manager, data and information officers and others, all supporting the project. The target date for roll-out is 2006.

Having five Sure Start schemes was an advantage for Camden, but commitment and creative thinking have allowed it to move forward. I know that the Government already support mainstreaming projects in some districts with a number of local programmes, but Camden did it first and there must be scope for others to follow sooner rather than later.

Other areas have far fewer programmes. My constituency has one, but it has developed skills to work across two areas—because it was part of a later wave, there was more flexibility. Some early strategic thinking by LEAs, PCTs and others, and additional seed-corn funding from those organisations could establish structures, including a central co-ordinating team. Identifying potential roll-out areas, encouraging key local people to learn through existing programmes and, where possible, implementing Sure Start principles and practice would be an excellent precursor to the Children Bill and children's trusts. It would begin to change the culture and practice at grass-roots level.

There is a wealth of capacity from volunteers, as I have already highlighted. In the words of Barnardo's,

"integrated pre-school settings, such as Sure Start, bring about the best outcomes for children".

What encouragement can be given to local authorities, primary care trusts, the voluntary sector and community groups to move further ahead? They know that new legislation is on the way, and moving towards a Sure Start approach can only be a good thing.

3.44 pm

The Minister for Children (Margaret Hodge): I warmly congratulate my hon. Friend the Member for Erewash (Liz Blackman) on securing this debate. I have had more representations in favour of additional funding for Sure Start from hon. Members across the political spectrum than anything else. It is a bit of an irony: everybody loves Sure Start, but not many hon. Members have chosen to come to have their say in this debate, which is a bit sad. Nevertheless, I am pleased that they like it and I would be delighted with any additional resources that we can secure to ensure the expansion of the programme.

I share my hon. Friend's commitment to the importance of investing in the early years. She comes to the issue having considered a lot of the powerful American research into investment in integrated services in the early years and into the impact that that can have on children's life chances. I come to the issue from that direction, but also from work that has been done in the UK by Feinstein, which shows how children from different socio-economic backgrounds start off very different competences at an early age. One can start measuring their cognitive skills at 20 months.

Children from lower socio-economic backgrounds can have high cognitive skills and those from high socio-economic backgrounds can have low cognitive skills at that age. What is depressing about the research is that, by the time one locks into school, class has overridden those early cognitive skills. The children with low cognitive skills in a higher socio-economic group outperform those with high cognitive skills from the low socio-economic group.

We should try to find ways in which children showing potential at an early age can realise it. That is at the heart of the Sure Start programme. If we really are committed to equalising outcomes on the basis of equality of opportunity, that has to be by investing in the early years. I came back from Sweden last week, and it is very telling that, after 30 years' investment, children there are offered far more equal opportunity. Far fewer children die from child abuse there, and I think that one of the reasons for that is the early investment in parenting support, family support and children's opportunities. That can help to deal with some of the tensions in family life that can lead to abuse, so other good results can come out of such early investment.

I looked with envy at the fact that in Sweden about 2.5 per cent. of gross domestic product is spent on early years services. Despite the very successful and massive expansion under the Labour Government, we still spend under 0.5 per cent. of GDP on early years services.

The early years are crucial. My hon. Friend mentioned Leicester and Corby as two examples. I opened a new children's centre in Hertfordshire this morning. It is a nursery school that has expanded into a children's centre and provides all the multi-agency services to children from the early years to age five. The headmistress finds that, as the children embark on their

nursery education experience, those who have been able to take advantage of the early years services are even readier to do better than those who have not had that experience. Intervention from birth is very important.

My hon. Friend spoke about her experience of speech and language therapists and the benefit that she has experienced locally. My hon. Friend the Member for Rhondda (Chris Bryant) asked whether we are expanding their use, and the answer is yes but it takes time. However, some interesting local experiments are taking place, involving the cascading of speech and language therapy knowledge and techniques to those who have not undertaken the full training programme but who can, in the nursery or pre-school setting, do sufficient work to help the development of children's language. That will allow para-professionals to work in early years settings and is one way of growing the competences more quickly than through the full training programme, which takes a long time to produce fully trained professionals, of whom we need more.

My hon. Friend the Member for Erewash mentioned our record to date, and it is worth reiterating that, before we came to office, there was hardly anything for children in their early years. There was no national child care strategy. We now have places for 1.2 million children, which did not exist before. There was no commitment to nursery education, but we now have a universal service throughout the country, so that all three and four-year-olds can have access to part-time nursery education for five days a week. We managed to deliver that six months before we said we would in our 1997 pledge.

There are more than 500 Sure Start programmes throughout the country, all of which are benefiting the children living in those areas. They are situated in the most deprived areas in the country, which is important in ensuring that those who can benefit most from early intervention have the opportunity to do so.

As my hon. Friend knows, we are trying to bring together the experience that we have gained with all the initiatives that we have tried during the past five years into the concept of children's centres. It is worth reiterating for the record what children's centres will deliver. They will provide good-quality early years education combined with full day-care provision for children of a minimum of 10 hours a day, five days a week for 48 weeks in the year. That provision will be substantially led by a teacher to ensure that we sustain and enhance quality.

The centres will provide an important outreach to parents. If I came back with only one plea from my visit this morning to Hatfield, it was that we should invest more in supporting parents in the difficult task of bringing up their children. The centres will provide a range of family support services, including child and family health services and antenatal and health visiting services. They will provide support to children and parents with special needs, and I know that my hon. Friend has a particular interest as chair of the all-party group on autism. The centres will provide strong links with Jobcentre Plus, local training providers and further and higher education institutions, so that they can support our welfare-to-work strategy, which aims to lift children out of poverty by providing job opportunities for their parents.

The model that we have developed for England is stronger than those that I have seen in some of the Scandinavian countries. Investment in those countries has been made over a longer time, but it has been on the welfare-to-work agenda, providing child care to enable parents to participate in the labour market. Our model is more child focused, takes a more holistic approach to the needs of the child and, over time, will prove more effective in turning around children's opportunities.

My hon. Friend made several points about the Children Bill and spoke about how, through it, we are embedding early intervention and working together across professional boundaries as key features of the delivery of services for children, not just in their early years but through all childhood and youth, from nought to 19. She asked me whether Sure Start managers will be involved in appointing children's directors, which is an important part of the proposal. I cannot promise that, because it is an issue for local authorities to determine, but the posts will be crucial because they will ensure proper accountability. They will embody the integration that we want in the front-line professional services that touch children's lives.

On whether children would be involved in the appointments, that, too, will be a matter for local authorities. It is part of our thinking to put children and young people at the heart of everything we do to configure and provide services. We want children to be involved in the appointment of a children's commissioner for England.

One of the big culture changes that makes co-location so important is that we want people who are not used to working together, whether they are from health, teaching or social care professions, to develop a mutual understanding of children's development. We want them to work across boundaries—even developing the same vocabulary would be a start. Co-location is one of the levers we can use to encourage that culture change. The others are leadership, training, the pooling of budgets and to set and to inspect targets for children's services in the locality.

My hon. Friend drew attention to what Camden is doing to bring the Sure Start programme into the mainstream and I entirely agree with what she said. One of my strong messages has always been that people do not have to wait for extra Government funding to change the way in which existing services for children are delivered in their locality.

Before the debate, I was engaged with officials in working out how to recognise and to brand the next group of children's centres. Although we will fund many of them, we hope to find mechanisms to brand others that do not get specific Government targeting, but which have all the features that I described, which we want in a children's centre. As my hon. Friend said, this is all about commitment and creative thinking. We want to spread knowledge and understanding of new ways of working, building services around the child and working together in multi-agency teams to improve outcomes for children. I am sure that, as we build and spread that knowledge, local authorities will respond by reconfiguring their services in a much shorter time than Government funding will enable us to do.

My hon. Friend asked what encouragement we could give and whether there would be some seed-corn funding for potential roll-out in the areas. I will consider

[Margaret Hodge]

that further. However, we have given money to some areas that are not in the most deprived wards in England, but where just a bit extra will enable them to develop a Sure Start children's centre. We are considering what further work we can do to encourage that development.

Much of the Children Bill is built on what we have learnt on what works for children through the Sure Start programme. We want to spread that learning throughout children's lives from nought to 19, not just in education and social care, but through children's trusts, extended schools, the development of children's directors and integrated local services, and by bringing into the community health services that work with children.

I am grateful to my hon. Friend for securing the debate. Although short, it has been fruitful and I look forward to further opportunities to discuss the issues to enable us to provide equality of opportunity, which is at the heart of what politics should be about.

Older People (Sutton)

3.59 pm

Mr. Paul Burstow (Sutton and Cheam) (LD): I start with what I hope the Minister will regard as a piece of good news. The Carers (Equal Opportunities) Bill, a private Member's Bill currently going through the House, has just concluded its Committee stage and has emerged without a vote and with a clear consensus that we hope will see it make its way on to the statute book. In a previous incarnation as a Back Bencher, the Minister introduced and took through the House private Member's legislation for carers. This issue is close to his heart and it is also relevant to the debate on older people in Sutton, which I have been fortunate in securing today, because many of my constituents who are senior citizens are also carers.

I am pleased to have the opportunity to report to the Chamber and the Minister on a project with older people that I have been undertaking in my constituency. Over the past 18 months, I have been working closely with a range of voluntary and statutory organisations to consult older people and devise a strategy for older people living in Sutton—the aim being to listen to them and devise a strategy reflecting their concerns. I was fortunate in working closely with the Sutton seniors forum and my local branch of Age Concern, whose input has been invaluable. The seniors forum, under the leadership of the chairman, David Dombey, meets every month and regularly attracts more than 200 senior citizens to its meetings, where the issues that are covered reflect the wide range of concerns and interests of older people in the London borough of Sutton.

Sutton borough Age Concern provides a range of services for older people there. One of the most important services that it has established lately is its users and carers group, which I shall mention in a minute—not least because it is made up of older people who have been trained to work with other older people to help them talk and to find out their views on services. That group's work has been valued by Sutton council and the Sutton and Merton primary care trust.

After a round of meetings in late 2002 with council leaders, the PCT, Epsom and St. Helier NHS Trust chief executives, the local police borough commander and others, I felt that I had, in principle, a green light to start pulling together the strategy. I established a steering group with members drawn from the Sutton seniors forum, the users and carers group, Age Concern, local churches, the local authority social services department and community engagement teams, the local NHS change agency, and the older people's matron from Epsom and St. Helier, as well as a number of representatives from the PCT.

The group organised a conference that took place last July. More than 300 older people have taken part in the process, thereby contributing their ideas and time. On the day of the conference, 100 older people took part. The day was organised around a series of open questions, the aim being to create a climate in which everyone felt able to take part and contribute their ideas. There was a lot of brainstorming and small group work and people were asked to prioritise the issues that arose. A mass of good ideas came out during the day, including concerns about young people, policing and crime, and

the need for a more visible police presence to reassure and deter. Health and access to good-quality chiropody was flagged up, as was the need for more active healthy living initiatives to promote active ageing.

The need to reach out to find and offer support to isolated and lonely people was also raised. That echoes the research published yesterday by the Women's Royal Voluntary Service, which highlighted the terrible cost of isolation and loneliness in our community. The WRVS found that every year 12,000 older people in Britain die alone and undiscovered in their homes. That is the equivalent of 32 lonely deaths every day. It also found that 17 per cent. of older people living alone said that they were often always lonely, and one in seven said that they were isolated in their homes and felt cut off from the outside world. Some 20 per cent. of all suicides involve pensioners. That serious point was raised during the conference and warrants local and national attention.

Transport issues were raised, particularly the attitude of some—I emphasise some—bus drivers, a complaint that was echoed by many seasoned bus users during the conference. Their concern was the tendency to be too heavy on the throttle and too hard on the brake, causing many an injury and many upsets as a consequence.

Money matters and pensions issues were aired during the day. Participants felt hard pressed to make ends meet on fixed incomes. The No. 1 concern expressed was the feeling that those who had saved for their retirement were taxed twice—on their investment and the interest. The feeling was that thrift was not rewarded. There was also a sense of frustration that the contribution that older people can and do make goes unrecognised—for example, the role that older people fulfil as carers, often undertaking many hours of care with no entitlement to the carer's allowance. How older people are stereotyped was also raised, and one example given during the conference was the signs that warn us about older people crossing the road and how offensive those signs are. The fact that they depict an older person bent double with a stick is itself derogatory and insulting to many older people.

Perhaps one of the most positive things to come out of a positive day was the discussion about young people. It began with concerns about antisocial behaviour and calls for parents to control their children more. However, as the discussion progressed, the question was asked, "Why are the parents losing control? Who were the parents' parents?" They were the grandparents, who were at the conference. Although they had perfectly good relationships with their grandchildren and thought them wonderful, they did not know the other children or other young people on their streets, of whom they were fearful. As a consequence of that discussion, there was a strong feeling that work was perhaps needed in Sutton and elsewhere to develop a dialogue between young and old people to find common ground.

Shortly after our conference, at an event organised by Sutton council to ascertain local young people's views on a range of issues, it emerged that they experienced the same concerns about the attitudes of bus drivers, particularly the fact that they were too heavy on the accelerator, too hard on the brake and often too hard on them. The conference generated a mass of ideas, some sense of the priorities that should be taken forward and some of the first steps needed to develop them.

The next task for the steering group was to distil the day into a strategy that would form the basis of actions over the next few years. We took as our starting point the idea that people should not be defined by the services that they receive or by their illnesses or disabilities. They should be treated as people first. They have the right to be treated as equal and active partners by statutory and voluntary organisations in the borough. Before we can change the way in which services are delivered to older people, it is first necessary to change the way in which we think about older people.

The draft strategy has been written and contains six objectives. It is about securing wider ownership of the citizen-based approach that I have outlined; a sustained partnership between older people and statutory organisations; the promotion of a positive image of older people; a dialogue between older and younger people; the promotion of active ageing; and, above all, a joined-up approach to achieve a better quality of life for all older people.

The draft strategy is currently subject to consultation, and the feedback so far has been encouraging. The work on programmes such as the national service framework for older people, the Pension Service and the third age service provides a real opportunity to break out of the normal silos and adopt a more person-centred approach.

In Sutton, older people regularly make their voices heard through the seniors forum and through the work of the users and carers group. The Audit Commission's recent series of reports on the well-being of older people argued for the development of local older people's strategies. The commission points out that only 15 per cent. of older people receive care services, yet policies focus on the services to support the most vulnerable people in times of crisis. That neglects the needs of the wide range of older people who clearly aspire to an active and meaningful life.

To meet the needs of the ageing population, there should be a fundamental shift in approach to considering older people as citizens who are valuable resources rather than as dependants. To achieve that aim, the Audit Commission said that it will get local authorities to do five things. First, they should use their community leadership role to develop strategies locally. Secondly, they should have clear, committed leadership on issues relating to older people. Thirdly, they should involve and inform older people thoroughly. Fourthly, they should have good information on population trends. Fifthly, they should provide comprehensive ranges of services for older people and their carers.

Other organisations such as the national health service, voluntary organisations and the Pension Service should engage in older people strategies and undertake some of their investment planning within such frameworks. The commission will monitor all that in its performance assessment for 2005, so local authorities should be mindful of that over the coming years.

I want to ask the Minister a number of questions. Do the Government agree with the Audit Commission that such strategies provide a useful tool for shaping services around the needs of older people, and for thinking and acting outside the traditional service silos? Does he feel able to offer some encouragement to the partnership work that I have outlined this afternoon?

[Mr. Paul Burstow]

During the conference, concerns were expressed about incomes in old age, particularly but not exclusively those of women. I was grateful on the day that the Pension Service came along and participated in the event. It went away loaded with queries but it was a useful day for it, and it was helpful that it was there. There is a feeling that there is no point in saving because investment and interest are both taxed. Income plays an important part in the choices and independence that an older person can exercise. Does the Minister agree that the Pension Service has a part to play with statutory and voluntary agencies locally to develop programmes to maximise the take-up of the full range of benefits?

I referred to the stereotyping of older people. Ageism is a serious problem. It is a societal and institutional issue and action is required on a number of levels, one of which is legislation. What came across to me during the consultation is that if the scope of the age discrimination legislation that the Government are currently considering is limited to employment, it will fail to tackle the ageism that exists in the provision of public and private sector goods and services. What we really need, and what older people want, is comprehensive age discrimination legislation.

I want to end by expressing my appreciation to those who have made possible all the work that has been done locally. I thank McCarthy and Stone, Abbeyfield, Sutton police, Sutton and Merton PCT and others for their financial sponsorship of the conference. I thank Adrian Davey of the change agent team and Janet Finlay of the community engagement team for their excellent work in facilitating the day. I also thank Les Murrells and all the other members of the users and carers group who helped out on the day. I also appreciate the support of my hon. Friend the Member for Carshalton and Wallington (Tom Brake) on the day. The person I want to thank the most, because they did the most in organising the event and the work before and since is the head of my office, Ruth Dombey. She has worked incredibly hard and done an excellent job on behalf of my constituents.

4.12 pm

The Minister for Pensions (Malcolm Wicks): I am pleased to be able to take part in this brief discussion of an important issue. Sometimes in Adjournment debates, the hon. Member who introduces it represents a constituency that one has never been to and would be hard-pressed to find on a map, whereas today I am talking about a neighbouring borough. I represent a Croydon constituency and I know Sutton well. St. Helier hospital has been mentioned. My wife works in a pathology laboratory there, so I have an understanding of the community that the hon. Member for Sutton and Cheam (Mr. Burstow) represents.

In answer to one question, I offer encouragement to the strategy that the hon. Gentleman is undertaking with colleagues in Sutton. I was interested to hear about the forum. He has been listening to local elderly people. If there were an opportunity for me to make the long trip from Croydon to Sutton, venturing those hundreds of yards across the border with my passport despite snow, hail and rain, I would be grateful to meet members of the forum and the professionals involved. Perhaps we could arrange that to happen in the coming months.

Although our Department is the Department for Work and Pensions, we have a lead responsibility in Whitehall for older people's issues. That does not mean that we run the national health service or the local community police, as the hon. Gentleman understands. However, we have that lead role, and the Secretary of State for Work and Pensions is the Cabinet champion for older people and chairs an important committee. We take that role very seriously.

The demographics of ageing and the ageing of our population are a formidable challenge. I have always regarded it as a challenge rather than a crisis, which some would suggest it is. Having said that, I am always somewhat hesitant in generalising about the needs of elderly people, because they come in all shapes and sizes, so to speak. That became clear to me recently when I visited a nursing home. The youngest resident was 60, and the oldest was 102. Although everyone in that community shared a need for nursing care, there was a wide age span.

Today, unlike 100 years ago, people's retirements may last 30 or more years. The average is probably 20 years. There is a danger of generalising, but one of the major themes of the hon. Gentleman's remarks was that we should not stereotype older people. We must recognise the commitment and contribution that our elders make to the community, as well as some of the more challenging issues of disability and dependency. We should not make the mistake of going to the other end of the continuum and talk about ageing in a romantic and positive way because fundamental issues are involved. Let us consider, for example, the scourge of Alzheimer's disease and the challenges that that poses to care agencies, the health service and the important army of carers, with which the hon. Gentleman, like me, is very involved.

Without our younger and sometimes not so young elderly population, what would be the position of the voluntary effort in our society? Many community and voluntary organisations in Sutton, Croydon and elsewhere are manned, or womaned, by younger elderly people. Many school governors are elderly people. Indeed, many carers are elderly people who often care for their elders, such as a young 60-something caring for a parent who is over the age of 90. We must recognise the contributions of older people not only in rhetoric but in practice.

There is not time to talk about everything that the Government want to do for older people, but I shall highlight one or two matters that are close to the theme of the debate. Our aim is to move towards—we are certainly not there yet—one-stop access to public services for older people. We want dedicated, integrated services, not only throughout the Government, but linked to voluntary organisations and, where appropriate, the private sector, including the utility companies. We are listening to older people and devising a strategy to shape public services positively to meet the wide and varied needs of 21st century senior citizens.

The Labour party's manifesto of 2001 included a commitment to

"build on Care Direct to provide integration of health, housing, benefits and social care for older people. This will be an integrated 'third age service' to help older people".

I shall say more about Care Direct later. We are making progress. We are working with partner organisations, Age Concern, Help the Aged and the better government for older people network, as well as other Government Departments to build the so-called third age service to meet older people's social and care needs. I say "so-called" third age service, because I do not believe that that term is readily discussed on the St. Helier estate or in Thornton Heath. We need a language to describe the service, which real people would understand fully. I used the phrase as shorthand.

I agree with the hon. Gentleman that it is important that we listen to older people. Key to the new approach are joint visiting teams that are built around local service and local authority staff with a single management structure. Joint teams are certainly one of the key building blocks for third age development. They provide a basis for wider engagement with other partners. Nine joint teams are up and running in the south-west, with more to become operational in other regions later this year.

I visited Taunton, Somerset, where Care Direct has really got off the ground. I saw joint teams in action. Local Pension Service people are working in the same team with the same management structure as staff from the local authority. One of them would visit an elderly person and be able to provide information and access to council or pension services. That is what I mean by a joint team approach.

In Somerset, a Care Direct number is being widely publicised. As with NHS Direct, the older person—or their carer, volunteer or whoever—can call that number and get not just information about the things that I have mentioned, such as benefits, pensions, housing and social services, but access to the relevant service. That is so important. That is a simple idea. How many of us, when we want to contact bits of the welfare state, struggle to remember how to do that, and the relevant local phone number? We would like that idea and the joint action teams to be developed.

On incomes, we are working with partners on pensioner poverty. We have designed what we call pension credit with the needs of older people in mind. That policy is now much easier to access. None of us likes filling in official forms; I am not very good at it, and elderly people do not particularly like doing it. With pension credit, if someone wants to apply through a form, they can do so. It is shorter than before and is written in plain English. However, if they do not want to fill in the form, they do not have to. They can ring a freephone number and apply for pension credit over the telephone. Our customer surveys show that elders like to do that. A 20-minute phone conversation will often deliver the pension credit. Yes, the form has to be checked and identification has to be proved for anti-fraud purposes but it is a much clearer approach to applying for pension credit.

I am pleased to say that, at this moment, about 2.6 million people are receiving pension credit. We reckon that, of those, 1.5 million are receiving more money through pension credit than they did under the old income support system. That is important.

Turning to Sutton and Cheam, only a few weeks ago, the Pension Service bus was parked on Sutton high street for a week. Staff from our local service were on board, dealing with pension-related inquiries. On the first day alone, they saw 111 customers, helping them with queries about state pension forecasts, pension credit calculations and the rest.

One example might illustrate our approach. A lady—I will call her Mrs. G—visited the Pension Service bus in Sutton to see if she would be financially better off by claiming pension credit. She was in receipt of state pension, a small occupational pension and some savings. She was a home owner. When the member of staff conducted the entitlement check, it was estimated that Mrs. G would be entitled to more than £22 a week in pension credit. It was also found that she should be getting £18.75 council tax benefit. That is one example of a real success. That is more than £40 extra every week.

Mrs. G completed the relevant application form with the assistance of staff, and has joined the 2,085 households in Sutton and Cheam who, so far—we are still rolling out pension credit—are in receipt of the credit. On average, they are receiving £44.75 a week. Other aspects of our policy are having a beneficial impact.

Mr. Burstow: The point that the Minister is making about the third age service and the arrival of the bus on Sutton high street is useful. Can he say a little more about the Government's intention to roll out the third age service? When might it be rolled out as far as Sutton and Cheam? Some of the benefits experienced in the west country that he outlined would be of interest to both his and my constituents.

Malcolm Wicks: One of the reasons why I was eager to take part in the debate is that the hon. Gentleman's approach to the issue is much the same as mine. There may not always be this Lib-Labery across the Croydon-Sutton boundary, by the way; I am not promising that this benevolence on my part will continue over the next 12 months. I can add only that I hope to say more about those issues during this calendar year. He should watch this space.

In Sutton and Cheam, there were more than 16,000 winter fuel payments last winter. We do not yet have the full figures for this winter. Of the payments for this year, 3,845 were made to people over 80. This winter, those people will have got the extra £100 for households with one person or more over the age of 80. I hope that that will be of interest to the people of Sutton and Cheam as the final snow flurries affect our boroughs.

It is important to recognise that alongside benefits there are many other important issues. The national service framework for older people is a 10-year plan to improve the quality of and access to health and social care services for older people. It includes specific standards on eliminating age discrimination, which is important, on promoting a healthy and active later life and on the improvement of services associated with ageing, strokes, falls and mental health care for older people. That is an important strategy, and we work closely with our colleagues on those issues. We must throw into the dustbin of health care history the notion that, just because one is of a certain age, a medical practitioner can say, "Well, what do you expect at your age?"

[Malcolm Wicks]

Increasingly, medical practitioners are treating a condition whatever a person's age and perhaps we need to progress that even further. That is vital in an ageing community. We recognise the importance of other services such as transport. We are blessed in London by the fact that our elderly people have access to public transport free of charge at certain times of the day; we are in a more beneficial situation than many other parts of the country.

From my conversations with older people, I know that antisocial behaviour—vandalism, petty crime—often makes them fearful about venturing out after a certain time, when it starts to get dark. The hon. Gentleman touched on that. All that we are doing to promote safer communities—putting more police officers on the beat and the rest—is important in relation to that problem.

We are about providing greater incomes in retirement, particularly targeted at the very elderly, who tend to be the poorest. Two out of three people receiving pension credit are women. Why is that? It is because they do not have the full national insurance contribution record due to past working patterns, having brought up children and having cared for other people. They did not have access to the occupational pension. We are also promoting greater standards of care and well-being.

I and the Government are engaged in an agenda at local level about how to rebuild the welfare state—I include the voluntary sector in that—around the needs of older people and their families, rather than expecting older people somehow to negotiate what often seems a complex structure of local welfare services. It is important that the welfare state take the initiative in making itself more relevant to the older person.

Those are fine words perhaps. We must put them into practice by listening to older people, and hearing about their needs and their understanding of their local community, as the hon. Gentleman has done. We do practical things such as creating joint visiting teams and getting the local Pension Service, an excellent new development, to link up with the local council. We have one-stop shops and the one phone number. All those things will help us to translate good principle into decent social health and benefit practice.

Question put and agreed to.

Adjourned accordingly at twenty-nine minutes past Four o'clock.

Westminster Hall

Thursday 11 March 2004

[SIR NICHOLAS WINTERTON *in the Chair*]

Media Intrusion

[Relevant documents: Fifth Report from the Culture, Media and Sport Committee Session 2002–03 HC 458-I and the responses thereto, and First Special Report Session 2003–04 HC 213.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Kemp.]*

2.30 pm

Mr. Gerald Kaufman (Manchester, Gorton) (Lab): On behalf of the members of the Culture, Media and Sport Committee, let me say how much we appreciate the opportunity to debate the report. Although it was issued last year, its resonances are still with us, which is not surprising given that this is not the first time that a Committee under my chairmanship has dealt with the issue. It is almost 11 years to the day since the National Heritage Select Committee published a report entitled "Privacy and Media Intrusion". It is remarkable—two Parliaments and two Select Committees later, with a new Government in a new century—that the Culture, Media and Sport Committee should feel it necessary to carry out a further inquiry on precisely the same subject. That shows that this remains a live issue, which will not go away, regardless of the reactions of those responsible to our report. I welcome the presence of Committee members from both sides of the House, who put a great deal of work into the report.

Although advances in technology, such as mobile phones and computers, may have increased the possibility of intrusions into the privacy of individuals and families, the basic issues remain the same as they were more than 11 years ago, and the two Committees approached them from the same starting point. Like the House and the wider public, my colleagues and I believe in a free press—one that is privately owned, unshackled, able fearlessly to probe wrongdoing by individuals and organisations and able to hold Governments to account. We believe in self-regulation, not legislative shackles.

In approaching their inquiries, both Committees sought to establish whether self-regulation could be made to work better, although the latest report acknowledges more clearly than we could in the previous report that there have been considerable improvements in the results obtained by the Press Complaints Commission. I very much welcome the breath of fresh air introduced by Sir Christopher Meyer, and I pay tribute to Lord Wakeham, with whom I worked on the royal commission on the reform of the House of Lords and keep in touch on several issues. Basically, although not solely, both reports recommend ways in which self-regulation might work better.

The second point that I want to make clear is that neither Committee was concerned with celebrities and public figures. Such people are generally able to take care of themselves. They are familiar with the media and its practices and, as I shall point out later, some of them have quite a lot of money with which to pursue their grievances. However, we do take the view that celebrities and public figures are as entitled as anyone else to a private life, provided that they do not try to have it both ways by exploiting their privacy for publicity or financial gain. When we conducted our previous inquiry, I recall saying how much I resented, on his behalf, the intrusions into Norman Lamont's private credit-card transactions. He was Chancellor of the Exchequer at the time, but no one had any business to know anything about how he conducted his private finances.

The Committee's overriding concern is for private persons, who do not seek publicity, but who may suddenly find themselves on the receiving end of publicity through circumstances not of their choosing and which they would prefer not to have occurred. Because they are private persons, whose only acquaintance with the media is to buy and read a newspaper or to turn on their television and radio, they have no idea how to cope with the way in which an interested media can confront and surround them when, for example, something distressing happens to their family that can put them on the front pages of the newspapers.

Eleven years ago, the concerns of the National Heritage Committee included intrusion into the lives of rape victims and of families of servicemen killed in Northern Ireland. Happily, servicemen are no longer killed in Northern Ireland, but our inquiry last summer focused again on victims of crime, as well as families of servicemen in Iraq.

On both occasions, we welcomed the work being done by the PCC and sought, through our recommendations, to enhance the effectiveness of that work. For example, in our National Heritage Committee report we recommended that compliance with the PCC code of practice should be written into every journalist's contract of employment. The immediate reaction from the PCC was to oppose that recommendation and to say that it was not practicable. However, that provision now forms part of most, if not all, journalists' contracts of employment. It therefore behoves us all, including members of the Committee, to keep open minds when something new is put to us.

Sometimes our recommendations are vindicated. Last year, when the inquiry report that we are debating today was about to be published, it was anticipated, in some quarters, with dire forebodings. It was denounced in advance as "a censor's charter." Mr. Guy Black, the then director of the PCC, who has now moved on to higher things, was particularly blunt about what he thought we were up to. Just before the report was published, the PCC even gave a warning that it might lodge a complaint against us with the Parliamentary Commissioner for Standards—the whole Select Committee would have been up for judgment.

However, once the report was published, all was sweetness and light. *The Mail on Sunday*, which was one of the newspapers most worried about what the report might say, welcomed our approach. So did *The Sun*. If I may say so without being patronising, which I have no right to be, the Committee was particularly impressed with the evidence and the approach of Rebekah Wade, the editor of *The Sun*. If some other witnesses had

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comported themselves with the dignity of Rebekah Wade, our sittings might have been a little less convulsive.

We went from being seen as malevolent spoilers to being thoughtful and constructive overnight. The chairman of the Press Complaints Commission, Sir Christopher Meyer, whose appointment to the commission I have already welcomed, welcomed our report and stated that he was ready to consider implementing some of our recommendations. The letter that he sent me and the PCC response were predominantly constructive. That does not mean to say that it accepted everything that we propose, as I shall point out. Nor did we expect them to do so. However, the tone was calm and dispassionate, and I particularly welcomed Sir Christopher's response to our suggestion that we might have periodic catching-up sessions with the PCC that are similar to the ones that we have with the chairman and governors of the BBC and the chairman of the Office of Communications. That might be a very useful development.

The PCC welcomed our suggestion that its code of practice should be updated to take account of developments in communications and of relevant legislation, such as the Data Protection Act 1998—an Act that in some ways has made it more difficult to obtain information but which acts as a protection to private citizens. Certainly, it should protect private citizens. The PCC agreed with our recommendation—indeed, it acted in advance of it—that lay members of the commission should be appointed for fixed terms and that the lay majority should be increased by one. It also agreed that the appointments system for lay members should be much more open and give more opportunities to people who might not usually be regarded as the great and the good.

The PCC shared our view that the appointments commission should appoint an independent figure to implement a procedural appeals process. Earlier this year, it appointed its first charter commissioner. Again, that is progress. The PCC is consulting the industry on our proposal that the text of a PCC adjudication should be clearly and consistently set out.

Many people—I am one of them—have found that a newspaper can cause an offence against someone and be found to have breached the code or to be otherwise at fault, but that the apology is not necessarily in proportion to the offence. I was blackguarded all over the front page of the *Sunday Express*. The entire front page was given over to my crimes. When it was acknowledged that those crimes did not exist, the apology was buried somewhere in the middle of the newspaper such that one almost needed a magnifying glass to find it. As I said, I can stick up for myself, but the aggrieved feelings of ordinary citizens placed in that predicament are not so easily assuaged.

The Committee proposed that the text of the PCC adjudication should be clearly and consistently set out. The PCC has not accepted outright that a taster for an apology should be published on the front page of a newspaper, but we hope that it will. It does, however, favour what it calls "due prominence" and is keeping the matter under review. Importantly, it agrees that the press archives should be annotated so that offending material is removed from publicly available databases. We all know what happened in the past if something inaccurate, intrusive or objectionable were published about someone. Tagging was not available. Anyone looking up the story either in newspaper clippings or on the internet would find it and use it. Therefore, we welcome the PCC acceptance of the annotation decision.

Rosemary McKenna (Cumbernauld and Kilsyth) (Lab): Does my right hon. Friend agree that an apology on the front page would go a long way to allay people's fears and address their concerns? It would also make journalists and editors who put such articles on the front page think again about doing so unless they are sure of the facts.

Mr. Kaufman: I agree entirely. When members of the PCC appeared before us in this inquiry and on the previous occasion, it was said again and again that journalists and editors have a feeling of shame if a complaint against their newspaper is upheld and they have to publish an apology. That would be more emphatic if due prominence were given to it and particularly if it was mentioned on the front page of a newspaper. I hope that the PCC will come round to our recommendation.

It would be misleading to imply that the PCC has simply rubber-stamped our report. There are aspects with which it disagrees or which it rejected outright. For example, it does not agree with our view that journalists should be entitled to refuse assignments that they believe would violate the code. I hope that the PCC will reconsider that as, on a previous occasion, it reconsidered the question of inserting the code into contracts of employment.

The PCC is not as firm as we would like about reminding newspapers about taking special care in advance with events and issues—for example, the Iraq war—that may generate intense media activity. I acknowledge immediately that most sensible newspapers would take great care in such situations. However, one of my hon. Friends who represents a Plymouth constituency drew to the attention of the House her concerns that before the Iraq war the families of servicemen who had gone to the Gulf were already being approached by newspapers. Any family would be vulnerable at that time, and a little over-fastidiousness is appropriate in such circumstances.

The PCC does not accept our view that it should publish annual league tables showing how publications have fared in relation to complaints and adjudications. I suppose that we could all compile a database, but such league tables would be yet another weapon in the PCC armoury, in that persistently offending newspapers would once a year be held up for attention. That would improve self-regulation. Nor does the PCC accept our view that in some cases successful complainants should be compensated financially, that offending publications should be fined when appropriate, or that complainants' costs, for example, in obtaining transcripts of trials, should be reimbursed. Of course, our Committee accepts that any such penalties should be administered sensibly. It would not be a good idea, for example, to pay expenses to somebody whose complaint was not upheld. Nevertheless, and taking into account the

wealth of some newspapers, we believe that the ability to use both fines and compensation would be an appropriate weapon—not invariably to be used, but available if the PCC felt that a publication had offended particularly seriously.

Although we are gratified with the general response of the PCC to our report, we believe that the PCC and the Government could be more responsive on two major issues.The first is media scrums. We are pleased to see that the PCC has accepted our recommendation that it should co-operate with the Office of Communications in preventing them. Of course, our report dealt with radio and television as well as with the printed press. We have a completely new body in Ofcom, and we will all be watching to see how it deals with complaints. However, there are far fewer complaints of intrusions on privacy from radio and television than from the printed press.

When it comes to doorstepping, however, all public figures who have suffered from it know how intimidating can be an agglomeration of microphones—those woolly things like huge cats—when thrust into one's face; but such people are often surrounded also by a mass of journalists with notebooks calling out for comments. It must be incomparably more alarming for private individuals, whose predicament as victims of crime or as bereaved relatives is hard enough to bear in itself. It is made worse by the sieges that can sometimes take place, with pavement mobs, access to and from their homes blocked and telephone lines jammed by incessant, unwanted calls. All that can range to remote members of their families.

The National Heritage Committee report drew attention to fairly old legislation that deals with besetting, suggesting that it could be brought back into use. It was meant to deal with picketing trade unionists, but it ought to be used again because we believe that the sheer burden of doorstepping, particularly for private individuals, should be dealt with by the police.

Secondly, there is the issue of payments to police for tip-offs. It is true that such action is a criminal offence, but that ought not to relieve the Press Complaints Commission from reminding editors that they should not do it, either directly or through private detectives. The growth in the use of private detectives is something that was brought to our attention repeatedly when we were carrying out our inquiry. With admirable frankness, some editors conceded that they have done it, but it is wrong. It is corruption; it is bribery; it is a breach by those police who do it of their terms of employment. Even though it is a criminal offence, it would not harm the PCC to insert a prohibition in its code of practice and to remind editors about it. Nor ought its illegality preclude the Government from reminding chief constables and the Metropolitan Police Commissioner to enforce the prohibition.

I have to say, with all good will to the Minister for the Arts, my right hon. Friend the Member for Birmingham, Yardley (Estelle Morris), that the Government's response to our report was a good deal more passive than that of the Press Complaints Commission. I know from many years' experience that Governments are wary of offending the press. When we published our report in 1993, the then Conservative Government could have been very worried that if they took action that was offensive to the press, it would turn against them, but the press turned against them anyhow.

Who knows when the general election will be? The Government, who as everyone knows have my total support, may be worried that taking action in this sphere could offend newspapers. I pick up my newspapers every day and it does not seem to me that it needs very much to cause them offence, so the Government might as well take action.

It is no good saying that legal recourse is available to victims of intrusion who feel that they should be compensated, as I fear that the Government did in response to the report, because that requires resources. Michael Douglas and Catherine Zeta Jones, and Sara Cox had recourse to redress in the courts. When photographs of Sara Cox and her husband on their honeymoon, bathing unclothed, were published in *The Sunday People*—the editor was a member of the Press Complaints Commission—Mr. Guy Black implied that Sara Cox was a spoilsport for going to the law. But the Press Complaints Commission obtained a 63-word apology from *The Sunday People* for the gross way in which the privacy of Sara Cox and her husband had been violated. The couple received £50,000-worth of damages and the legal action cost £250,000. That was a useful lesson. It is why, 11 years ago, we recommended consideration of a privacy law with a strong public interest defence.

The National Heritage Committee report listed in an appendix the provisions of the privacy laws of states in the USA. They were not brutally restrictive; they all provided a public interest defence. Many journalists in this country believe that journalists in the United States have much more freedom than ours do here and that they are not inhibited by legislation of that kind. Taking into account the United States, such laws are not regarded as licences for big brother to swoop or snoop. We believe that that should be considered, not to be oppressive or to limit the freedom of the press, but always with the strong public interest defence that enabled a jury to acquit Clive Ponting of violating the Official Secrets Act when he was prosecuted for doing so.

We expressed our concern that the Human Rights Act 1998, under which Sara Cox took legal action, is becoming by default a privacy law, but it is a privacy law only for the rich, made by judges, not by Parliament. Press and public reaction to our report acknowledged that even when we do not agree, the issues we considered are important for a free democracy. Whether we wait another two Parliaments before returning to the subject under my chairmanship may depend on progress meanwhile.

2.59 pm

Peter Bottomley (Worthing, West) (Con): I congratulate the right hon. Member for Manchester, Gorton (Mr. Kaufman) on the reasonableness of his approach and on his elegance. I am glad that our debate is likely to be broadcast on radio rather than television, as I would not have his boldness in making the Select Committee recommendations or in respect of how his tie and shirt complement each other.

I ought to declare that I have, on occasion, taken defamation proceedings against newspapers. I hope never to do so again, whether justified or not, because it is not a nice experience. I have also made some use of the

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Press Complaints Commission in relation to a member of my family. I am putting that on the record, rather than trying to develop an argument from it.

When Sir David Calcutt's report came out, I thought that he was wrong. From what I recall of the National Heritage Committee's report, I thought that it went too far. The present report is better balanced, although I prefer the Government's response and some of their recommendations that do not agree with the report. I do not regard myself as an expert on the detail of such issues.

I think that it is important that there are always people in Parliament who will defend the role of the media to suck up all the dirt, to sift it and to decide what is true, what matters and what is publishable. There is a danger that the action of the Data Protection Act 1998 is leading a number of people to withhold information from the media—that includes official bodies such as courts. In Worthing, one of our local newspapers, the *Worthing Herald*, has found it difficult to persuade court officials to allow information about what has happened in court into the open. People can argue that data protection or privacy allows them to withhold information that ought to be made available to all. The role of the media is to make available to all what is known to a few.

I recognise that the debate is primarily about privacy and not about defamation, but the issues can come together for those who want to maintain their privacy or to maintain a degree of privacy about actions that they have taken or are thought to have taken. The press need to have the right to be wrong; they need to have the right to do what is wrong, and they need to be robust enough to take the criticism or the exposure when that comes. The best way of dealing with that is generally for broadcasters to be prepared to be robust about the printed press and for the printed press to be robust about the broadcasters. I regret that some programmes—I think that "Hard News", with Ray Snoddy, was one of them—are no longer available that could give a running commentary, not quite in real time but within a week, on what has been going on. Some newspaper articles are good, but in general one needs to have a programme and a set of columns that are prepared to go into issues as though they are as interesting as debates in Parliament are at times.

Too often, the herd instinct of the media leads to the kind of scrum that has been properly referred to in the Select Committee report. It is curious, and it has been observed elsewhere, that the number of pickets that can be outside someone's house is limited, but that there is no limit on the number of media people who can be there. I do not think that there is a statutory answer to that, besides in extreme cases getting an order from a magistrate banishing people to a certain distance.

The PCC and the broadcasting regulators should be able to take the kind of action to which the Select Committee referred. It is a practical problem that is capable of resolution, but there have been some disasters on a fairly grand scale, and it is difficult to see how that can happen in the short term. For example, with the terrible consequences of the bombs in Madrid today, where hundreds have been killed and injured, it is ludicrous to believe that there will not be some intrusion into privacy. I can think of four other examples: the King's Cross tube disaster, the Kegworth plane crash, the Heysel stadium disaster and the funeral of Oscar Romero in San Salvador.

Where the media are either present or attracted, the intrusion will cause a great deal of shock and horror to some families when they discover that someone that they are close to has been involved. That is unavoidable. However, some intrusion is avoidable, and the Press Complaints Commission, or perhaps the local police and a certain sense of restraint among the media, managed to achieve that in Soham. That is an example of where there were very few substantiated complaints of serious intrusion.

The problem for the media is where to draw the line between investigation and the herd instinct: the mentality that they need to be there because everybody else is there. I defend the media most on the issue of what I call digging for dirt. For example, if one of my constituents were to say that the insurance for his block of flats appeared to be coming out at six times the rate at which an ordinary insurance company would cover it and wonder whether the freeholder, who takes out the insurance and then passes the cost on to the leaseholders or tenants, is ripping them off, obviously, it is possible to ask the police to take an interest in whether there might be a fraud, or, on a larger scale, to ask the Serious Fraud Office to investigate, but it is often just as easy to find a local or regional newspaper that will investigate the matter and then raise the question in the open, while insurance companies will say that it is a privacy or data protection issue.

The media should be encouraged to take on such cases, because the disinfectant quality of investigation by a newspaper or broadcaster, or the transparency effect of a report, can be mighty impressive. That is what Esther Rantzen used to do on "That's Life!", and what some of the consumer protection programmes on television, and a fair number of people in the press, especially the financial press, have done.

The Select Committee's main concern is for people in their private lives rather than in business: for people to whom something happens that leads to interest from the media that they do not welcome and that many would say is not justified. I agree with the Chairman of the Select Committee that the newspapers can be pretty arbitrary in some of those cases and can give them a prominence that is not justified in the minds of most people. The question of proportionality is least susceptible to regulations laid down in the Press Complaints Commission or by the courts. It is far better to have strong arguments, criticisms and rebuttals, or attempted rebuttals, and to have the process go around again than ever to get to the stage at which we seriously believe ourselves to be at the last-chance saloon.

Rosemary McKenna: We heard evidence in private from people who had been seriously damaged by the media. What would the hon. Gentleman say to someone like the person who told us about a completely inaccurate report that was published on the front page of a newspaper, which was incredibly damaging to their family, and although they eventually got an apology, they still felt that they and their family had lost out?

Peter Bottomley: If that happened to me, I hope that I would think, "We are prepared to accept casualties in

wartime, yet the open society in peacetime will not be casualty free." It is arbitrary and it is unfair. The question that we have to face is whether a system guaranteed to prevent that from happening would have a higher cost overall, and whether there would be many more innocent victims if the press were unable to go in for things that are wrong and disproportionate. In such a situation, I should hope that proprietors would admit that the complaints were justified, and would tell the editor or duty editor responsible, "You were wrong, and I'd like you to go and see the family and explain how it happened, why it happened, and that not only are we, the organisation, sorry, but that you are as well."

The number of occasions on which proprietors have done that, or ensured that it happened, is limited. I can think of only one such example—or possibly two—involving Rupert Murdoch, and I can think of a few occasions on which newspapers have clearly got things disproportionately wrong or have been incredibly offensive to groups. What the hon. Member for Cumbernauld and Kilsyth (Rosemary McKenna) rightly says is that that happens to individuals, and individual families, and one needs to have a way of getting people to say openly, "I'm sorry, we made a mistake," if not shaming them. If people are prepared to say that, they are less likely to make the mistake in the first place.

I do not want to put too much into this debate because of the level of detail that the Select Committee went into, but I reiterate that whoever helped the Ministers to draft their reply was right: the Government are correct to be reluctant to go as far as the Committee has invited them to go.

3.9 pm

Chris Bryant (Rhondda) (Lab): I am grateful to have an opportunity to speak in this debate, not least because the Committee went through a fascinating process. Many of us approached the debate from the beginning with an open mind, because we recognise that a free press is one of the most important bulwarks of a free society. More than that, the right to publish one's version of a story is an essential part of a modern democracy, even though it may sometimes conflict with an individual's desire to enjoy their privacy, and the desire of their family, extended family and those whom they love to do likewise.

We did not want to examine the issues with the minds of politicians who might at any moment be subjected to all sorts of interest. Perhaps I should declare an interest myself. We also wanted to ensure that our approach would be of significant value to our constituents. I think that every member of the Committee had constituents whose story had been told, normally in a local newspaper, rather than a national newspaper. Sometimes the story had been reported fairly calmly, albeit slightly intrusively, in the local newspaper, but when it was translated into a national newspaper, the reporting was less calm and more hysterical, and carried a bigger headline. Obviously, the story also received much greater publicity, because it was in the national arena.

The intrusion into people's lives that was felt during that transition from a local newspaper to a national newspaper, sometimes without the facts having been checked a second time, added to the sadness and the sense of being violated that the individuals concerned felt. There was one such case in my constituency, although I shall not recount the details, because for me to do so would to repeat the original breach of that family's privacy. That is an example of the biggest difficulty in trying to introduce a system that matches the rights to privacy with a free press and freedom of expression. Once a newspaper or broadcaster publishes a story that breaches somebody's privacy, how can the system give that person redress without the problem being put into the public domain again?

Probably every debating society in the land holds a debate at least once a year about whether public figures have a right to a private life, but the Committee tried to stick clearly to the understanding that that was not the issue for us. We were concerned with those who, without prior knowledge or desire, were unwittingly thrown into the limelight, such as victims of a tragedy. The hon. Member for Worthing, West (Peter Bottomley) referred to today's tragedy in Spain. Many people in Spain, and doubtless in the UK too, who watch the images of Atocha station on the news today, will be worried that they are about to see people whom they know and love in distress or injured—or, for that matter, dead.

In addition to that, however, many journalists over the coming days will understandably want—I do not mean to use a pejorative word—to crawl around, trying to find people who have been hurt or families that have been affected. In that process, the original hurt and damage can be made that much worse for families and individuals, but I do not think that any of us would want to condemn journalists for wanting to do that. They are simply trying to tell the story of a great tragedy on the European mainland. However, there must be a sense of decency, so that people are allowed to live their lives and recuperate from an event such as today's.

A similar example concerned Soham. The horrific events that we all know about were reported at some length, and that was understandable. However, in the desire to tell the fullest possible story of what had happened there, many newspapers were almost camped out in Soham. It took the local vicar, Tim Alban Jones, to stand up for the community and say, "Hang on. This community is having a very difficult time living through this process. We need a bit of space to be able to get on and rebuild it."

Soham was very fortunate in having Tim Alban Jones, someone who obviously had depth of insight into the workings of the media, and courage and independence, to speak up in that way. However, many communities would not have that.

In my constituency, there have been two double murders in the past 18 months, in one small part of the Rhondda, in Tylorstown. The media, including the BBC in Wales, HTV and local newspapers, have dealt quite well with that community, trying not to pry too much into the private lives of neighbours and distant relatives of those affected. However, it is difficult to get the balance right, and a story of national or international renown makes the difficulty for the media even greater.

Peter Bottomley: The point that I want to make is slightly disconnected, but is prompted by the hon. Gentleman's remarks on Soham. Part of the report is

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about the media and the police. Discussion between the media and the police is often important. It may be—and I am not just speaking with hindsight—that had the police and the media talked more on previous occasions, the Soham murderer's circumstances might have drawn more consistent and persistent attention. That is another example of a need to put something in the balance—not allowing payments to police, which are wrong, but recognising that the police and the media can interact for the benefit of society.

Chris Bryant: The hon. Gentleman makes a wise point. It is true that the relationship between the police and the media must be constant and trusting. I shall come on to the issue of newspapers' attempts, by payments to police officers, to gain information that they should not have, which is different from the right and proper process of enabling a good dialogue to take place between the police and local media. Indeed, often, background briefing of the media by the police is essential if the media are to play a proper role in enabling the police to do their job effectively. Sometimes, that goes wrong.

Privacy is an issue not only when someone is a victim of crime or tragedy, but also sometimes when they have had a great success, such as winning the lottery. That is another interesting area in which the Press Complaints Commission has acted, although, in the end, somewhat ambiguously.

From 1993 to 1995, there was a lengthy debate between the PCC, the Government, Camelot and the courts about whether it was right, first, for a newspaper to offer a reward for the name of someone who had won a multi-million pound lottery award, and secondly, to name such an individual, despite the fact that that person had sought anonymity. The PCC produced an interesting paper, but the issue still, in the end, relies on a hinge point on public interest in the PCC code of conduct.

Broadly speaking, the PCC and many people would argue that where there is a public interest it is all right to breach the anonymity that an individual who has just won the lottery might want to maintain. The difficulty arises over the question whether, while everyone is interested in who has won, that means that there is genuinely a public interest. Sometimes those two issues are conflated.

I have already said that the report was not at all about public figures' right, or lack of a right, to privacy. The report was about ordinary members of the public. That means that it was not about the right to privacy, although we reached a view on that, but primarily about the standards and methods used by broadcast and print media to tell news stories.

My right hon. Friend the Member for Manchester, Gorton (Mr. Kaufman) has already alluded to some of the issues, but one of the most difficult to address is that of the TV and radio scrums that appear outside people's houses. Leaving aside the fact that by recording the house, the crews are revealing that that is where a certain person lives, and that the mere revealing of someone's address is a breach of privacy, we must consider the intimidation that someone feels when they have five or 10 journalists sitting outside their house because they are the victim of a crime or something that has happened in their community.

The individual phone call, repeated three or four times, from a journalist saying that they are from such-and-such a place and asking for a piece of information can also cause trouble. Others have told of instances in which someone has phoned to say that they are ringing on behalf of the police, but it subsequently turns out that they are from a newspaper trying to gain information. Those are practices that every editor in the land would condemn but that many journalists, in private conversations, would own up to.

Those processes are wrong. The intimidation that individuals feel might be alleviated if they knew the process of phoning the Press Complaints Commission and demanding that the scrums desist. Indeed, such a process exists, and whenever it is initiated, it seems to work. However, it would be difficult for ordinary members of the public, who do not spend their time considering such issues, to go through that process.

Consequently, our suggestion that the PCC should make itself more readily known in national newspapers and magazines is important. There should be frequent adverts giving people the telephone number to ring if they have any problem and telling them that there is a way of preventing media scrums outside their house. Most people never think that it will happen to them, but if the information was published regularly, people might manage to get in touch when they needed to.

There is also the issue of how photographs can be deliberately chosen or manipulated. It is hard for an ordinary member of the public to see a photo that deliberately makes them look unhappy, fat, ugly or badly dressed. That is another point to consider when trying to change the standards in modern journalism, and it is especially important when the person is the victim rather than the perpetrator of a crime. One could perhaps understand that someone trying to portray someone as an ogre, for example Myra Hindley, would probably take and use the ogre photo, but many members of the public have found themselves abused by newspapers' deliberate use of unflattering photographs.

The use of private detectives and surveillance firms is also a problem. The PCC code of practice is relatively clear about what is permissible. Article 8 states:

> "Journalists must not obtain or publish material obtained by using clandestine listening devices or by intercepting private telephone conversations."

However, nowhere does the code say that journalists may not use private detectives and other third parties to engage in those activities, and that is one point that we want to be clarified in the code.

In response to the Committee's report and the specific question on banning payments to the police for information, the PCC said:

> "The government's response to the Select Committee sets out in detail why this behaviour would be illegal. It is axiomatic that the Press Complaints Commission condemns lawbreaking. However, it would be for the Code Committee to consider whether it is necessary for the Code of Practice to duplicate the law. The Committee will consider this proposal at its next annual review of the Code, which is due to take place in early 2004."

Given that we are halfway through March, I wonder how early in 2004 that review will take place. I hope that we shall not lose sight of the issue, because such payments suborn police officers and often elicit information that not only should not be in the public domain but may be inaccurate. Such practices are wrong, and we should put a stop to them.

As my right hon. Friend the Member for Manchester, Gorton, rightly said, Rebekah Wade was admirably straightforward in telling the Committee that her newspaper had paid police officers for information, and many editors said that we should take evidence of such practices to the Home Office. However, even though every senior police officer to whom I have spoken has told me that the problem is endemic in their force, the Home Office and the PCC have done remarkably little. Such practices are still a problem in our criminal justice system and in the press, and we must deal with them. I therefore hope that the Minister will say something specific about them and that the PCC will write to us fairly soon to tell us precisely what the code committee decides at its meeting in early 2004.

The Select Committee wants self-regulation to work, and among the other major issues that we considered were the nature of the commission and the code committee, and in particular their memberships. We asked one woman how she had become a member of the commission, and she said—this may sound patronising, but I think that this was accidental, because she seemed like a good woman and an eminent, possibly appropriate member of the PCC—that she had applied because its director, Guy Black, who had been a friend of hers for 18 years, had rung up to suggest that she apply. I am therefore glad that the PCC has taken on board our recommendation that it should have a much more open and transparent method of appointing people, and it is good to see that it has increased by one the number of its lay members.

Two issues remain with regard to the code committee, which produced a code of practice for newspapers. An ordinary member of the public who read a list of the committee's members would find it phenomenally difficult to think anything other than that the committee was incestuous. It consists of Les Hinton, from News International, who is the chairman; James Bishop of *The Illustrated London News*; Mike Gilson of *The News* in Portsmouth; Peter Wright, editor of *The Mail on Sunday*; Doug Melloy of the *Rotherham and South Yorkshire Advertiser;* Ian Murray of the *Southern Daily Echo*, Paul Potts of the Press Association; Derek Tucker of *The Press and Journal*; Neil Wallis of the *News of the World*; John Witherow of *The Sunday Times*; Alan Rusbridger of *The Guardian*; Neil Benson of Trinity Mirror and Ian Beales, who is the sole lay member and secretary to the committee. It is difficult to understand why the whole code committee consists of editors of newspapers. I understand why it is important to have journalists' input, because, as the PCC told us, they understand the industry and the organisations, but if there is to be a heightened sense of the PCC's value, and it is not simply to be judge and jury in its own case, the number of lay members on the code committee must increase.

Peter Bottomley: Writing the code is not the same as being the jury. It has always struck me that one of the stronger arguments for editors writing the code is that they are the people who are supposed to abide by it. The judgment afterwards is separate.

Chris Bryant: The hon. Gentleman makes a clever and an interesting point.

Peter Bottomley *indicated dissent.*

Chris Bryant: The hon. Gentleman seems to resile from my suggesting that the point was clever. The point that I am trying to make is that numerous times during the past few years, the commission has found several of the editors on the code committee guilty of breaches. It is therefore difficult to see that they are not both judge and jury. They are writing a code and refusing to include in it practices that other people might want to see in it, because they know that they will use them in the operation of their newspapers.

The Select Committee made two points about this issue. First, should press members of the code committee be barred from that committee if they have persistently offended against the code, on the basis of, say, "three strikes and you are out."? I am afraid that the PCC responded:

"This proposal would not in fact be practical."

It then gave several reasons why it would not be practical. To my mind, its arguments were fallacious. The honest truth is that no other professional organisation in the world writes and adjudicates on its own code, and once it has adjudicated against itself and its members, allows them to remain to write and adjudicate on that code.

We must be robust with the PCC and say that the lay membership of the code committee should be increased. The code committee should not consist entirely of lay people, but some of its members should be lay people. Again, when we said that the code committee should be re-established with a significant minority of lay members, the PCC said:

"This proposal does not take account of the fact that there is already a significant lay input into the Code."

For the life of me, I do not see how that happens. It certainly does not happen through any formal process, and I do not believe that there is an informal process, other than the Select Committee regularly making suggestions to it about how it should change the code.

Mr. Don Foster (Bath) (LD): I am interested in the hon. Gentleman's argument, but he fails to cite the second paragraph of the PCC response to that issue. As he rightly said, the PCC said that the proposal does not take account of the fact that there is already a significant lay input into the code, but it goes on to say:

"Moreover, the Code is ratified by the PCC itself which has a clear lay majority."

That is crucial and was picked up by the hon. Member for Worthing, West (Peter Bottomley). Surely it is the ratification of the code that is important. I agree with much of what the hon. Gentleman says, but he is making a mountain of this issue.

Chris Bryant: The code committee has a narrow lay majority, not a significant one, and the process is one of

[Chris Bryant]

ratification. Statutory instruments pass through the House and, in theory, we ratify them. However, I am not aware of any statutory instrument ever having been amended by the House and I rather feel that the process is the same for the PCC. The code is written by editors and published with the approval of the chairman of the whole commission. I am not aware of anyone ever having sought to amend it.

Mr. Foster: I apologise for pursuing what the hon. Gentleman himself has said is a relatively small point. However, his example of statutory instruments is also fallacious. In fact, most members of a Committee that considers statutory instruments are Government Members, so in any analogous committee, there must be a minority of lay people.

Chris Bryant: The hon. Gentleman has made my point rather than his own, for which I thank him. My point is that whoever has the majority usually wins. In this case, those who write the code are not even in the majority, but are 100 per cent. of the committee, which consists of editors. I may be labouring this issue too much, because the real issue is whether the code is right and proper or whether it needs amendment, rather than the membership of the code committee. If the public are to have a greater sense of confidence in the work of the PCC, the PCC could do more to bring other members into the code committee as well as into the commission. I openly acknowledge that it has made moves in that direction as far as the commission is concerned.

In terms of the code of practice, I have already referred to the need to update article 8, and I also believe that the code should be updated to allow for significant recent technological changes, as was acknowledged in our report. However, my biggest query is about the way in which the public interest aspect of the code operates. I will briefly read it for the benefit of hon. Members:

"1. The public interest includes: i) Detecting or exposing crime or a serious misdemeanour, ii) Protecting public health and safety, iii) Preventing the public from being misled by some statement or action of an individual or organisation."

I do not think that anybody would quarrel with any of that. The article continues:

"2. In any case where the public interest is invoked, the Press Complaints Commission will require a full explanation by the editor demonstrating how the public interest was served.

3. There is a public interest in freedom of expression itself. The Commission will therefore have regard to the extent to which material has, or is about to, become available to the public.

4. In cases involving children editors must demonstrate an exceptional public interest to over-ride the normally paramount interests of the child."

That all seems reasonable, but the difficulty with a code such as this, which faces in two directions, is that it is all too easy simply to use the argument that because the public is interested in something there is a public interest in it. The public interest must be shown to be substantial if one is to breach the privacy of an ordinary member of the public. The line:

"There is a public interest in freedom of expression itself",

is the point through which the horse and carriage is driven on every occasion in which these issues are disputed before the PCC.

I have two final points, the first of which is the PCC clear preference not to adjudicate. Perhaps understandably, the PCC always prefers not to adjudicate, but to resolve. In most cases a resolution means that the complainant and the editor of the newspaper are brought together and an agreement is made. The difficulty is that because there are so few adjudications, one cannot precisely test what is happening in the industry. In the last three months of 2003—the last period for which figures are available—there were 886 complaints to the PCC. Only six of those were adjudicated on. In the three months before that there were 1,105 complaints and only eight were adjudicated on.

In other organisations there is a deliberate desire to adjudicate so that case law starts to develop and people understand what is acceptable in certain circumstances. I would prefer the PCC to adjudicate in more cases. I understand why many people do not want to go to adjudication. If the case involves privacy or inaccuracy, people do not want to go through lengthy complicated rows with a newspaper and they do not want to perpetuate the story and keep it running day after day and week after week, because that re-emphasises the original problem.

It remains a worry that, of 1,986 complaints made to the PCC in the last six months of 2003, only four were upheld. The PCC would say that that shows that people make vexatious claims.

Peter Bottomley: The hon. Gentleman is going a bit fast. The fact that some cases were determined does not mean that others were not accepted by the editors.

Chris Bryant: Well, it depends what accepted by the editor means. For instance, if a wholly inaccurate report of an event appears in a newspaper and someone complains and the newspaper editor agrees that the paper will carry a letter from the person on page 23 three weeks later, that is counted as a resolution. In both the two quarters to which I refer there are some 150 resolutions of that sort. It is difficult to know whether those resolutions are real in the sense that the claimant is properly satisfied. One could argue that if claimants were not satisfied, they would have pushed for more. However, I believe that there is so much pressure from the PCC to agree the resolution that has been accepted that it is difficult for the complainants to get the proper justice that they deserve.

That brings me to my final point, which is about adjudication. Once there has been an adjudication—in the few cases in which that occurs—and a correction is required, I am concerned about the due prominence that is given to that correction when it is printed in the newspaper. Due prominence on television—on electronic programme guides for the BBC, for instance— means position No. 1, No. 2, No. 3, No. 4 or No. 5. However, in a national newspaper, due prominence usually seems not to mean a taster on a front page, as we suggested in our report, nor even a significant-sized reply on the same page on which the original inaccurate report was made, but something tucked away on the page that is least regularly read. That therefore remains an injustice.

The PCC, in its reply to the Select Committee report, said that newspaper editors are fully aware of the fact that failure to print a correction with due prominence

might in itself be a breach of the code, and that therefore they could be committing a second breach. However, newspapers have no financial disincentive not to breach the code again and have little other incentive not to breach the code, because the penalties against them are so minor. I therefore believe that the PCC should take more proactive steps to ensure that the concept of due prominence is clear and readily understood by both sides. In my opinion, that means that if there is a two-inch headline on page 1 giving inaccurate information, there should be a two-inch headline on page 1 when the correction is made.

I am grateful for the opportunity to speak in the debate and I am aware that the PCC has made significant progress, not least by virtue of the way in which it engaged with us and we engaged with it. However, there is still a substantial way for the PCC and the industry to go if we are to have the kind of press that we can all have confidence and pride in.

3.37 pm

John Thurso (Caithness, Sutherland and Easter Ross) (LD): I congratulate the right hon. Member for Manchester, Gorton (Mr. Kaufman) on securing the debate and enabling this important matter to be discussed. I also congratulate him on the excellent way in which he chairs our Committee. He made his remarks today with the same eloquence and elegance to which we have become used.

As the hon. Member for Rhondda (Chris Bryant) said, of all the reports that we have undertaken, this one attracted the most attention and, throughout our deliberations, caused something of a media scrum in itself. Many Select Committee proceedings on subjects of great seriousness and importance take place throughout the House in many Committee Rooms every day, but they are rarely subject to the level of attention that we received. At one point, I described it as being "carpet-bombed" by the press. It was interesting to observe the way in which different editors and different segments of the press chose to treat us during that process.

As the right hon. Member for Manchester, Gorton said, it is interesting to note that when the report was published, there was a much more measured response. That proved that Parliament and a Select Committee were able to undertake scrutiny in a measured way and to produce a measured report that merited a measured response from those who were its subject.

At the heart of our discussion is the question of the freedom of the press. I do not think any hon. Member would deny that that freedom is fundamental and an essential part of democracy—not only of ours, but of any real democracy. The freedom of the press to scrutinise, to investigate and to help hold public figures to account is undeniable, but that was not the subject of the report.

The freedom of the press, however vital it is to democracy, should be like all great freedoms: it should not be unfettered. Balanced against that freedom is another freedom—that of the individual to enjoy privacy and to be free from undue intrusion. We are talking about the ordinary citizen, not those who have put themselves forward for public office or those who seek a place on the public stage, on the sports field, in the cinema or wherever. We are talking about those who live normal, ordinary lives and who do not seek attention. In most of the cases that we considered, the people concerned had done nothing wrong. They were not involved in crimes, but were merely caught up in events. That is what seemed to cause so much distress.

I was interested in the remarks of the hon. Member for Worthing, West (Peter Bottomley). He said that it was extremely important that the press should be able to dig dirt, and I utterly agree with him. He went on to say that there would be casualties. However, I parted company with him when he said that we should accept those casualties and anticipate some collateral damage if we are to maintain those freedoms. We tried to convey in the report what our investigations had shown—that the damage and casualties are more than occasional and that they are avoidable. Indeed, that kind of collateral damage is unnecessary. As I said, I am not talking about public figures. We who enter into public life take our chances and most of us have some knowledge, experience or training in dealing with the press and do our best.

I shall mention only one case, which arose subsequent to the completion of our report. I shall not mention the name of the constituent concerned, because he does not want publicity. However, he has been forced into the public eye, which is why I am taking up his complaint with the PCC. His original complaint was not satisfactorily resolved. He and his wife were unable to have children. They decided on fertility treatment, and embryos from another source were fertilised by him. Unfortunately, before anything further could happen, he and his wife divorced and she went to live in another part of the country.

A couple of years later, because the law states that embryos cannot be used if a couple have split up, those embryos were scheduled for destruction. There is nothing incorrect or wrong in that, but my constituent's wife has been campaigning against it. Because she is infertile, she is campaigning for those embryos to remain available to her so that she can have children at a later stage. As a result of that, another hon. Member—whom I shall not mention because it would identify the couple—began a campaign on behalf of the wife. That became known to the press.

My constituent was tracked down by the press and doorstepped. One press photograph shows him standing at the door with the son that he had by his new partner—a relationship that had started in the intervening time. He told me that the picture was taken by a journalist hiding in a car and using a telephoto lens, while another journalist knocked on the door asking him if he was who he was. He never at any time consented to the photograph being taken. That is the essential complaint that I am taking up.

The sad consequence, two years after those photographs were taken, was that my constituent's new partner found the situation so stressful that she left him and took the child with her. He is now £60,000 poorer because of the legal process that he went through to try to recover the child and deal with his circumstances. That is wholly unacceptable collateral damage for the sake of a few more copies of newspapers circulated for a few pence. That is why our report was about achieving the important balance between the freedom of the press and the freedom of the individual.

[John Thurso]

I reiterate what a number of members of the Committee have said, which is that we are pleased by the PCC's response and the way in which it dealt with many points that we raised. I must mention one, because our excellent Clerk brought it to my attention. Paragraph 66 in our report highlights the fact that we had suggested that an audit committee might be put in place so that the PCC could audit its own work, as plcs do as part of normal corporate governance. I may even have made that suggestion myself. I notice that the PCC's response in paragraph 12 took that on board and agreed to do it—so one of our suggestions has come to pass.

There are items in our suggestions that the PCC should take on board but has not. One of them is that journalists should be enabled by the code to refuse an assignment on the grounds that it breaches the code. The PCC responded that it was a matter not for the commission but for the editor and employer. We heard evidence that some journalists would refuse assignments if they felt that they would be backed up. The PCC could easily do that, which would give it more teeth and help redress the balance.

Chris Bryant: On that point, it seems that one difficulty is that so many journalists are now on very short-term contracts and their security of tenure is minimal. For those people, the thought of saying to an editor, "I'm sorry—I can't take part in that," is almost unthinkable. Is there is a way of trying to ensure greater continuity of contracts in the newspaper industry?

John Thurso: The hon. Gentleman makes an extremely valid point. It may be that by insisting that the code allows that, it is more cosmetic than real. However, much of what we are dealing with is about perception and message. The debate is about moving that perception and the message to editors, and the line lies slightly further across than they would like.

As the hon. Member for Rhondda said, the balance is between the article that is written, which may be incorrect or require an apology or correction, and the actual correction or apology that is published. One is in 32-point bold type on the front page and the other is in 10-point Times New Roman, hidden away under the weather, so there is an imbalance. We public figures have the ability to redress the balance. We can say things that are privileged and defend ourselves. The private individual caught up in an event does not have that ability. I firmly believe that we still have a way to go to get the balance right.

In that spirit, we approached the question of a privacy law. I hope that I am right in saying that if one took a straw poll at the beginning of our inquiry, the majority of members—I would like to say all members, but I am not sure that that is accurate—had a reticence about recommending a privacy law. The vast majority came to the inquiry with the view that that was not where we would end up. Therefore, the fact that we made our recommendation was as a result of the process, and was not a preconception that we had when we started.

I was passed a note at the beginning of this debate from my hon. Friend the Member for Bath (Mr. Foster), which says, "If you speak in favour of privacy law, please say you're on your own and I'll be rapping your knuckles, cos it's not party policy." I look forward to that rhetorical flagellation in due course.

As the Select Committee took and considered evidence, it became clear that the legal position is very uncertain. Our argument should not be misunderstood: it is not that there must be a privacy law because the press are bad and must be controlled. It is that the legal position has become unclear and must be clarified, and Parliament must undertake that role. It is probably best put in paragraph 109, where we referred to what Mr. Justice Lindsay said:

> "The recent judgment in *Peck v. United Kingdom* in the ECHR . . . shows that in certain circumstances where the law of confidence did not operate our domestic law has already been held to be inadequate. That inadequacy will have to made good and if Parliament does not step in then the Courts will be obliged to."

That is the real crux of our recommendation and why, on balance, we firmly recommend that the Government reconsider their position. We are asking the Government to introduce legislative proposals to clarify the protection that individuals can expect from unwarranted intrusion. We are not arguing for any draconian privacy law, but simply for clarifications in the law and reasonable protection for civilians in the media that we all enjoy so much.

Above all, our report, and the process that it went through, showed that a Select Committee undertaking a difficult inquiry in the face of some quite public opposition, was able to produce a measured report to which those at whom it was aimed were able to respond well. The movement in and the evolution of the PCC is in no way different from the conclusions of this Select Committee, and its predecessors, which have been leading it along the right path.

3.57 pm

Mr. Don Foster (Bath) (LD): I hope that there will be an opportunity to discuss the establishment of a new PCC—not, as in this case, the Press Complaints Commission, but the Privilege Complaints Commission. I should point out to my hon. Friend the Member for Caithness, Sutherland and Easter Ross (John Thurso), whose speech I thoroughly enjoyed, that he managed very cleverly to avoid the rapping of his knuckles by pointing out at the end of his speech that the Committee had not after all proposed a full-blown privacy law, but was merely asking the Government to consider the issue. I have to say that that is not entirely how I read the Committee's report, but if that is the interpretation that he wants to put on it, he has got himself out of the knuckle-rapping that he was otherwise owed.

Chris Bryant: Is the hon. Gentleman suggesting that a Liberal Democrat would use sophistry to get out of a difficult position in politics?

Mr. Foster: The Liberal Democrats use a lot of methods to get themselves out of difficult positions, but I am delighted to say, as was admirably demonstrated by my hon. Friend, that we are consistent in what we say on these issues.

I begin more seriously by saying that I genuinely welcome the timely report from the Select Committee. I congratulate the Chairman and members of the Select

Committee on their work on it. I was going to describe the Chairman as "colourful", but for part of our deliberations we were joined by the hon. Member for Sittingbourne and Sheppey (Mr. Wyatt), who showed that there is a rivalry among members of the Committee for that appellation.

I welcome the report and the helpful and constructive responses of the Government and the PCC. The report is timely, not least because, as it says, the current situation is one of uncertainty. As many right hon. and hon. Members have said, it will always be a difficult balancing act between two competing issues, the first of which is freedom of expression for the media, which is vital in a free and democratic society. If anyone doubts how important that is, they have only to look at two countries: Zimbabwe, with its growing move to totalitarianism and the impact that it is having on the freedom of the press and its restrictions on journalists and newspapers; and Iraq, which has moved away from the tyranny of dictatorship, and is witnessing the burgeoning of a free press.

It is crucial in a democratic society for the media to have freedom of expression. I say in passing, as I have referred to the media and not just to the press, that it is a pity that in response to the Hutton inquiry leading members of the BBC suggested that the corporation should not be involved in breaking news stories. That seems to mean that there will be less investigative journalism from the BBC, which would be a retrograde step, for the reasons given by the hon. Member for Worthing, West (Peter Bottomley) and others.

The second issue, as my hon. Friend the Member for Caithness, Sutherland and Easter Ross and others said, is the fact that it is crucial to respect individuals' private lives and get the balance right. However, as the report acknowledges, there are already laws relating to both issues, including, most recently, data protection and human rights legislation.

I was almost overwhelmed by the list of relevant legislation quoted in paragraph 100 by one of the Committee's witnesses, Mr. Paul Dacre, editor of the *Daily Mail* and editor-in-chief of Associated Newspapers. He wrote:

> "The press in this country works under some of the most stringent and powerful laws of any western democracy. The libel laws, contempt of court, the provisions of the Youth Justice and Criminal Evidence Act, the Children Acts, the Law of Confidence, the body of law restricting the reporting of certain cases in court, the Protection from Harassment Act, the Copyright laws, the Data Protection Act, the Human Rights Act, the Sexual Offences Act, the Representation of the People Act, the Access to Justice Act, and other numerous restrictive laws already add up to a huge body of legal controls."

In view of that long list, it would be tempting, for that reason alone, to support the Government's opposition to the Committee's recommendations in respect of the possible establishment of a new privacy law, but I support the Government's argument for rejecting that proposal, as set out in paragraphs 2.3 to 2.6 of their response. They are right to say that a privacy law is, certainly currently, unnecessary and undesirable. The Government go on to say, and I agree with them, that the

> "weighing of competing rights in individual cases is the quintessential task of the courts, not of Government, or Parliament."

Saying that does not mean that I believe that there are no other areas where further legislation or amendments to existing legislation should be considered—not necessarily areas covered by the report. Nevertheless, I remain to be convinced that we yet have adequate legislation on physical intrusion or libel. We currently have unpredictable awards and too many legitimate cases that go unheard.

In spite of what I have said, I believe that the Government are right in their firm rejection of the proposals for a new privacy law. I also support other aspects of the Government's response to the Committee's report. However, some of their responses are odd, to say the least; some seem inconsistent with the approach that they have adopted; and, in some, they have simply got things wrong.

Other hon. Members have dwelt on positive aspects of the response, and it was right that they should do so. Rather than repeat what others have said, including the Chairman of the Select Committee—who pointed out how the PCC has adopted, or at least accepted for future adoption, many of the recommendations—I shall spend a few minutes pointing out some of the inconsistencies in the response received by the Committee.

I happen to agree with the PCC's outright rejection of a league table for offenders against its code, but I am surprised that the Government, who are usually a huge promoter of league tables, as the Minister would be first to acknowledge, have gone silent on the issue. It would be useful to hear her view, and the Government's, on that proposal, which, as I have said, I do not support.

Chris Bryant: Why?

Mr. Foster: I draw the hon. Gentleman's attention to the PCC's response to the question, which I am sure he has already read thoroughly, in which it points out the possibility of inaccuracy and misinformation, leading to great unfairness. I do not know the hon. Gentleman's position on school league tables, but I am sure he would acknowledge that although those have been developed, modified, codified and added to for some years, many people still believe them to be misleading and a cause of problems.

Chris Bryant: Does the hon. Gentleman accept that readers of *The Guardian*, *The Daily Telegraph* or *The Times* might want to know fairly regularly—annually—whether their newspaper was constantly being told off by the PCC? Would they not like to know whether the PCC believed that the information regularly being put before readers was likely to be true and accurate or in breach of the code?

To answer the hon. Gentleman's question, I am in favour of intelligent league tables.

Mr. Foster: Perhaps if the hon. Gentleman can convince me that there is a way in which we can produce intelligent league tables I may change my mind. My answer to his legitimate question is that I do want to know about the newspapers that I read and the accuracy of their reporting, which is why I agree with the Select Committee report about the prominence that must be given in any newspaper to an adjudication against it. That is a far better approach than a potentially spurious and inaccurate league table.

[Mr. Foster]

As I am sure the hon. Gentleman knows, the Committee's report gives its own version of a league table, on page 22. I suspect that on analysing some of the data, we may begin to disagree about whether the figures are correct.

The Government, while rightly willing to give their views on many matters dealt with in the report that are outwith their control, are strangely silent on some that are within their control—in particular some of the recommendations. For example, the Committee recommends, sensibly in my view, that it should be possible during an Ofcom hearing about a complaint against a broadcaster for the complainant to be allowed to make a full recording of the proceedings. I find it odd that that issue is missed, given the large number of issues that the Government touch and comment on.

One of the issues is the Committee's proposal for the PCC to establish a twin-track procedure. I may have misunderstood the Committee's intention, but when I read the Government's and the PCC's responses, I think that on both occasions they have totally misunderstood what it proposes. As I understand it, and I would be grateful for clarification from the Chairman if I have got it wrong, the Committee is proposing that on some occasions complainants will not wish to go through a form of adjudication procedure but will simply want the PCC to determine their case, whether they are right or wrong. They do not want a mediation stage, but want to go straight on and to have a decision made. Both the PCC and the Government have completely missed what seems to be a very sensible recommendation. It would be useful to have a response from the Minister.

The hon. Member for Rhondda (Chris Bryant) rightly touched on the issue of illegal payments to policemen. That is an issue of which I have personal experience. A few years ago, I was involved as someone who was running barefoot down the street chasing an armed mugger. I knew that I was involved in that; the person who was mugged knew that she was involved; the armed mugger knew that he was involved. However, the only other people who knew about it in the middle of the night were the police. I found it strange, therefore, that within a few hours of the incident I received a large number of phone calls from journalists. One wonders how they got that information.

Nevertheless, I believe that the Government's response deals with the issue with some complacency, as the hon. Member for Rhondda says. It is particularly interesting that after the report was produced, the Government made reference to the issue in rather a strange way by drawing attention to a Home Office report. However, they did not actually quote the crucial section of that report, which states:

> "Some PSU staff reported problems with officers leaking information to journalists, particularly in relation to high profile cases. In a number of examples discussed, sensitive operational police information emerged in the media, which directly implicated police sources. In this regard, one investigator remarked that his force was "like the Titanic, it's got so many holes". PSU staff suggested that this tended to involve payment of police staff by journalists."

That is in a report published only a few months ago. It is a serious issue; the practice is of course illegal. That does not alter the fact that, as the Committee recommends, it should be incorporated within the code and given as much prominence as possible. I certainly share the Committee's view that the confusion over the issue needs to be resolved.

The Government's responses are generally welcome, and I have touched only on those with which I have problems. The PCC's response has been equally welcome. It has already adopted or agreed to adopt in the future a large number of the Committee's recommendations. I welcome that. Nevertheless, I find some of its responses somewhat confusing. For example, it suggests that there is no evidence that journalists are asked to undertake assignments that would breach the code in the absence of a public interest. As we have already heard, we welcome the steps that have been taken to make that part of the employment contract and so on. However, the evidence given to the Committee, by the National Union of Journalists, for instance, contradicted the way in which the PCC reports the situation.

The Chairman of the Committee raised, quite rightly, the issue of the visibility and prominence of adjudications. The PCC, in saying that it accepts that there needs to be due prominence but not accepting the notion of a front-page reference, suggests that there have been no complaints about prominence, yet the thrust of the evidence given to the Committee, certainly as I read it, expressed a different view.

Those are some of the matters on which I have problems with the responses that have been offered, but generally I welcome the report and the thrust of the responses from the Government and the PCC. I recognise what the report says: progress has been made, but from a very low base. That said, the Committee's recommendations provide a real opportunity to make progress on the issues and improve the situation still further and to do so in large measure through the right approach—an improved self-regulatory system.

4.16 pm

Mrs. Jacqui Lait (Beckenham) (Con): I welcome the opportunity to follow two Liberal contributors, who merely go to prove the old adage that the one thing we can expect from the Liberal party is consistent inconsistency.

Like most other contributors to the debate, I congratulate the right hon. Member for Manchester, Gorton (Mr. Kaufman), not only on chairing his second inquiry into this subject, but on expecting to be here in 20 years' time, by which time he will have chaired at least another two inquiries. I hope that no one will take it the wrong way or think that I am making an announcement if I say that I doubt whether I shall be here in 20 years' time. I admire his persistence.

This has been an interesting debate on an interesting report, for which there was a large measure of support on both sides of the Chamber. Most of the points that needed to be made have probably already been raised, so I shall try not to take up too much time, but I hope that I will be able to cover a number of issues that the right hon. Gentleman raised.

I think that all hon. Members who contributed raised the issue of a privacy law, which is the key to the report and the Government's response—indeed, the report has its origins in the demand for such a law. The interesting

point is that practically all hon. Members talked about a privacy law not in terms of people in the public eye, such as us, but in terms of people who are not and the difficulties that they have when faced with the media scrum in its various manifestations. We all agree about what an unpleasant experience that can be. Even those of us who have experienced it in only a minor way know that it is difficult to handle.

My primary concern is about what could easily happen with a law that was designed to protect such people. In any case, it would be extraordinarily hard, even for our expert parliamentary draftsmen, to draw up a law that was aimed entirely at people who did not have such experience. That is perhaps the basic difficulty that we all have with the introduction of a privacy law. In addition, I do not think that their right to free speech is any more curbed than ours, although we have to recognise article 8 of the European convention on human rights—the right to privacy—which is enshrined in our own human rights legislation. The issue creates a tension. One suspects that that will probably be resolved through the courts rather than in Westminster, and test cases in the courts may indeed be the more effective way to resolve it.

Chris Bryant: That point strikes at the heart of the debate, and the hon. Lady's comments are right and wise. The biggest difficulty is the lack of a sharp divide between someone who is in public life and someone who is not. Is an ordinary schoolteacher in public life? It is hard to draw the distinction. The difficulty that we faced as a Committee was that the people furthest from being in public life, who fall into the public gaze by virtue of an accident or a tragedy, are often those who have least recourse to law because they have the fewest financial resources. That is the injustice.

Mrs. Lait: I have great sympathy with the hon. Gentleman's point and all of us have great sympathy with people who find themselves in such a situation. Another complication is that many people when faced with a microphone react by thinking that they are adding to the sum total of human knowledge and then find themselves facing a media intrusion that they cannot cope with. That is not an improbable situation and it makes the law even more difficult to draft, leaving aside any attempt to translate it to cover people in public life. Even with the best legal training in the world, I would not want to be involved in trying to draft a privacy law to ensure that the people who are least capable of dealing with a media scrum do not have to face it.

My hon. Friend the Member for Worthing, West (Peter Bottomley) mentioned Soham and we saw the terrible pressure that everyone came under there. We can all probably quote other such instances. The Damilola Taylor case is one, where there were terrible problems with the witness who was code-named Bromley after the borough. I represent part of that borough and the family police liaison committee did a first-class job in insulating the people who had a crucial part to play in the case from media intrusion. I do not know the details of the Soham case—my hon. Friend will know more—but one suspects that the experience of liaison officers is increasing so that there is much greater protection for people who are caught up in such appalling circumstances.

That protection may reinforce the argument for the continuation of self-regulation, which I support, but I must also welcome the changes that have been introduced both before and since Sir Christopher Meyer took over as chairman of the PCC. He is obviously having a positive input into its future development in response to the pressures that emerge from time to time through the public reaction to various events.

I welcome the fact that the Committee will see Sir Christopher on a regular basis. I hope that its members have a date in the diary, knowing how difficult it is for meetings to be set up. I noticed that last year, he promised to meet them in May so if a meeting has not been organised, I would get the diaries out fairly soon. I welcome also the positive response of many hon. Members to how he has updated the PCC following the various recommendations that were made to it.

Obviously, the PCC and press have to address some of the changes themselves, which is one positive side of self-regulation, albeit one that is more difficult for the industry to deal with. If the media are to secure the public confidence that they need to maintain self-regulation, they must stay ahead of the public, rather than follow them. It is easy for the press to get into a bunker and say, "Thus far and no further," when, because of the development of new technology, for instance, they do not update the code of conduct for journalists, or whatever the pressure may be. One consequence of today's debate may be an improvement in the way newspapers acknowledge that they have made a mistake.

About 20 years ago I worked in television news and regularly used a cuttings library. Even then, one was conscious that wrong facts had, in the jargon, got into the ether and were repeated time after time. Although new cuttings may be annotated, when one reads some stories, one wonders whether anybody has gone back to the old files to annotate and update them. That would be a serious piece of research work, which the PCC could well consider funding. The hon. Member for Rhondda (Chris Bryant) explored all those issues in some detail and I commend him on his interest.

Fundamentally, however, I think that we are all most concerned about the potential difficulties with a privacy law. In a democracy, we need to balance free speech with privacy. However, we must do so in such as way that our media are not looked on in the same way that, for instance, the French media are. Many people in public life in France enjoy a charmed life, but details often emerge only years after their death. We need to ensure that our press and our broadcasters retain the public's respect and that what they say is considered to be as close to the truth as possible: the truth being a moveable, not an absolute. Interestingly, television, which is one of the most intrusive forms of communication, is the medium that the British public trust most, not the press. When one learns of the more devious means that journalists use to get information, however, one can perhaps understand their difficulties.

Again, I commend the Select Committee on the hard work that it has put into the report. Whenever I say that I agree with the Government, I always remember the fallout from the Child Support Agency. The hon. Member for Bath (Mr. Foster) and I both agree with the Government, which sends a tremor down my spine. However, I believe that self-regulation is absolutely the

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best way forward for the press. I hope that Sir Christopher Meyer and his colleagues reform and update the PCC, so that not only does it meet the difficulties that people see in its format, but self-regulation continues and we manage to maintain our respect for the individual and free speech.

4.29 pm

The Minister for the Arts (Estelle Morris): I join all those who have spoken in thanking the Select Committee, in particular the Chairman, my right hon. Friend the Member for Manchester, Gorton (Mr. Kaufman), for the report. The report is timely and should become an annual event—I shall refer to that later, when I reply to the debate on privacy.

The issue is incredibly difficult, and no Select Committee, democracy or Parliament will or should say, "It's done". We should never feel sure that the press does everything that the public expects and that we can rest on our laurels. That is not the nature of the press, of democracy or of the relationship between the two. My right hon. Friend's opening comments, in which he said that much has improved since 1992 but that there are still areas of concern and much needs to be done—I hope that I do not sound too much like the last Labour manifesto—are probably right and I suspect that that will always be the case.

The issue is a moveable feast in that demands and reflections will change in the light of new events and public concerns. If we solve one set of problems, the public will bring another set of issues to our attention in the next five years. If the Select Committee is setting out an ongoing relationship with the PCC that involves monitoring and reporting back to the House, I welcome that. Given that the House has decided on a self-regulatory rather than a statutory system, the relationship between the Select Committee and the PCC is even more essential.

I want to do three things: first, reflect on the nature of the press; secondly, respond to some of the long list of concerns of the hon. Member for Bath (Mr. Foster); and thirdly, reflect on the privacy issue. Before that, I want to join other hon. and right hon. Members in emphasising the importance of the press in our democracy and parliamentary life. Every week we, as a nation, read or glance through 162 million newspapers—that is a heck of a lot of printed words and pictures to look at. Although every one of the 3,000 or so complaints must be investigated and everything that is wrong must be remedied, we should point out that on the whole the press serves us well. We are discussing what can be done about instances in which we have concerns.

As constituency MPs and national parliamentarians, as the hon. Member for Rhondda (Chris Bryant) said, we know the role that the press can play in unearthing things that go wrong, from thalidomide onwards, and we are aware of the issues and scams, for example in areas of consumer choice, that the press has given attention to. We know what delving by the press can do for our democracy and our constituents and we use that for our good when it serves us. However, we see the consequences of individuals suffering when that goes wrong and the press goes too far. We have been talking about the effect on ordinary individuals rather than those who choose to put their lives in the public domain.

The hon. Member for Beckenham (Mrs. Lait) gave an excellent example in which the good and bad aspects of press delving came into conflict when she mentioned the case of Damilola Taylor. I will mention the case of Stephen Lawrence. In the case of Damilola Taylor, one could argue that the press sometimes went too far. However, had it not been for the prominence given by the press to the case of a young lad who was stabbed to death on a rough estate in Peckham, government might not have been able to respond. We certainly would not have had a national debate about the nature of a society in which a lad behaving himself on the way home from school can come to that end. In the case of Stephen Lawrence, one could argue that his friends and family experienced too much press intrusion at a time of grief. However, the case has led to the rewriting of the way that we do business, and race relations and the way in which the press, politicians and the police act.

Peter Bottomley: This is not the time to go into detail on the Stephen Lawrence case—I regret to say that I am an expert on it—but the key point is that if the press had taken the killing of a teenager in Eltham as seriously as they had taken the murder of a white woman in Luton, more evidence might have come forward; that again would have been a good interaction between the media and the police in solving a crime.

Estelle Morris: I had forgotten entirely the hon. Gentleman's involvement in what, for him, was a constituency issue. I pay tribute to the strength with which he has pursued that case. Interestingly, he has proved my point: his example shows that if the press had done that, national attention would have been focused on the case. I mention that only because it is so difficult to place the dividing line. It is not clear cut.

We heard that people can sometimes be public figures and sometimes not. My hon. Friend the Member for Rhondda—or it might have been my right hon. Friend the Member for Manchester, Gorton; I cannot remember—said that even public figures have the right to a private life. We politicians have always known that we need some private time. We shall never stop discussing the question; all that we can seek to do is to remedy existing errors.

I am sure that other hon. Members will have found it to be so, but when constituents visit my advice bureau to ask me to do something, they sometimes seem to have great confidence in the local press. Indeed, the local press is different from the national press in that respect. If I have to say how difficult it might be to resolve a case, they put their hands up and say, "I'll go to the *Evening Mail*." They speak as if the local papers can do what politicians cannot do—what none of the rest of the system can do. The public have the strange point of view that although they often bemoan the press, they often look to it to remedy wrongs. Therein lies the entire relationship between politicians, the public and the press. When the press do it well, when they get it right, they are the best friends that one could have, and the best buttress of democracy. However, when they get it wrong, the consequences are dire.

Part of the problem is the 24-hour news service. Society sometimes pays the price of wanting and expecting such a service. The media scrums are the result of needing another angle on a story, of needing one more bit of information, one more clip for a programme. The need sometimes becomes so great that it pushes the media into acting wrongly and in ways that might be against the code. That, however, is the society in which we live, and we cannot turn it back.

One of the difficulties that I find as a Minister is that it is a roundabout sort of argument. Having gone for a system of self-regulation for the press, it is easy for the Government—but not acceptable, and perhaps that underlies some of the concerns expressed by my right hon. Friend the Member for Manchester, Gorton about the Government's response to the report—to say, "If it's self-regulatory, it's nothing to do with us." The Government did not intend that to be read into our response. Sometimes, however, it is difficult for the Government to find the right words to express our legitimate hopes and aspirations for press coverage that defends democracy and the public, while acknowledging that the media are self-regulatory. Ministers do not always have the freedom to say what they might say as Back Benchers. What I might have said as a Back Bencher will have to stay in my mind on this occasion.

The strongest complaint made by my right hon. Friend was against the tone of the Government's response, but finding the right words—words that still give the clear message to the press and the public that we accept self-regulation—means that we sometimes have to accept behaviour that we might not tolerate without self-regulation. Sometimes we do not get it right, and we will reflect on that; we shall try to do better for the next report.

The media scrum thing is awful and ought not to happen to ordinary people—it is pretty awful when it happens to anyone. We should not forget that we are ordinary people as well as politicians. I think that we have all experienced how difficult that can be. There has been a preliminary meeting on this issue between the PCC and Ofcom, and more meetings are to follow. Whatever the report says, I would welcome any agreement under which that would not happen to ordinary people, but the media would be able to gather the information that they need to serve democracy and to inform the public. I welcome the fact that that meeting has taken place, and hope that it will come to something.

I find myself in some difficulty over the issue of payments to the police. Of course that practice is wrong, and of course it goes on. I have reread the Government's response. I may get into terrible trouble for saying this, but perhaps it is not quite as clear as it should be on the fact that the practice does go on and that it ought not to. I suspect that anyone who says that they have never heard of that going on, especially in the press, does not have their eyes as open as they should. It is against the law, and nobody—including editors, politicians, people at the Home Office or any other people who have been referred to—is saying that it should be acceptable. However, there is an issue over whether it should be put into the code. Should it be repeated or is it sufficient to rely on the fact that it is already in the law? I do not know whether it would add more weight to repeat it in the code. It is a matter of implementation, not of what is in the law and what is not. It is a matter of the police taking action where they know that there are offenders.

Chris Bryant: Lots of people keep saying that it is illegal, and we all presume that it is, but nobody is very good at specifying the law under which it is an offence. That is why I wonder whether there is not still some room for legislation on this matter.

Estelle Morris: Luckily, I have the relevant page open, so I can answer that question, although the answer will be fairly technical—or perhaps I cannot, after all.

Yes, I can. There are several laws that make it an offence for police officers to receive payments for information, including the Prevention of Corruption Acts, the Data Protection Act 1998 and common-law provisions on misconduct in public office. A police officer receiving payments would also be subject to disciplinary proceedings under the codes of conduct. The issue is not whether the law is there, but whether there is a will to implement it.

Chris Bryant: The point is that it is illegal for a police officer to receive money, but it is not illegal to offer money to a police officer.

Estelle Morris: I am not a lawyer, but I am not sure how a law could be framed under which one cannot offer money to a police officer. For example, if an officer's mum wants to give him a birthday present, she might give him a fiver. I am not sure how that would diminish anything. There is a legal framework that police officers can use to take action. To give is to receive. The receiving of money can be dealt with. What I gathered from the Select Committee was that payments were being made and accepted. The message that I am trying to put across is that, if that happens, action should be taken. The problem then becomes one of implementation.

Mr. Adrian Flook (Taunton) (Con): We wrote our report with the evidence of a national editor in mind: she brazenly said that money had been passed to the police. Since then, a Home Office report and plenty of newspaper accounts have said that that practice still goes on. I am not sure whether it needs to be legislated on, because it is already in law, but surely the fact that it is against the law should be backed up and strengthened in the code, so that nobody can push it aside or say that it does not matter. It would be much more helpful if it was strengthened in the code. According to the commission, however, it is up to the code committee to consider whether it is necessary for the code to duplicate the law.

Estelle Morris: I would have no problem if it were repeated in the code. The code is reviewed annually, although it has not yet been reviewed this year. This is a little like the parliamentary year, in that we are getting into March and beyond. I would have no problem with that, but the code is a matter for the code committee, and it is for the PCC to ratify it. My concern is that it is no good repeating it in the code if the code is not enforced. The point that I was trying to make was that everyone knows that it should not happen, but we know

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that it does happen, and we look to those with the responsibility for ensuring that the law is enforced. The matter is of concern, and no doubt the Committee will reconsider it in another report.

I agree with the comments made about the prominence given to corrections. It is not for the Government to tell editors what the font size should be when corrections are printed, and it would be silly to do so. I simply acknowledge the frustration felt by people when the correction is not as prominent as the error was. I have no doubt that editors and PCC members who read the record of the debate will reflect on the comments made by members of the Committee.

The hon. Member for Bath talked about league tables. The key point is that the information is there and can be gathered together. There is a league table in the Select Committee report, which proves the case. For many years, he and I have argued over a particular league table—the school performance tables—with which we are both familiar, and to which he may have been referring. The position is the same in this case. The requirement is that data be published, so the data are available. School performance information gets into a league table because someone chooses to put it there. The press choose to convert it into a performance table. It would not happen if the newspapers did not choose to publish school examination results as a performance table, because the Government do not publish performance tables.

Exactly the same situation obtains in this case. The information exists, but the press have not chosen to put it into a performance table. The Government will not make them do so, because they do not make them do that with education results. The Select Committee chose to do that. I do not believe that it had any information when it gathered the data. The key point to make is that the data exist. One newspaper chooses not to publish the data, while another one does. It is an editorial decision. It is not for the Government to decide. I would be concerned, however, if the data did not exist. As it is, however, I am not sure whether there is a strong case to be made.

Mr. Foster: Yes, I was referring to the league table that the Minister mentioned. I entirely accept her point about how they are compiled and who compiles them. However, we are debating a specific recommendation made by the Select Committee that the PCC should publish league tables showing how publications have fared in a particular year. It would be helpful if the Government responded clearly on that issue. However, since the Minister said that it can so easily be done and referred to the example on page 22 of the Select Committee report, which I mentioned earlier, will she tell me whether she believes that this league table is helpful where, for example, it combines upheld or partly upheld adjudications, without indicating how much of the adjudication was upheld or how serious the matter was? I find the information totally unhelpful and misleading. What does she believe?

Estelle Morris: The hon. Gentleman makes my point: we get into difficulties of definition the minute we start to talk about performance tables. We have always had this problem. He and I both know that other league tables with which we are familiar have been amended and adjusted for years, and he still does not believe that they should be published. The Government are not going to say that a league table should be published. The Select Committee made the recommendation, but the PCC said that it would not do it. The Government should not comment on whether it should. It is a difficult area. I do not want the public to think that the Government have said that such a league table should be published. Given that we do not do so in relation to statutory services such as tests for 11-year-olds, we will certainly not do so on non-statutory services such as the PCC. Whether the Government express a firm opinion on the matter does not add to the debate.

I disagree with the hon. Member for Bath on the twin-track approach and agree with the PCC's response. Speed is of the essence, and one of the good things about the PCC process is that it deals with cases much more rapidly than most tribunal cases, and other cases that have a legal underpinning, are dealt with. It is important that that speed be retained.

In other areas of our lives in which there is conflict between an organised body and the public, we try to inject mediation into that conflict, whereas in this instance the suggestion is that it should be taken out. I do not see a problem in trying to resolve such complaints without having recourse to a formal process. When a conflict between officialdom and the individual becomes tied up in quasi-legal procedures, and lawyers become involved, there is a danger that it will take much longer and that nine, 10 or 11 months after the process has started, people will say, "If only we could have sat you down in the same room to begin with, we could have solved the problem at that stage." One of the things that I like about the PCC procedure is that there is an obligation to see whether the situation can be resolved with mediation at an early stage. I believe that to be in the interests of "ordinary people", who are not legal people or politicians. Ordinary people want satisfaction, not a big, convoluted case.

I am told that Ofcom is reviewing the codes and procedures, and that the recording of procedures has not been ruled out. That is a matter for Ofcom rather than the Government, but it is still early in the new year as far as that process is concerned. No doubt, as summer approaches, Ofcom will proceed with that.

I turn now to the last but most vital issue: whether there should be a privacy law. In my opening remarks, I commented on the difficulty related to that matter, and I find myself in agreement with the hon. Members for Bath and for Beckenham, but not with my right hon. Friend the Member for Manchester, Gorton—perhaps on this occasion all Front-Bench spokespeople are finding themselves with unusual bedfellows.

The key—and legitimate—question to ask is whether a privacy law would make a real difference. That is a legitimate question about which to have a debate, but I am not persuaded, and the Government are not persuaded, that such a law would make a difference. It would not make the judgment any easier. I cannot think of a law that could define all the difficulties that we have discussed—what is public and private, what is in the public interest, when someone is a public figure and when they are a private figure, and whether there is a

crime involved—and that would give people privacy, and make it easier for the press to make judgments in a way that does not overstep the mark, and that would do that better than the present legislation. We could end up in a mess.

We could end up giving the impression that Parliament seeks to undermine the freedom of the press. I am told also that it would be the first time in 400 years that there was that statutory underpinning of the way in which the press behave. I think that we must continue with the laws as at present—the hon. Member for Bath listed those laws—and use them as guidance. The Human Rights Act 1998 has been an incredible additional law under which people can choose to take cases, but a privacy law would not be the way forward, for two reasons. Such a law would step across the boundary between a free press and public interest, and it would be a huge step for very little extra.

I should like to conclude by paying tribute again to the Select Committee. As democratically elected politicians, there can be no greater job that we can do, both for our profession and for the public, than ensuring that our press remains free and responsible. Our problem, because of the nature of our position, is that that relationship is sometimes quite difficult to define. It is entirely proper, from time to time, that the Select Committee consider the issue and give Parliament the opportunity to debate it. I welcome this debate. Like the hon. Member for Beckenham, I suppose that I shall not be here to respond to a debate on the same subject in 20 years' time, but I wish my right hon. Friend and the members of his Committee well, and thank them for ensuring that we shall have an opportunity to respond to any future report.

Question put and agreed to.

Adjourned accordingly at four minutes to Five o'clock.